

# GREATER LONDON AUTHORITY

## REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD271

**Title: Armada 2 Expenditure**

### Executive Summary:

Armada 2 is a site of approximately 3.3 Ha in the Royal Albert Basin that is currently vacant. The site is challenging; its northern boundary is safeguarded for the Beckton Reach river crossing and it sits adjacent to a light industrial facility.

The area has been designated as mixed use, incorporating employment and has been identified as potentially suitable for a school and for a potential relocation for a tenant currently occupying another site of which the GLA requires vacant possession. In advance of a more detailed development/disposal approval for the site, we require up to £45K expenditure for due diligence, legal fees, architects fees and a valuation of the site over the period 14/15 and 15/16 until disposal. This can be accommodated within existing budgets.

### Decision:

That the Assistant Director approves up to £45K budget to be spent on the items of expenditure listed in this paper in order to further assess the suitability of the Armada 2 site in the Royal Albert Basin, for the proposed uses.

### AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT:

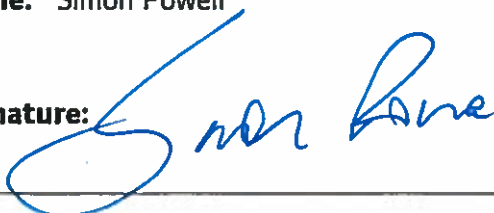
I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

**Name:** Simon Powell

**Position:** Assistant Director - Strategic Projects and Property

**Signature:**



**Date:**

25/02/15

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE**

### **Decision required – supporting report**

#### **1. Introduction and background**

Armada 2 (A2) is a site in the Royal Albert Basin, to the east of the Royal Docks. A site plan is included at Appendix A.

The site has been identified as potentially suitable for the relocation of a tenant currently occupying a site at Silvertown Quays on which the GLA has a contractual requirement to obtain vacant possession. It has also been identified for the potential provision of a school in line with the Mayoral commitment to provide ten sites in London for occupation by free schools, and in accordance with educational requirement in the area.

We will require a full title review before disposal of the site for any purpose, and we will also require additional ongoing legal support for work such as the transfer documents (assuming this use is approved at HIG). This is estimated at £20K.

As it is the intention that the site is divided between the two users we will require a valuation of the two parts of the site prior to restricted disposal, estimated at £15K.

As the site sits within an area where there is a relatively large amount of future residential development in the later stages of planning we will need to ensure that any non-residential development on this site is of a high quality and sympathetic design. Whilst this will be subject to the planning process the specific situation of this site means we require a budget of £10K for the provision of design guidance to ensure that this is the case.

*Therefore the following expenditure is required from 14-15 onwards:*

- Title review and ad hoc legal work- £20K
- Valuation - £15K
- Architects fees/Design guidance - £10K

With a total lifetime spend of £45K.

#### **2. Objectives and expected outcomes**

The objective of this is to ensure that we have performed adequate due diligence on the site in advance of disposing of it, and ensuring that the potential occupiers are provided with sufficient information to be able to deliver the style and quality of development required by the GLA, and that parties are aware of expectations from the outset.

### 3. Equality comments

We have considered the impact on equality considerations in this action and have concluded that, being financial in nature, there is no negative impact on those with protected characteristics. Work will be procured in line with GLA best practice and in delivery of our statutory obligations.

### 4. Other considerations

- a) Given the majority of this work will be instructed only once we have HIG approval and agreement in principle with the occupiers the risk of this work being abortive is slim.
- b) The Mayor has made a commitment to find suitable sites for free schools. He also has an obligation to relocate tenants to be displaced from Silvertown Quays.
- c) We are consulting with relevant stakeholders and an Albert Basin steering group has been set up to ensure key decisions are considered by all parties.

### 5. Financial comments

This site has an earmarked budget of £45k in 2014/15, within which the expenditure detailed in this paper can be met.

This expenditure will be managed by the Strategic Projects and Property team in Housing and land.

### 5. Planned delivery approach and next steps

As this request for funds comprises a number of instructions they will all have different timescales. The below refers to the overall project and is indicative and subject to HIG approval.

| Activity                      | Timeline |
|-------------------------------|----------|
| Target date for Site Disposal | Dec 15   |

### Appendices and supporting papers:

Site Plan

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) 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 approval or on the defer date.

**Part 1 Deferral:**

**Is the publication of Part 1 of this approval to be deferred? Yes**

If YES, for what reason:

The contracts have yet to be procured and as such it would prejudice the GLA achieving value for money

Until what date: 1/9/15

**Part 2 Confidentiality:** Only the facts or advice considered to be exempt from disclosure under the FOI Act should be 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:**

Caroline Cameron has drafted this report in accordance with GLA procedures and confirms that the Finance and Legal teams have commented on this proposal as required, and this decision reflects their comments.

✓

**HEAD OF GOVERNANCE AND RESILIENCE:**

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

**Signature:**



**Date:**

25.02.15

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Title: Armada 2

Drawing number: RT-GLA211

Drawn by: Richard Timmerman

Date: 28 OCT 2012

Title Number:  
Ordnance Survey Ref:  
Scale: 1:1250 @ A3



- KEY
- Developable Land
  - Land Protected by  
Thames Gateway Bridge  
Safeguarded Corridor



