

GREATERLONDONAUTHORITY

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD403

Title: London Wholesale Markets Review

Executive Summary:

Approval of expenditure of up to £40,000 is sought to procure by competitive tender the appointment of external consultants to update the position of London's Wholesale Markets (last undertaken in 2007) for the forthcoming review of the London Plan. The review will examine issues including:

- Updating land use requirements for wholesale markets;
- Examining future potential of existing wholesale markets;
- Putting forward options for consolidating existing markets onto fewer sites;
- Examining regeneration potential (homes, jobs) from any sites released from wholesaling activity.

Decision:

The Assistant Director approves:

- Expenditure of up to a total of £40,000 to procure by competitive tender the appointment of external consultants to update the London Wholesale Markets Review.

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: Stewart Murray

Position: Assistant Director - Planning

Signature:



Date:

21st March 2016

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 This is a new study and seeks a budget up to £40,000.
- 1.2 The last study of London's wholesale markets was undertaken in 2007 and with a forthcoming review of the London Plan imminent it is timely to update this piece of work. Like the 2007 study, this update will examine whether the current wholesale markets need to change based on trends in the food industry in the last decade. If expansion is needed the study will need to provide realistic assessments of the amount of land required and viable locations for markets. Alternatively if contraction is recommended, realistic estimates of redevelopment potential (given London's housing and office markets) from the sites released will be needed and viable locations for the consolidated markets required.
- 1.3 This study will provide a land use appraisal of wholesale markets. The transport implications of potential changes to markets will be assessed by Transport for London (TfL) in a separate study to be undertaken in the next financial year (2016/17). TfL estimate that the transport study will cost £30,000 and 50% of the funding will be found from within TfL and 50% from the London Plan Programme Budget 2016/17.

2. Objectives and expected outcomes

- 2.1 It is envisaged the consultants will produce a comprehensive study looking at trends in London's wholesale markets, making recommendations for their expansion/contraction/merging based on viable and realistic development scenarios in the context of London's current development pressures. They will provide authoritative estimates of redevelopment proposals from any sites they recommend for release. It is expected that the study will be robust as it will need to stand up to scrutiny at the Examination in Public into the review of the London Plan.

3. Equality comments

- 3.1 The 2007 study reported an emerging trend for wholesale markets becoming increasingly important for ethnic minority food businesses and wholesalers. The review would enable officers to see if this emerging trend has developed further and examine possibilities for this trend to develop in the future.

4. Other considerations

a) key risks and issues

- 4.1 The contract will be managed in line with standard GLA risk management procedures. If the work is not commissioned it is possible that the forthcoming review of the London Plan will fail to ensure that London retains an efficient wholesale market function to meet future needs and artificially constrain a potential source of land for much needed housing delivery and/or employment for Londoners.

b) links to Mayoral strategies and priorities

- 4.2 This study is to provide evidence and direction for a specific land use, which will inform the implementation and review of the London Plan. It will support London boroughs in the preparation

of Local Plans and partnership working by the GLA, boroughs and others in developing Opportunity Area Planning Frameworks.

c) impact assessments and consultations.

4.3 The work the consultants will do will be guided by the brief (attached below) which will be subject to internal consultation with the Economic Business Policy Unit (Food team), GLA Economics and externally with the five boroughs in which the existing wholesale markets are located.

5. Financial comments

5.1 Assistant Directors approval is being sought for expenditure of £40,000 to procure external consultants to update the London Wholesale Markets Review. The cost of £40,000 will be funded by from Planning 2015-16 London Plan budget.

5.2 As the majority of the delivery and spend for this work will occur in 2016-17 it should be noted that a budget carry forward will be requested at the end of March 2016 to carry forward the unspent London Plan budget from 2015-16 to 2016-17, however this will be subject to yearend carry forward approval process. Should the 2015-16 budgets carry forward not proceed then funding for this will need to be met from within Planning's 2016-17 budget.

6. Planned delivery approach and next steps

Activity	Timeline
Procurement of contract	April 2016
Delivery Start Date	April 2016
Final evaluation	October 2016
Delivery End Date	November 2016
Project Closure	November 2016

Appendices and supporting papers:

Annex 1 – Consultant's brief

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:

Part 1 of this approval contains information on the financial ceiling for the project. Releasing this information before the contract is awarded could mean that the GLA does not achieve value for money.

Until what date: 30th April 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:

Peter Heath 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 FINANCE AND GOVERNANCE:

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

Signature:



Date:

21.03.16