

## REQUEST FOR DIRECTOR DECISION – DD1199

### Title: Former Queen Elizabeth Hospital Site (Hackney Road)

#### Executive Summary:

Approval is sought to amend the terms of the Development Agreement between GLAP and Family Mosaic in relation to Queen Elizabeth Hospital site on Hackney Road.

#### Decision:

That the Executive Director of Housing and Land authorises:

- an amendment to the terms of the Development Agreement between GLA Land & Property Ltd. and Family Mosaic in respect of the Queen Elizabeth Hospital site as set out in Part 2; and
- an increase in expenditure from £1,000 to £16,000 in order to fund external legal costs associated with completion of the Building Leases and Warranties.

#### 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:** David Lunts

**Position:** Executive Director Housing and Land

**Signature:**

**Date:** 23 April 2014

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

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

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

- 1.1 Family Mosaic (FM) entered into a Development Agreement with the Homes and Communities Agency (HCA), in March 2012, to develop the Queen Elizabeth Hospital (QEH) site. In April 2012, the asset was transferred to GLA Land and Property Ltd (GLAP) when HCA London operations were ceased by order of the Localism Act 2011. In November 2013, full planning consent for a residential led scheme incorporating 188 homes was secured when the Section 106 Agreement between FM and LB Tower Hamlets was completed and the subsequent Judicial Review period has since expired.
- 1.2 The details of this approval are commercially sensitive and are set out in the confidential part 2 of this DD.

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

- 2.1 Approval of this recommendation will enable GLAP to grant the required building leases to FM, resulting in the development starting on site within eight weeks of approval.

#### **3. Financial comments**

- 3.1 The additional spend requested for 2013-14 for this project needs to be met from underspends already identified in the Land & Property Portfolio. This is not an increase to the overall L&P portfolio budgets
- 3.2 No budget adjustments will be made in 2013-14 for this expenditure.
- 3.3 This expenditure is revenue in nature and will be monitored as part of the revenue budget monitoring process.
- 3.4 The financial implications relating to VAT are set out in the confidential part 2 of this DD

#### **4. Legal comments**

- 4.1 Section 30 of the Greater London Authority Act 1999 (as amended) (GLA Act) gives the Mayor a general power to do anything he considers will further one or more of the principal purposes of the GLA as set out in section 30(2) which are (a) promoting economic development and wealth creation in Greater London; (b) promoting social development in Greater London; and (c) promoting the improvement of the environment in Greater London.
- 4.2 Sections 2 and 3 of this report indicate that the Mayor has the power to agree to the Decisions set out above.
- 4.3 The Mayor may, under Section 38 of the GLA Act, delegate the exercise of the GLA's functions to the Executive Director of Housing and Land as proposed.
- 4.4 It should be noted that as GLAP will be a party to the legal documentation, GLAP will also need to approve the proposed agreement in accordance with its constitution.

4.5 GLAP (and previously the HCA) has been advised by Dentons in relation to the Development Agreement and it is proposed that they will be instructed to deal with completion of the building leases.

**5. Planned delivery approach and next steps**

Subject to Director's Delegated approval the next steps for this project are completion of the building leases and commencement of site development by the end of April 2014.

**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**

**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 – YES****ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

**Drafting officer:**

Rickardo Hyatt has drafted this report in accordance with GLA procedures and confirms that:

✓

**Assistant Director/Head of Service:**

Fiona Duncan 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.

✓

**EXECUTIVE DIRECTOR, RESOURCES:**

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

**Signature****Date**