

# GREATER LONDON AUTHORITY

## REQUEST FOR DIRECTOR DECISION – DD2074

### Title: Royal Docks Opportunity Area Planning Framework (OAPF) – Employment Land Review

#### Executive Summary

The Royal Docks Opportunity Area Planning Framework (OAPF) is a joint project being undertaken with Newham Council. A Working Draft of the document was consulted on in March 2016. In order to underpin land use strategies, further work is required on the Employment Land Review. Soft marketing testing has been carried out, but Newham Council is not in a position to fund the full cost of the work.

This decision requests approval for additional expenditure of £17,000 to provide Newham Council with 50% of the cost to procure a consultant to carry out the work. Newham Council will lead on the procurement in line with the agreed brief and a GLA officer will be part of the evaluation panel and will liaise with the selected consultant.

#### Decision

That the Executive Director of Development, Enterprise and Environment approves additional expenditure of £17,000, being 50% of the cost of the employment land review work (Newham Council to fund the other 50% and to lead on the procurement based on the agreed brief).

#### AUTHORISING DIRECTOR

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:** Fiona Fletcher-Smith

**Position:** Director for Development,  
Enterprise and Environment

**Signature:**



**Date:**

11.1.2017

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

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

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

- 1.1 The Royal Docks is identified as an Opportunity Area in the London Plan with a minimum capacity for 6,000 jobs and 11,000 homes. In recent years, the context of a growing London population and following-on from the success and considerable public investment in the 2012 Olympic and Paralympic Games and legacy, there has been considerable momentum for growth in the Royal Docks Opportunity Area, aided by improvements such as the Emirates Air Line. This growth is anticipated to continue over the next 10-15 years and will be accelerated by the arrival of Crossrail in 2018. There is significant potential for the redevelopment of currently underused or vacant areas of industrial land and safeguarded wharves. The Royal Docks OAPF is a joint project with Newham Council that will set out a direction of travel for forthcoming policy reviews through both the Newham Local Plan and the London Plan, in respect of land use, transport intervention and public realm. Once adopted, the OAPF will be supplementary Planning Guidance to the London Plan, and will also be endorsed by Newham Council.
- 1.2 A Working Draft of the OAPF was put out to consultation in March 2016. As a result of responses received, officers have continued to meet with the Council, TfL and various land owners and developers in the area. As a result, the strategies have been reflected upon and continue to be further refined in order to be ambitious and also realistic to the regeneration that is likely to take place.
- 1.3 Expenditure of up to £15,000 was approved in November 2015 as a contribution to Newham Council's initial employment land review. This work involved surveying the employment land in order to understand the operators' investment plans and how well each estate was performing. This work was completed in February 2016. Newham Council also procured a desktop study looking at transaction and rent levels. These two pieces of work have helped to inform the preferred land use strategy for the Royals. This strategy now needs to be tested as to its likely impact on the supply and demand of employment land in Newham and the wider east London area. Soft market testing has been carried out and as a result the work is estimated to cost £30-35,000. Newham Council do not have sufficient officer capacity or skills or sufficient budget to fund this work, and it has been agreed that the GLA will pay 50% of the cost, up to £17,000 to ensure this crucial piece of work is completed promptly and with the necessary level of expertise through a competitive procurement process (to be led by Newham Council on the basis of an agreed brief). A GLA officer will be part of the evaluation panel and will remain involved in ongoing liaisons with the appointed consultant to ensure both local and strategic objectives for this work are met.
- 1.4 The other budget approvals related to this project (ADD259 and DD1506) have been used to fund the employment of a graphics consultant to carry out the technical desktop publishing and GIS mapping work necessary for the document, together with printing costs.

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

- 2.1 The overall objective of the project is to produce an OAPF for the Royal Docks that the Mayor will adopt as Supplementary Planning Guidance to the London Plan. This milestone should be achieved by mid-2017. In the short-term, the next project milestone is to carry out a full public consultation on the updated draft document in February/March 2017.

- 2.2 The final piece of work on the employment land review is needed urgently in order to support the preferred land use strategy set out in the document.

### **3 Equality comments**

- 3.1 Equalities issues have been considered in line with the GLA's duties under the Equalities Act 2010. It is unlikely that this project will have negative equalities impacts but identified equalities issues (both positive and negative) will be covered in the Integrated Impact Assessment that will accompany the project. This will ensure that at each point of the drafting and consultation process for the proposed document, equalities impacts are considered and actions decided upon to address any emerging issues.
- 3.2 Given the regeneration focus of the proposed project, identification of relevant equalities groups and potentially vulnerable locally affected populations will be undertaken. Population data is available for this purpose such as indices of deprivation used to identify regeneration areas in the London Plan. A detailed public consultation strategy will also be drawn up in consultation with the Newham Council to ensure that any local hard to reach groups are engaged in the process to ensure that resulting document is appropriate and accessible to all and meets the needs of different Londoners.

### **4 Other considerations**

- 4.1 The OAPF project is closely linked to the Mayor's agenda for jobs and growth in London, and maintains the regeneration momentum of the 2012 Olympic and Paralympic Games. The document will help guide substantial development in the Royal Docks over the next 10-15 years. The need for this work is immediate in order to inform the final draft of the document to meet the project deadlines; without it the strategies suggested in the OAPF would be untested as to their impact on the balance of industrial/housing land supply.
- 4.2 Value for money will be achieved by procurement through competitive tendering led by Newham Council based on the agreed brief. A GLA officer will also form part of the evaluation panel and remain involved throughout the consultants work programme.

### **5 Financial comments**

- 5.1 ADD259 and DD1419 approved expenditure of up to £27,000 and £35,000 respectively on consultancy services and printing costs. DD1506 approved expenditure of up to £45,000 which was to be split between the Kingston and the Royal Docks OAPFs. However, no expenditure has been incurred on the Royal Docks OAPF project to date. Approximately £37,000 has been spent on the Kingston OAPF and it is likely that the remainder of that budget of £8,000 will be spent on the Royals Docks OAPF.
- 5.2 Approval is now being sought for the additional expenditure of £17,000. This will bring the total expenditure on the Royal Docks OAPF to date to £57,000 which includes a £20,000 contribution from the National Grid. The costs will be funded from Planning's 2016-17 Pre-Application Reserves. Newham Council will lead on the procurement of a suitably qualified consultant through its own competitive tendering process. A GLA officer will be on the evaluation panel and will remain closely involved in the work the selected consultant carries out to ensure both local and strategic objectives are met.

- 5.3 Any changes to this proposal including budgetary implications will be subject to further approval via the Authority's Decision Making Process.

## 6 Legal comments

- 6.1 The sections above indicate that the decision requested of the Mayor fall within his statutory power under Section 30 of the Greater London Authority 1999 (as amended) ("the Act"), acting on behalf of the Authority, to do anything he considers will promote the improvement of the environment in Greater London; and in formulating the proposals in respect of which a decision is sought officers have complied with the Authority's related statutory duties to:
- (a) pay due regard to the principle that there should be equality of opportunity for all people;
  - (b) consider how the proposals will affect:
    - i. the health of persons in Greater London,
    - ii. the health inequalities between persons living in Greater London;
    - iii. the achievement of sustainable development in the United Kingdom; and
    - iv. climate change, and the consequences of climate change; and
  - (c) consult with appropriate bodies.
- 6.2 The Authority also has a subsidiary power pursuant to Section 34 of the Act. This gives the Mayor the authority to do anything which is calculated to facilitate or, is conducive or incidental to the exercise of any of the statutory functions of the Authority. In this case this piece of work is incidental to its Section 30 powers defined above as well as its powers under section 334 and 339 of the Act.
- 6.3 Section 334 of the Act requires the Mayor to prepare and publish a spatial development strategy (known as the London Plan). Section 339 of the Act requires the Mayor to keep the London Plan under review, especially matters which may be expected to affect the development of Greater London or the planning of its development. In this case, the decision to obtain consultancy services in relation to the employment land review to inform the OAPF may reasonably be regarded as facilitating, being conducive or incidental to, the exercise of the Mayor's power detailed above.
- 6.4 Officers must ensure that the GLA's funding agreement with Newham is varied and documented in accordance with the underlying agreement before any commitment to the provision of additional funding is made.

## 7. Planned delivery approach and next steps

Activity	Timeline
Procurement of contract	January 2017
Announcement [if applicable]	N/A
Delivery Start Date [for project proposals]	January 2017
Final evaluation start and finish (self/external) [delete as applicable]:	March 2017
Delivery End Date [for project proposals]	April 2017
Project Closure: [for project proposals]	April 2017

**Appendices and supporting papers: None**

**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? NO**

If YES, for what reason:

Until what date: (a date is required if deferring)

**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:**

Natalie Gentry has drafted this report in accordance with GLA procedures and confirms that:

✓

**Assistant Director/Head of Service:**

Colin Wilson has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

**Financial and Legal advice:**

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

**Corporate Investment Board:**

The Corporate Investment Board reviewed this proposal on 9 January 2017.

**EXECUTIVE DIRECTOR, RESOURCES:**

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

Signature

*M. J. Gille*

Date

*10.1.17*

