

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD 3015

Title: London Legacy Development Corporation (LLDC) transition – approval of reset LLDC, ending of planning powers and Mayoral Development Area boundary consultation

Executive summary:

The London Legacy Development Corporation (LLDC) is a Mayoral Development Corporation established in 2012 by statutory instrument under the Localism Act 2011. Approval is sought for the body to move to a “reset LLDC” model from 1 April 2025, with a reconstituted Board and governance structure; and (subject to consultation) a reduced geographical development area from 1 December 2024. Approval is also sought to formally remove all the LLDC’s town-planning functions from the same date; these would then return to the four London boroughs of Newham, Hackney, Tower Hamlets and Waltham Forest. The continued purpose of the reset LLDC would be to deliver the ongoing management and regeneration of the Queen Elizabeth Olympic Park area. Approval is sought for the LLDC to consult on the Mayor’s proposal to reduce the Mayoral Development Area (MDA). It is also proposed that the LLDC begins work on preparing a statutory transfer scheme, relating to the transfer of the LLDC’s planning functions back to the four boroughs.

Decision:

That the Mayor:

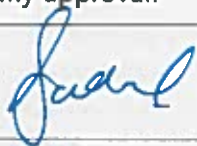
1. approves the move to a “reset LLDC” model of operation from 1 April 2025 with a reconstituted Board and governance structure, the removal of its town-planning functions from 1 December 2024 and (subject to consultation) a reduced MDA from the same date
2. decides, for the purposes of sections 204(2) and (3) of the Localism Act 2011, that from the start of 1 December 2024 the LLDC shall cease to exercise, as regards the whole of its MDA, the entirety of the town-planning functions conferred on it by SI 2012/No. 2167; and is asked to notify the Secretary of State by letter that he has made this decision
3. authorises the LLDC to undertake a consultation on the Mayor’s proposals for a reduction in the LLDC’s MDA boundary from 1 December 2024, including with those mentioned at paragraph 4.4, below, and to report back to the Mayor on the consultation in due course
4. authorises the LLDC to negotiate and prepare a statutory transfer scheme under section 216 of the 2011 Act for later submission to the Mayor in relation to the transfer to the four boroughs of planning-related matters, and to report back to the Mayor in due course.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

8/9/22

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1. The Localism Act 2011 provides the legislative basis for the Mayor of London to designate Mayoral Development Areas (MDAs) and to establish Mayoral Development Corporations (MDCs) with regeneration powers over the area. MDCs are created by an Order (statutory instrument) made by the Secretary of State for Levelling Up, Housing and Communities.
- 1.2. The London Legacy Development Corporation (LLDC) was formed in April 2012 as the first ever MDC established by a statutory instrument (SI 2012/No. 310). This instrument contained a map of the MDA to take forward commitments made in the original London 2012 bid in relation to the physical and socioeconomic regeneration of Queen Elizabeth Olympic Park (QEOP) and the surrounding area. It was granted town-planning powers through a further statutory instrument (SI 2012/No. 2167; see 1.16, below) from 1 October 2012.
- 1.3. On 1 April 2012, the LLDC took on all the property, rights and liabilities of the Olympic Park Legacy Company; and the property, rights and liabilities located in the LLDC area from the London Thames Gateway Development Corporation (LTGDC).
- 1.4. The MDA is QEOP and neighbouring districts including Hackney Wick, Fish Island, Bromley-by-Bow, Sugar House Lane, the Carpenters Estate and Westfield Stratford City (see the area bounded by the dotted black line on the plan at appendix 1). The LLDC's area includes land in the boroughs of Newham, Hackney, Tower Hamlets and Waltham Forest. The Mayors and Leaders of these four boroughs are members of the LLDC Board.
- 1.5. The LLDC's responsibilities include the development of land in and around QEOP; and the provision of a single point of contact for developers, landowners and businesses, as well as for strategic investment in the area more broadly. The LLDC also has responsibilities in relation to the management of the QEOP estate, and the delivery of socioeconomic outcomes which ensure that local communities benefit from investment in the area. The LLDC is also the Local Planning Authority for its area; and, as a result of SI 2012/No. 2167 (see 1.16, below), took on certain planning functions of the four boroughs within it.
- 1.6. Under section 215 of the Localism Act 2011, the Mayor is required "to review, from time to time, the continuing existence of any existing MDCs". The Mayor asked the LLDC Board to bring forward recommendations in relation to the LLDC's future.
- 1.7. Therefore, the LLDC has been working with GLA, the boroughs and other stakeholders to develop a strategic approach for the future delivery of ongoing functions, and the long-term operation and oversight of QEOP. This process is referred to as transition.
- 1.8. Guiding all decision-making is an agreed set of transition principles. These are that oversight and operation of QEOP must: retain the integrity and maintain the quality of the estate; carry the flame of the regeneration vision; be democratically accountable; and, London Stadium aside, aim to become financially sustainable without ongoing GLA grant-funding.
- 1.9. There remains significant work to do to fulfil the commitments made in the original London 2012 bid with respect to the regeneration of east London. However, it is anticipated that a large part of the LLDC's direct role in this will be complete by 2025. With a robust prioritisation of its workload as set out in the QEOP Strategy to 2025, key objectives will have been delivered by 2025 and plans will be in place for the next phase of the LLDC.
- 1.10. As a result of the work undertaken, the LLDC Board is recommending the decisions set out in the "Decision" section above, and outlined below, to the Mayor of London.

Reset LLDC from 1 April 2025

- 1.11. Certain elements of the LLDC's current remit will need to continue beyond transition. These include overseeing the long-term management of the estate; realising the ongoing delivery of legacy and inclusive economy aims; coordinating future inward investment and strategic oversight for the area; and delivery of ongoing housing development responsibilities. Following consideration of options and corporate structures, in March 2022 the LLDC Board agreed that a "reset LLDC" model was the structure to be recommended to the Mayor to deliver these functions. Under this model the current LLDC legal entity, as an MDC and functional body with statutory functions under the Localism Act 2011, remains but with a reduced MDA boundary, revised functions (which include the ending of its town planning role) and governance, and with a more commercial focus, in order to reduce QEOP's call upon the public purse. It is proposed that the LLDC operates in this "reset mode" from 1 April 2025. The reset LLDC Board would consist of at least ten diverse members appointed by the Mayor including an independent chair; an elected member from each of the boroughs whose land sits within the reduced MDA (as per the Localism Act 2011); a young person; and members with significant track records in delivering inclusive growth across a range of skillsets. The Mayor will be asked to approve the necessary board appointments in due course.

Reduced Mayoral Development Area from 1 December 2024

- 1.12. Under the Localism Act 2011, the Mayor may exclude land from an approved MDA and so redraw the LLDC's boundary (additional land cannot be added). Before doing so the Mayor must consult the London Assembly and any other person whom the Mayor considers it appropriate to consult on any new boundary proposals. A consultation document is being prepared that sets out the proposed revised boundary (bounded by the red line on the map at Appendix 1). The rationale for the current LLDC area was that it included a core area where the LLDC owns, manages or operates land; and a broader surrounding area where the LLDC has town-planning powers. Once the LLDC returns town-planning powers to the boroughs on 1 December 2024 (see section 1.16) there will no longer be any rationale for this surrounding area to remain within the LLDC area. The proposed reduced LLDC area therefore corresponds to the core area where the LLDC owns, manages or operates land.
- 1.13. The existing LLDC area includes Eton Manor, which lies within the London Borough of Waltham Forest (LBWF). The LLDC does not own, manage or operate any land at Eton Manor; and so, once the LLDC no longer has town-planning powers, there will no longer be any rationale for it remaining within the reduced LLDC area. The LLDC Board (including the LBWF) is content with the removal of Eton Manor from the LLDC area. The new LLDC boundary will therefore not include any land that lies within the LBWF; and as a result, the LBWF will no longer be entitled to a seat on the LLDC Board. The Mayor of London has agreed with the Leader of the LBWF (and the Mayors of the other growth boroughs) that a 'special relationship' will be developed between the LLDC and the LBWF to ensure that LBWF residents continue to enjoy the socioeconomic benefits of the developments at QEOP.
- 1.14. It is proposed that the consultation will be carried out by the LLDC on the Mayor's behalf in Autumn 2022. The proposed new boundary (if approved) will come into effect on 1 December 2024 (the same date as the return of full town-planning powers to the four boroughs).
- 1.15. The outcome of the consultation will be reported to the Mayor in due course; he will be asked to decide whether to formally approve the new reduced MDA, and, if so, to write to the Secretary of State and publicise that decision. The Secretary of State is then under an obligation to make a statutory instrument to substitute a new map in SI No.310/2012, showing the reduced MDA, and to submit it for Parliament's approval under the negative resolution procedure.

Revocation of planning functions from 1 December 2024

- 1.16. The London Legacy Development Corporation (Planning Functions) Order 2012 (SI. 2012 No. 2167) came into force on 1 October 2012 and conferred a set of town-planning functions on the LLDC.

This gave effect to a decision by the then Mayor that the LLDC was to exercise those functions in respect of the whole of its MDA. These functions are as follows:

- The 2012 Order made the LLDC the local planning authority for the whole of its MDA (the planning functions area) in relation to all types of development for the purposes of part 3 of the Town and Country Planning Act 1990 (the 1990 Act) (article 3).
- It conferred on the LLDC the functions of the 1990 Act and the Planning (Listed Buildings and Conservation Areas) Act 1990, which are specified in part 1 of schedule 29 to the Local Government, Planning and Land Act 1980 (the 1980 Act) (article 4).
- It also conferred on the LLDC the functions of schedule 8 to the Electricity Act 1989 so far as they are applicable to applications for consent under section 37 of that Act (article 5).
- The 2012 Order applied other provisions of the 1990 Act specified in part 2 of schedule 29 to the 1980 Act to the LLDC; and to the planning functions area, subject to the modifications set out in that part (article 7).
- The 2012 Order also revoked the planning functions order under which the LTGDC and the Olympic Delivery Authority (ODA) (since abolished) exercised planning functions as local planning authorities, in relation to the types of development and for the purposes specified in those Orders, for their areas. The effect of the 2012 Order was that they ceased to be the local planning authorities, and those functions became exercisable instead by the LLDC in relation to the planning functions area. Outside that area the planning functions of the LTGDC and the ODA reverted back to the relevant borough councils.
- The Order also contained transitional provisions in relation to matters being carried out at the time it came into force.

- 1.17. In February 2020, the LLDC's Board approved a high-level strategic approach for the evolution of the organisation in 2025, including the handing-back of town-planning powers to the four boroughs before the end of December 2024. The formal extinguishment of the LLDC's planning role requires the Secretary of State to make a statutory instrument to revoke the 2012 Order – at which point the four boroughs will resume their normal planning functions within their respective areas.
- 1.18. The Mayor has already written to the Secretary of State to give advance notice of this proposal. This Mayoral Decision form invites the Mayor to decide that, from the start of 1 December 2024, the LLDC's current town-planning functions (conferred on it by the 2012 Order and listed in paragraph 1.16, above) shall be revoked as regards the whole of the LLDC's MDA. (At this point the four boroughs will resume their role as local planning authority for those parts of the MDA that are within their respective boroughs.) The Mayor is requested to write to the Secretary of State to inform him of this decision, which will be publicised on the LLDC's website. Again, the Secretary of State is then obliged to bring forward a statutory instrument for Parliament's approval.
- 1.19. With the Mayor's approval (via this Mayoral Decision), it is proposed that the LLDC will start work on preparing a statutory transfer scheme, under section 216 of the Localism Act 2011, covering the transfer of planning-related matters to the four boroughs. These matters include, for example, records, live planning applications, live planning enforcement cases and appeals, and staff (if applicable). The boroughs must consent to any transfer to them. The Mayor will be asked to approve the statutory transfer scheme in due course.

2. Objectives and expected outcomes

- 2.1. The original objectives of the LLDC were to use the once-in-a-lifetime opportunity of the London 2012 Games, and the creation of QEOP, to develop a dynamic new heart for east London – thus

creating opportunities for local people, and driving innovation and growth in London and the UK. These remain the aims of the reset LLDC.

2.2. The purpose of the boundary consultation is to seek views on the proposed reduced boundary from 1 December 2024, over which the reset LLDC will exercise regeneration powers to deliver its aims and the 2030 Vision for QEOP, which is: "An innovative London metropolitan centre with a global focus, powered by inclusive growth, with community and opportunity at its heart." The 2030 Vision for QEOP has three strands:

- inclusive growth: a place in which people want to invest, enhancing local lives as well as national economic growth
- community: an attractive and inspiring place where people come together to achieve great things
- opportunity: a place where local talent is celebrated and the benefits of regeneration can be shared by all.

2.3. The 2030 Vision for QEOP, and these three strands, are shown in the diagram below.



2.4. Since fully reopening in 2014, over 37m visits have been made to QEOP and its venues, which have held over 100 major sporting and cultural events since 2012. To date, the LLDC has supported the delivery of over 25,000 jobs at QEOP, alongside more than 11,500 homes across the wider MDC area.

3. Equality comments

3.1. Under section 149 of the Equality Act 2010 (the Equality Act), as a public authority, the LLDC and the GLA must have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; and to advance equality of opportunity, and foster good relations, between people who share a protected characteristic and those who do not. Protected characteristics under the Equality Act comprise age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status.

3.2. The proposed move to a reset LLDC model, a reduced MDA boundary and the ending of the LLDC's planning functions are not expected to have any negative impact on those with protected characteristics.

4. Other considerations

Key risks and issues

- 4.1. There is a risk of negative feedback on the proposed reduced MDA boundary. This risk is being mitigated by engagement with key stakeholders including the LLDC Board; four neighbouring boroughs; developers and landowners; and QEOP partners, all of whom are positive about the proposals.

Links to mayoral strategies and priorities

- 4.2. The ongoing regeneration of the revised LLDC area will deliver across Mayoral strategies and priorities including the Mayor's Good Growth priorities, Skills for Londoners, the Economic Development Strategy for London, the London Housing Strategy, the Culture Strategy, the Transport Strategy, the London Environment Strategy, and a number of the Mayor's policies in the London Plan.

Consultations and impact assessments

- 4.3. The LLDC has been working closely with the four boroughs within its current boundaries on transition plans through the Growth Borough Partnership (membership is borough Mayors and Leaders) and the Borough Transition Group, plus a range of specialist working groups.
- 4.4. The Localism Act requires the Mayor to consult on revising the MDA boundary with the London Assembly and "any other person whom the Mayor considers it appropriate to consult". It is proposed the latter category could include signposting the document on the QEOP website to the following persons: members of Parliament whose constituency contains any part of the original or revised area; each constituency member of the London Assembly whose Assembly constituency contains any part of the original or revised area; the neighbouring boroughs; stakeholders; and members of the public. It is proposed that the LLDC undertakes the consultation on the Mayor's behalf, and submits a report to the Mayor in due course on the consultation responses for him to decide whether or not to approve the new proposed boundary.
- 4.5. Consultations would take place with any relevant LLDC staff who might transfer to the boroughs under the transfer scheme in accordance with the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE).

5. Financial comments

- 5.1. A key objective in establishing a reset MDC is that it should become financially sustainable over time so that it can operate without any revenue grant-funding from the GLA, except for the ongoing subsidy required for the operation of the London Stadium. The level of income that can be generated from activities will largely determine delivery of this objective – the most significant element of which is the Fixed Estate Charge (FEC), as income from the FEC is projected to increase over time in line with the increase in the number of commercial and residential occupiers. The Mayor has committed to undertake a review of the FEC.
- 5.2. An estimate of the grant-funding that LLDC may require in 2025-26, the first full financial year of operations of a reset LLDC, will be assessed as part of the 2023-24 formal budget-setting process.

6. Legal comments

- 6.1. This section covers legal issues not otherwise addressed in this Mayoral Decision. The procedure for reducing the size of the MDA and removing its planning functions has been set out above.
- 6.2. The reset LLDC will remain in existence as a statutory body and MDC with the same range of functions under the Localism Act 2011 ("the 2011 Act") that it currently has. It will remain a

functional body within the GLA Group, and be subject to the normal processes and procedures that apply to a functional body, including approval of its budget and council tax requirement (if any) as part of the annual budget-setting process. The Mayor will appoint the reset Board (including giving consent to the appointment of substitute members of committees) in the normal way under the 2011 Act. The Mayor's ability to give the LLDC guidance and directions will remain.

- 6.3. The Mayor has the power, under section 204(2)(a) of the 2011 Act (removal or restriction of planning functions), to decide that the LLDC is to cease to have, in its entirety (as respects the whole of its MDA), the town-planning functions conferred on it by the previous Mayor's decisions under section 202(2), (3) or (4) of the 2011 Act, as implemented by the 2012/No. 2167 Order. If the Mayor makes such a decision he must: publicise the decision; and notify the Secretary of State of the decision. Under section 204 subsection (6) of the 2011 Act, the Secretary of State must give effect to that notified decision and bring forward an amending Order to implement the new decision under the negative resolution procedure, which will formally revoke the 2012 Order with transitional provisions.
- 6.4. The decision the Mayor is asked to take in recommendation 2 in the Decision box, above, is a decision that from 1 December 2024, the LLDC shall cease to exercise all the town-planning functions conferred on it under the 2012 Order as regards the whole of the MDA. The Mayor is not required by section 204 of the 2011 Act to undertake any consultation before making this decision.
- 6.5. The LLDC will need to assess the staffing implications of moving to the reset LLDC model. If the LLDC proposes any staff redundancies in relation to this, it will need to consult with staff and/or their representatives as appropriate about those proposals prior to taking any final decisions in relation to such redundancies, in accordance with statutory requirements and its own organisational change policy.
- 6.6. In addition, an assessment will need to be undertaken as to whether or not TUPE applies to the transfer of planning powers back to the boroughs; and, if they do not, whether any transfer should proceed as if they did (per statutory guidance) or exceptional circumstances exist. If the statutory transfer scheme makes provision for staff to transfer to the boroughs, then under section 218 (4) that transfer is to be treated on the basis that TUPE applies.

7. Planned delivery approach and next steps

Activity	Timeline
Publicise date of planning powers transfer	Autumn 2022
Commence public consultation on reduced boundary	Autumn 2022
Prepare and issue Mayoral reduced boundary consultation response report	December 2022
Mayoral Decision to approve the reduced boundary	February 2023
Mayor to notify Secretary of State of alteration of MDA boundary	March 2023
Statutory instrument laid before Parliament by Secretary of State	2023 (DLUHC to confirm)
Mayoral Decision to approve statutory transfer scheme	2024 (date TBC)
Town-planning powers return to relevant boroughs; MDA boundary changes	From 1 December 2024
Reset LLDC in place	From 1 April 2025

Appendices and supporting papers:

Appendix 1 – Current LLDC MDA and proposed reset LLDC boundary

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 – Deferral

Is the publication of Part 1 of this approval to be deferred? NO

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under the FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

Jamie Dean has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Philip Graham has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Jules Pipe has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 5 September 2022.

✓

EXECUTIVE DIRECTOR, RESOURCES: Enver Enver on behalf of David Gallie

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:



Date:

5/9/22

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor.

Signature:



Date:

4/9/22

Current LLDC MDA (black dotted line) and proposed reset LLDC boundary (red line), subject to consultation*

