

# MDA No.: 1508

## Title: Planning and Regeneration Committee – London Legacy Development Corporation Area Reduction Consultation

### 1. Executive Summary

- 1.1 Section 199 of the 2011 Act empowers the Mayor to alter the boundaries of a Mayoral development area so as to exclude any area of land from the designated area. Before making an alteration, the Mayor must consult the London Assembly, and any other person whom the Mayor considers it appropriate to consult. The Assembly have been invited to consider and determine its response to a boundary area consultation of the London Legacy Development Corporation (LLDC). Subsequently the Chair and Deputy Chair of the Assembly have asked the Planning and Regeneration Committee to provide the Assembly with recommendations on which to vote on at its next available Plenary meeting.
- 1.2 Following consultation with party Group Lead Members, the Chair of the Planning and Regeneration Committee agreed recommendations to be considered by the London Assembly at its Plenary meeting on 18 May 2023 on the London Legacy Development Corporation (LLDC) boundary area reduction consultation, as attached at **Appendix 1**.

### 2. Decision

- 2.1 **That the Chair, in consultation with party Group Lead Members, agrees the Committee's recommendations to be considered by the London Assembly at its Plenary meeting on 18 May 2023 on the London Legacy Development Corporation (LLDC) boundary area reduction consultation, as attached at Appendix 1.**

#### Assembly Member

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:



Printed Name: **Sakina Sheikh AM, Chair of the Planning and Regeneration Committee**

Date: **10 May 2023**

### 3. Decision by an Assembly Member under Delegated Authority

#### Background and proposed next steps:

- 3.1 In September 2022, the Assembly was informed of the intention for the LLDC's planning powers to return to the four Growth Boroughs on 1 December 2024, with LLDC maintaining its status as a Mayoral Development Corporation (MDC) and a functional body of the Greater London Authority beyond 1 April 2025 but with reduced functions, a reconstituted Board and governance structure, and a reduced area (subject to consultation).
- 3.2 The consultation of the Assembly on changes to the LLDC Boundary Area (required under Section 199 of the Localism Act 2011) was initiated by way of letter from the Chair and Chief Executive of the LLDC. Subsequently the Chair and Deputy Chair of the London Assembly asked the Planning and Regeneration Committee to submit recommendations to the LLDC area reduction consultation for the Assembly to consider at a Plenary meeting. On April 19 the Committee organised a briefing, inviting Assembly Members, to inform the recommendations that would be submitted to the Assembly.
- 3.3 The exercise of delegated authority recommending the LLDC consultation response will be formally noted at the Planning and Regeneration Committee's next appropriate meeting.

#### Confirmation that appropriate delegated authority exists for this decision:

Signature (Committee Services): Jack Booth

Printed Name: Jack Booth


Date: 10 May 2023

#### Financial Implications: NOT REQUIRED

Note: Finance comments and signature are required only where there are financial implications arising or the potential for financial implications.

#### Legal Implications:

The Chair of the Planning and Regeneration Committee has the power to make the decision set out in this report.

Signature (Legal): 

Printed Name: Rory McKenna, Monitoring Officer

Date: 11 May 2023

Email: rory.mckenna@london.gov.uk

#### Supporting Detail / List of Consultees:

- Peter Fortune AM (Deputy Chairman); and Siân Berry AM

#### 4. Public Access to Information

- 4.1 Information in this form (Part 1) is subject to the FoIA, or the EIR and will be made available on the GLA Website, usually within one working day of approval.
- 4.2 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.
- 4.3 **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**

If yes, until what date:

##### **Part 2 – Sensitive Information:**

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

Is there a part 2 form? **NO**

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#### **Lead Officer / Author**

Signature:



Printed Name: Sarah-Jane Gay

Job Title: Senior Policy Advisor

Date: 10 May 2023

#### **Countersigned by Executive Director:**

Signature:



Printed Name: Helen Ewen

Date: 10 May 2023

### **The London Assembly's response to the proposed reduction of the Mayoral development area covered by the London Legacy Development Corporation on 1 December 2024.**

Under section 199 of the Localism Act 2011, the Mayor of London 'may alter the boundaries of a Mayoral development area so as to exclude any area of land', but before doing so must consult the London Assembly and any other person whom he considers appropriate.<sup>1</sup>

The Assembly welcomes the opportunity to respond to London Legacy Development Corporation's (LLDC) consultation. The proposals are focused on reducing the LLDC Mayoral development area - also referred to in this document as Mayoral Development Corporation (MDC) - on 1 December 2024 to include only the core part of the Queen Elizabeth Olympic Park (the Park) estate in which LLDC owns, manages or operates land.

Below are the Assembly's views and recommendations related to the consultation questions.<sup>2</sup>

#### ***Question 1: Do you agree that, for the reasons outlined in the consultation document, the Mayoral development area covered by LLDC should be reduced to include the core part of the Queen Elizabeth Olympic Park estate in which LLDC owns, manages or operates land?***

The Assembly understands that the decision to reduce LLDC's boundary was based on the anticipated removal of LLDC's Town Planning functions, which will return to the London Boroughs of Hackney, Newham, Tower Hamlets and Waltham Forest on 1 December 2024, and the scheduled completion of core developments in the wider LLDC area. As the consultation states, these changes mean that there will no longer be a strong rationale to retain the existing broader Mayoral development area beyond 1 December 2024.

As it will no longer have the authority to exercise the core planning functions of a Mayoral Development Corporation (MDC), the boundary reduction raises the question of whether or not there is still a strong rationale for LLDC to remain an MDC, even in a reduced form. The Assembly understands that the main driver of retaining the reduced LLDC is ongoing development, with considerable finance tied up in this development.

Since 2011, the Assembly has been clear that LLDC should have a 'tight set of objectives and be time limited so that there is a clear exit clause.'<sup>3</sup>

**Recommendation 1:** The Assembly notes the proposed boundary reduction as outlined in LLDC's consultation and agrees that LLDC should no longer include areas that are not the core part of the Park estate. Currently, LLDC anticipates that its development programme on LLDC-owned sites will be completed by 2032.<sup>4</sup> The Mayor, LLDC, and the LLDC advisory board<sup>5</sup> should work up a timeline which provides clarity on the future of the LLDC. The timeline should set out indicative plans beyond 2032 to include the future of the LLDC legal status; its debt and management of its assets. The Mayor should present this timeline to the Assembly at least 30 days prior to the necessary Statutory Instrument being laid in Parliament.

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<sup>1</sup> [Localism Act 2011](#)

<sup>2</sup> LLDC, [Reduced Area Consultation](#), March 2023

<sup>3</sup> London Assembly, [response to the proposals by the Mayor for the creation of a Mayoral Development Corporation to cover the Olympic Park and surrounding areas](#), April 2011

<sup>4</sup> LLDC, [2023-2024 Budget Submission](#)

<sup>5</sup> Please see Recommendation 10 regarding maintaining an advisory role for Waltham Forest on the LLDC board.

***Question 2: Are there any areas of the proposed reduced LLDC Mayoral development area which you think should be omitted, and why?***

**Recommendation 2:** The Assembly is satisfied with the proposed reduced LLDC Mayoral development area, provided the conditions outlined in Question 1 above are met.

***Question 3: Are there any additional areas within the current Mayoral development area which you think should be retained, and why?***

There are no additional areas that the Assembly believes should be retained within LLDC's proposed boundary. The Assembly does note that 3 Mills Studio has not been included within the reduced boundary. We have received assurances from LLDC that it will continue to hold the studio as an asset and that any revenue generated will continue to be collected by LLDC. We believe further information is required on how 3 Mills Studio will be managed.

**Recommendation 3:**

- a) Clarify if the LLDC, through the 2011 Localism Act, will receive any additional powers to distinguish it from other developers in the area and;
- b) provide the evidence base that informed the LLDC's decision to exclude 3 Mills Studio from the new boundary.

***Question 4: Do you believe the proposal to reduce LLDC Mayoral development area brings risk to the ongoing delivery of London 2012 commitments and the vision for Queen Elizabeth Olympic Park? Please provide details.***

The Assembly does not believe the reduction in the boundary itself will lead to any risks. However, the Assembly is concerned that as LLDC hands back its planning powers to the boroughs and its organisational capacity is reduced, it is important to maintain ongoing delivery of London 2012 commitments outlined above and the vision for Queen Elizabeth Olympic Park. It is particularly important to ensure ongoing community engagement, strategic direction in the delivery of high-quality jobs for local residents and leadership in driving forward plans to improvements to Stratford station.

**Recommendation 4:** LLDC should share with the Assembly a risk management plan for the reduction of the boundary in 2024. This should place particular emphasis on maintaining - and strengthening where possible - community engagement.

**Recommendation 5:** LLDC should set and publish a clear strategy for how it will further deliver house building on LLDC-owned land under the new boundary arrangements.

### **Community engagement**

Over the last decade, LLDC has set up a number of structures and groups to work with local residents, businesses and organisations to enable community engagement. The Assembly would wish to ensure that during the transfer of planning powers back to the surrounding boroughs, relationships with local residents, businesses and community organisations are not disrupted and do not result in a loss of community engagement and participation in the development process. This may be particularly evident in areas, some of which are included in LLDC's new boundary, where development is ongoing and where homes will not be complete until the 2030s.

**Recommendation 6:** The Assembly is aware LLDC was recruiting local people for a new Community Review Panel (CRP) to give their views and comment on plans for future development.<sup>6</sup> While this move is welcome, the Assembly urges LLDC to:

- a) provide details on how this panel will be managed and maintained after 1 December 2024;
- b) provide the relevant boroughs with a list of community groups and stakeholders that LLDC has identified for developments that either have, or are in the process of receiving planning permission and;
- c) engage with local communities so they understand which relevant planning authority to refer their planning issues to. Where possible, LLDC should also seek to retain other existing resident structures such as the Built Environment Access Panel, an independent panel that reviews all the development work taking place on the Park.
- d) ensure the panel is representative of the local area, and that its membership is refreshed regularly.

## Employment

In June 2022, the Mayor told the Assembly that to date, LLDC had ‘supported the delivery of c25,000 jobs on and around the Park, most of which are located at the two new business districts at Here East on the Park and at International Quarter London (outside of the Park but within current LLDC’s Mayoral Development Corporation area), as well as other jobs created on the Park itself, its venues and neighbourhoods.’<sup>7</sup> Another 4,000 to 5,000 jobs will be created at the East Bank, LLDC’s flagship regeneration scheme.<sup>8</sup>

The Assembly’s Planning and Regeneration Committee was told in November 2022 that between 65 per cent and 70 per cent of the Park and venues were run by local people but it was unclear what proportion of the 25,000 jobs this was referring to. The Committee raised concerns that these jobs were low paid compared to those in the two business districts.<sup>9</sup> LLDC reassured the Committee that its partners, including East Bank partners such as the University of London and the Victoria and Albert Museum wanted to diversify their workforce and that they were contractually obliged to aim for local employment targets. In 2021, LLDC also committed to investing into a ‘Good Growth Hub’ for the next five years to connect businesses with local talent.<sup>10</sup>

The reduction in budget could also impact LLDC’s ability to maintain effective oversight and scrutiny of its partners to ensure that it is prioritising local residents for employment opportunities.

Finally, there is a risk to the wider GLA Group in terms of lost talent through the LLDC boundary reduction process. At a Housing Committee meeting in May 2022 in relation to the Kerslake Review,<sup>11</sup> Lyn Garner recognised this issue:

“We will be looking at a human resources (HR) strand of work around talent succession and management. LLDC, for example, will start to leak talent next year as part of its transition and folding up its own developmental risks. East Bank completes as a construction project in

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<sup>6</sup> [LLDC press release](#), August 2022

<sup>7</sup> MQT, [LLDC – job creation](#), June 2022

<sup>8</sup> Planning and Regeneration Committee, 23 November 2022 ([minutes](#))

<sup>9</sup> Planning and Regeneration Committee, 23 November 2022 ([minutes](#))

<sup>10</sup> LLDC, [The Good Growth Hub](#)

<sup>11</sup> [Kerslake Review of GLA Group Housing Delivery](#)

2023 and is handing over through 2024. There is an opportunity there to keep that talent within the group and we want to make sure that we can do it.”<sup>12</sup>

**Recommendation 8:** LLDC should, together with its partners, regularly publish data on employment outcomes for local residents in and around the Park.

### **Improvements to Stratford station**

The consultation document states:

“The number of people living, studying, working in, and visiting, the Park will progressively expand as developments are completed and East Bank becomes operational. By 2033, when the final phase of development is complete, resident numbers are anticipated to reach 17,000 compared to 3,000 in 2022. Meanwhile student numbers will grow from 1,000 to 11,000 by 2025 and visitor numbers will have nearly doubled to reach 10 million per year.”<sup>13</sup>

The Assembly’s Budget and Performance Committee has previously highlighted that this increase in footfall will place significant pressure on the nearby Stratford station. Prior to the COVID-19 pandemic, almost 42 million passengers used Stratford station to start, continue or complete a journey between 2019 and 2020, making Stratford the busiest non-terminal station in London. In 2021, LLDC informed the Assembly’s Budget and Performance Committee that it was working on a ‘masterplan’ for Stratford station and the surrounding areas and that together with Network Rail, it had commissioned a £1 million piece of work to make a submission to the Government.<sup>14</sup> As Stratford station will no longer be included in LLDC’s new boundary, with the borough of Newham becoming the planning authority for the area, the Assembly is concerned that this could lead to a lack of coordination and long-term strategic vision for the project.

**Recommendation 9:** The LLDC should commit to working with the borough of Newham and other stakeholders such as Network Rail and Transport for London to continue the development of the Stratford Station masterplan and ensure its implementation.

### **Board membership for Waltham Forest**

Under Schedule 21 of the Localism Act 2011, the Mayor must ensure that an elected member of each borough within the MDC boundary must be represented on its board.<sup>15</sup> LLDC’s consultation document states that as the proposed reduction in its area will not include any land in the borough of Waltham Forest, it will no longer have a statutory place on the LLDC Board. LLDC has subsequently agreed with the Leader of Waltham Forest and the Mayors of the other relevant boroughs that a ‘special relationship’ will be maintained between LLDC and Waltham Forest, to ensure that residents continue to enjoy fully the socio-economic benefits of the developments at Queen Elizabeth Olympic Park.

**Recommendation 10:** Waltham Forest should maintain an advisory place on the LLDC Board. The borough still has a close proximity to the Park and has a significant stake in its development and the development of the wider East London area. Retaining its membership on the Board will ensure that the development of the area is guided by a collaborative and inclusive approach.

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<sup>12</sup> Housing Committee, [Transcript](#), May 2022

<sup>13</sup> LLDC, [Reduced Area Consultation](#), March 2023

<sup>14</sup> Budget and Performance Committee meeting, 8 December 2021 ([minutes](#))

<sup>15</sup> [Localism Act 2011](#)

### **Waterden Crescent travellers' site**

The Waterden Crescent traveller site was one of two licensed traveller and Gypsy Roma Traveller (GRT) sites within the Olympic Park site.<sup>16</sup> In 2007, 20 Traveller families of Irish Traveller heritage were relocated ahead of the 2012 Games. It was determined that the relocation was necessary to make way for the Olympic village and the long-term regeneration plans for the area. The families were split up and moved to several sites across Hackney. These Traveller families have been campaigning to return back to the original site and have been in touch with the Mayor.<sup>17</sup> The Assembly is seeking further reassurances on the effect of the boundary change on the GRT community.

**Recommendation 11:** LLDC should clarify if there will be a reduction in funding or support to local councils for support in settling Gypsy Roma Traveller communities; due to the reduction in its budget from the boundary change.

### **Fixed Estate Charge**

LLDC receives income from the Fixed Estate Charge (FEC), a charge on all occupiers of the Park, both business and residential, to contribute towards the cost of maintaining the Park and its facilities. A review of the charge was undertaken by the Deputy Mayor for Planning, Regeneration and Skills, Jules Pipe CBE, at the request of the Mayor, in recognition of the residents living in or around the Park who have questioned the fairness of the charge. The report was published on 23 February 2023 and concluded 'that the FEC should be retained as a key part of the funding for the Park. This is because, on balance, it represents a legitimate and pragmatic way for those who benefit most from the Park to make a fixed contribution to its continued maintenance.'<sup>18</sup> However, the report recommended that Rick Roberts Way (land owned by LLDC, where a new neighbourhood is being planned) should not be part of the FEC boundary as there is the physical barrier of Stratford High Street between Rick Roberts Way and the Park. LLDC accepted this recommendation.<sup>19</sup> This means that the new boundary change is aligned with the boundary of the FEC charge.

**Recommendation:** LLDC should publish a map of the new boundary change with a clear illustration of the Fixed Estate Charge boundary so as to make it clear to residents where the charge is applied.

As a statutory consultee, the Assembly requests that the Mayor responds to the concerns outlined in this response prior to implementing the proposed boundary change.

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<sup>16</sup> The other being Clays Lane in Newham

<sup>17</sup> Hackney Citizen, ['It broke up our families': The Travellers who made way for the Olympic Stadium are still fighting for a new site](#), September 2021

<sup>18</sup> Mayor of London, [Queen Elizabeth Olympic Park Fixed Estate Charge Review, February 2023](#)

<sup>19</sup> LLDC, [Statement on the Queen Elizabeth Olympic Park Fixed Estate Charge](#)