

MD 2207 Homes for Londoners Land Fund**GLA Investment Committee****Terms of Reference****Introduction**

1. The draft London Housing Strategy sets out a policy rationale for the GLA to take a more interventionist approach in London's land market, with the aim of getting more homes built; increasing the proportion of affordable homes; accelerating the speed of building and capturing value uplift for public benefit.
2. A £250 million land fund has been established for City Hall to buy and prepare land for new and affordable housing. The fund will be drawn from the GLA's existing and projected housing and land resources and receipts.
3. An Investment Committee has been established as a sub-committee of GLAP to provide leadership and direction to use of the land fund. It will be responsible for preparing an Investment Plan which will be presented to the Mayor for approval; it will scrutinize proposals for intervention and make decisions on asset acquisitions and disposals in accordance with the approved Investment Plan. The Mayor will be updated on activity within the land fund on an annual basis.
4. This document sets out the Terms of Reference for the Investment Committee.

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Terms of Reference

5. The Terms of Reference are as follows:
 - To prepare an Investment Plan for the land fund;
 - To regularly review the Investment Plan and ensure that opportunities are appropriate and in line with the objectives of the land fund and the Investment Plan;
 - To challenge and assess recommendations from Housing and Land and Finance in respect of the land fund ensuring that these meet the objectives of the land fund and the Investment Plan;
 - To monitor implementation of the Investment Plan;
 - To monitor activity within the land fund and regularly review performance and risk;
 - To filter opportunities for intervention to determine those with the potential to be brought forward as business cases;

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- To make decisions in relation to land and property acquisitions, opportunities for land assembly or capital investments which support the objectives of the land fund and the Investment Plan;
- To review and approve draft and final business cases, strategies, and delivery plans for proposed land, property, and/or capital investment opportunities;
- To receive and approve briefing reports where required;
- To provide oversight and strategic guidance;
- To receive and approve progress reports from the programme lead;
- To resolve, mitigate or escalate high-level risks and conflicts that cannot be addressed by Housing and Land and/or Finance working groups;
- To report progress to the Mayor on an annual basis; and
- To ensure all decisions relating to spending and funding is subject to GLA internal approval processes, as the committee's accountable body.

Authority

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6. The Investment Committee is authorised by the GLA to consider any activity within its Terms of Reference.
7. In conducting its business, the Investment Committee must have regard to existing GLA governance.

Membership

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8. The Investment Committee will be chaired by the Executive Director of Housing and Land who will have overall responsibility for the Committee.
9. Other committee members will include the Deputy Mayor for Housing and Residential Development, the Assistant Director of Strategic Projects and Property and the Group Treasurer/Chief Investment Officer.
10. The committee will include up to two external members who will provide advice and make recommendations to the committee as necessary.

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11. The quorum for the Committee will be:
 - a. Two of the Executive Director of Housing and Land, the Deputy Mayor for Housing and Residential Development, the Assistant Director of Strategic Projects and Property
 - b. The Group Treasurer/Chief Investment Officer or his nominee
 - 10-c. One of the external members

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Operation

12. Members will declare any interests arising, including any interests relating to the land or property proposed for acquisition or disposal and also any interests relating to land or property adjacent to the land or property proposed for acquisition or disposal. Details of current ownership of the proposed land or property and that adjacent to it will be documented in the relevant full proposals, to the extent this information is reasonably obtainable by the GLA.

13. As a means of creating-delivering robust assessment with a clear audit trail, the following multi stage assessment and monitoring process will be adopted:

Stage	Purpose	Optional/Mandatory	Link to GLA Decisions	Originator(s)
A	Initial idea, presented to committee for an early steer and feedback. Reporting to take the form of a draft business plan.	Optional	None	H&L
B	Full proposal backed with detailed due diligence – in the form of a business plan.	Mandatory	Must be supported by AD and Deputy Mayor	H&L Finance Legal
C	Final transaction report, including e.g. loan documentation, heads of terms etc.	Mandatory	DD to authorise expenditure	H&L Finance Legal
D	Follow on investments: if for example a JV needs further funds.	Mandatory if a Follow on investment is required.	DD to authorise expenditure	H&L Finance Legal
E	Report Pre-exit if a decision is required; e.g. to dispose of property or equity	Mandatory (except for loan maturities)	DD to authorise	H&L Finance Legal
F	Post transaction report confirming realised return on investment and reflecting on lessons learned	Mandatory	None	H&L Finance

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Support arrangements

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12-14. Interdepartmental working groups will be created to prepare all reporting required for the stages highlighted above, supported as necessary by relevant external resources.

13-15. GLA Secretariat will attend committee meetings to provide secretarial and logistical support, take the minutes of the meeting and provide advice on governance and procedural matters.

Attendance at Meetings

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14-16. The Executive Director of Housing and Land (Chair), the Deputy Mayor for Housing and Residential Development, the Assistant Director of Strategic Projects and Property, the Group Treasurer/Chief Investment Officer and up to two external members will attend committee meetings.

15-17. The overall programme lead and individual project leads will attend meetings as appropriate, or upon the request of committee members, to facilitate discussion of any given matter.

Frequency of Meetings

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16-18. Meetings shall be held monthly or at such other intervals as the committee may agree. The Chair of the committee may decide to cancel meetings or call additional meetings as required.

Reporting Procedures

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17-19. Recommendations to the committee shall be by way of a report to the relevant meeting. Reports for consideration by committee will normally be issued to Members a minimum of (5 working days) before the meeting.