

GREATER LONDON AUTHORITY

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD394

Title: Webbs Industrial Site, Blackhorse Road, Waltham Forest – Legal Spend

Executive Summary:

This is a request for approval to expend up to £20,000 on external legal support to facilitate the completion of the acquisition of the site known as Webbs Industrial Site within the Waltham Forest Housing Zone.

Decision:

That the Assistant Director approves expenditure of up to £20,000 for the legal work associated with the acquisition of the Webbs Industrial Site (to be met from the Housing Zones budget).

AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT:

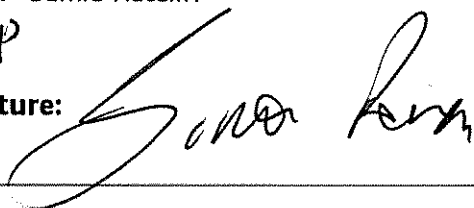
I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Jamie Ratcliff

Position: Assistant Director - Programme,
Policy and Services

Signature:

PP


Date:

23/02/16

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

This request relates to the proposed legal work required for the acquisition of this site from its current owner the Education Funding Authority (EFA) to GLAP. The site will eventually be disposed using the London Development Panel (LDP) to assist in the delivery of new and additional homes within the Waltham Forest Housing Zone. The LDP disposal will be under a separate legal instruction and appropriate budgetary requirements will be sought

The site is a former industrial site that comprises two vacant contiguous sites at 108 Blackhorse Lane and 47 Sutherland Road in Walthamstow, and is approximately 1.67 hectares in size.

The Mayor's Housing Strategy sets out plans to create a number of Housing Zones to boost housing supply in London, and a range of measures to be used in the Housing Zones to unlock and accelerate housing delivery and build more homes that are affordable to working Londoners. The Mayor's Housing Zone Prospectus launched in June 2014, proposed the delivery of 20 Housing Zones across London which over ten years should deliver 50,000 homes.

The London Borough of Waltham Forest was awarded Housing Zone status in March 2015 for the Blackhorse Road area. As part of the proposal, sites were identified in the centre of the Housing Zone to bring forward residential mixed use development. Following Challenge Panel review and Housing Investment Group (HIG) it was proposed that the Greater London Authority (GLA) work with the Borough to acquire these sites and procure them through the London Development Panel (LDP).

On 14 October 2015 Housing Investment Group (HIG) endorsed the principal to seek to acquire sites in Waltham Forest through GLAP for procurement via the LDP at a later date. This included proposals to enter into discussions on adjacent sites, and to seek a negotiated value for purchase, subject to further approval via HIG and IPB in line with the scheme of delegation.

A paper was submitted to the Investment Panel Board (IPB) on 29 October 2015 which recommended the Mayor putting GLAP in funds to acquire a site within the Waltham Forest Housing Zone as a first step. The paper also noted HIG's agreement to enter into negotiations on adjacent sites in order to agree a purchase value subject to further approval via HIG and IPB in line with the scheme of delegation.

This paper seeks agreement to appoint Eversheds LLP to a maximum of £20,000 to act on GLAP's behalf to provide external legal services for the acquisition of the Webbs Industrial site.

2. Objectives and expected outcomes

- The acquisition of this site which will allow, at a later date release of the site to the LDP for the development of new homes, employment and retail spaces will deliver much needed new homes in the area, and support the regeneration of the area.

3. Equality comments

We have considered the impact of the equality considerations, and have included that, being financial in nature there is no impact on those with protected characteristics.

4. Other considerations

As with any land purchase, there is the risk that land value may go down as well as up. Efforts will be taken to dispose of the site speedily and efficiently to minimise any exposure to that risk, and when disposal takes place all efforts will be made to ensure the full value of expenditure by GLAP (including holding and ancillary costs) will be recouped.

5. Financial comments

5.1 The expenditure of up to £20,000 on Legal costs to enable the acquisition of the land known as Webbs Industrial Site will be funded from the existing Housing Zones budget (revenue? Needs to say) and will all be expended in 2015/16 financial year. Any changes to this proposal, including the requirement of additional funds, will be subject to further approval via the Authority's decision making process.

6. Legal comments

6.1 Section 30 of the Greater London Authority Act 1999 (as amended) (GLA Act) gives the Mayor a general power to do anything which he considers will further one or more of the principal purposes of the GLA as set out in section 30(2) which are:

- i. Promoting economic development and wealth creation in Greater London;
- ii. Promoting social development in Greater London; and
- iii. Promoting the improvement of the environment in Greater London

and, in formulating the proposals in respect of which a decision is sought, officers confirm they have complied with the GLA's related statutory duties to:

- pay due regard to the principle that there should be equality of opportunity for all people;
- consider how the proposals will promote the improvement of health of persons in Greater London, promote the reduction of health inequalities between persons living in Greater London, contribute towards the achievement of sustainable development in the United Kingdom and contribute towards the mitigation of or adaptation to climate change in the United Kingdom; and
- consult with appropriate bodies.

6.2 Sections 1 - 3 of this report indicate that the decision requested of the Director falls within the GLA's statutory powers.

6.3 Eversheds have been appointed directly by TfL Legal using the Legal Panel Framework which is a 4 year Framework running from 26 October, 2012. The fee quoted by Eversheds for this work is by reference to preferential rates agreed under the Legal Panel Framework and represent best value to the GLA/GLAP.

7. Planned delivery approach and next steps

7.1 The next steps following approval of this decision are summarised below. The timescales are based on estimates and are subject to negotiation with the vendor of the site.

Activity	Timeline
Following approval of this decision TFL legal will instruct Eversheds LLP to commence the legal process for the site purchase.	February 2016
Announcement [if applicable]	N/A
Delivery Start Date [for project proposals]	January 2016
Due diligence to be carried out by Eversheds LLP	February 2016
Sale contract agreed between GLAP and the Education Funding Authority	February 2016
Exchange and completion dates agreed between both parties	February 2016
Site purchase completion	March 2016
Delivery End Date	March 2016
Project Closure	April 2016

Appendices and supporting papers:

There are no appendices or supporting papers to this decision.

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 publication of this approval is to be deferred as the name and details of the site has not previously been in the public domain and publication might prejudice the procurement process.

Until what date: 31 March 2016

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:

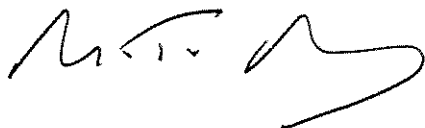
Michael Atkins has drafted this report in accordance with GLA procedures and confirms that the Finance and Legal teams have commented on this proposal as required, and this decision reflects their comments.

✓

HEAD OF GOVERNANCE AND RESILIENCE:

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

Signature:



Date:

23.02.16

