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THE CABINET

**Wednesday, 21st October, 2015 at 8.15 pm in the Conference
Room, Civic Centre, Silver Street, Enfield, EN1 3XA**

AGENDA – PART 1 TO FOLLOW PAPERS

Please find attached the following reports which were marked as “to follow” on the agenda for the above meeting as previously circulated.

15. ESTATE RENEWAL PROGRAMME 2016-2025 (Pages 1 - 14)

A report from the Director of Regeneration and Environment is attached. This sets out a programme of further estate renewal schemes for 2016-2025. (Report No.91, agenda part two also refers). **(Key decision – reference number 3980)**

(Report No.87)
(9.05 – 9.10 pm)

16. MERIDIAN WATER AND PONDERS END HIGH STREET (ELECTRIC QUARTER): PROGRAMME UPDATE (Pages 15 - 60)

A report from the Director of Regeneration and Environment is attached. This seeks authority to move the regeneration forward. **(Key decision – reference numbers 4033/3687)**

(Report No.88)
(9.10 – 9.15 pm)

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MUNICIPAL YEAR 2015/2016 REPORT NO. 87**MEETING TITLE AND DATE:**

**Cabinet: 21st October
2015**

REPORT OF:

Director – Regeneration &
Environment

Agenda – Part: 1	Item: 15
Subject: Estate Renewal Programme 2016-2025	
Wards: Various	
Key Decision No: KD3980	
Cabinet Member consulted: Cllr Oyken	

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1. EXECUTIVE SUMMARY

- 1.1 This report sets out a programme of further estate renewal schemes for 2016-2025. Proposed schemes are set out in the appendix to part 2 of the report. The schemes are proposed to be developed over the next few years and cover a range of interventions including full estate redevelopment, partial development and infill development.
- 1.2 The aim of the estate renewal programme is to bring forward delivery of at least 250 additional homes each year from 2017/18. Current developments will contribute new accommodation to meet the needs of decanting residents affected by proposals for the next phase of the renewal programme. Schemes and estimated numbers of homes providing this accommodation are detailed in the report.
- 1.3 It should be noted that, given the continued pressure on the Council's budgets, both HRA and General Fund schemes will only be delivered if cost neutrality can be achieved, i.e. the schemes are financially viable. Alternative options may have to be pursued in order to expedite delivery of some schemes, for example, delivery by a Registered Provider. Consideration may also have to be given to selling some HRA sites in order to fund other parts of the proposed programme.
- 1.4 Estate renewal contributes to improving the overall condition of the Council's housing portfolio and other assets and helps towards the London Mayor's minimum house building target for the Council of 798 homes a year minimum between 2015/16 and 2024/25.
- 1.5 As well as contributing towards the housing target the proposed schemes will contribute to an improvement in the areas in which the estates are located and the lives of those leaseholder and tenants living on those estates.

2. RECOMMENDATIONS

- 2.1 That Cabinet approves the programme of estate renewal schemes, noting that it is intended to achieve delivery on a cost neutral basis.
- 2.2 That Cabinet approves a feasibility budget in order to further work up plans and proposals for the schemes listed in appendix 1 of the part 2 report.
- 2.3 That within the overall programme, approval for individual schemes and their budgets is returned to Cabinet for approval.
- 2.4 That Cabinet notes the significant contribution this programme will make towards meeting the Council's housing delivery target of 798 a year minimum until 2024/25.
- 2.5 That Cabinet approves the undertaking of consultation on the proposed schemes.

3. BACKGROUND

- 3.1 A number of schemes proposed within this report fall within the 'Hinterland' area of Enfield Council's Housing Zone, and are in close proximity to the Meridian Water Masterplan Area, therefore fitting into the Council's strategic housing and regeneration objectives. London-wide strategic infrastructure projects such as Crossrail 2 and increased capacity on the Liverpool Street line through eastern Enfield may assist future estate renewal schemes by improving the density of accommodation on those estates. Existing and future estate renewal schemes are now under way having previously been approved by Cabinet. These contribute economic inward investment benefits e.g. apprentice placements and work opportunities on sites and investment in Council owned assets.

Previous and current schemes within the estate renewal programme include:

- Highmead – a recently completed scheme of 118 homes, retail, community space and a GP surgery.
- Ladderswood – this scheme is on site and will see the provision of 517 homes, a hotel, commercial (non office) space, and community space.
- Alma estate – a redevelopment for which planning has been submitted for a total of 993 new homes (and approved for phase 1 for 228 homes), a GP surgery, community and retail space.
- New Avenue – a development of 400 homes, a nursery and community space is planned and due to start on site in 2017.

- 3.2 In addition to these larger schemes a number of schemes are being developed via the Council's Small Sites programme. Within this programme are the redevelopments at Parsonage Lane and Forty Hill. A significant number of further sites have since been identified and architects are currently designing new schemes.
- 3.3 Estate renewal schemes contribute to the physical regeneration of Council owned estates and offer existing residents the opportunity to move to new homes to meet their housing needs. As well as ensuring new supply of homes for existing residents additional homes are developed for affordable rent, other affordable housing tenures, market sale and private rent thereby helping to create mixed communities and meeting the diverse housing needs in the borough. New schemes can also improve local retail provision, other employment uses, and community services to benefit wider communities.
- 3.4 The Council has a London Mayor's house building target to meet. This is currently 798 minimum per year between 2015/16 and 2024/25. A Housing Supply Board consisting of officers from Regeneration and Environment is looking at ways to exceed this target to meet the Council's aspiration of 10,000 homes on the way by 2018. The estate renewal programme schemes will make a significant contribution towards the target. If approval is given to all the schemes it is currently anticipated that between approximately 3,155 and 3,310 additional new homes overall could be provided.
- 3.5 In reviewing its stock the Housing Department considers a range of factors to help determine which estates to prioritise for redevelopment or improvement. In identifying the next phase of the renewal programme three factors were agreed between a working group of officers from Housing, Planning and Regeneration, to be the highest priority. These factors; net present value (NPV); public transport accessibility level (PTAL) and structural condition were then scored for each estate to produce an ordered long list. NPV assesses the value of the stock to the Council and is calculated by considering rental income offset by factors such as maintenance costs over a twenty five year period. PTAL scores contribute to the indication of the density of homes that can be provided and is used to calculate a range of how many units could be expected to be provided on any given estate. Structural condition takes into account a range of data that includes survey reports, repairs, component and building life time analysis to assess properties that are in poorer condition and therefore more likely need complete replacement.
- 3.6 From this long list, consideration was then given to the highest scoring estates to include in a new programme. Two estates identified are already subject to estate renewal proposals. The highest scoring top sixteen estates and the sixteen highest scoring estates of over 50 units not already in the overall top sixteen were then visited and reviewed as

to their potential for increasing density and where considered appropriate for redevelopment.

- 3.7 Findings were cross referenced with previous estate development studies undertaken for the Council by consultants Donaldsons & Savills and Navigant. The combination of the site visits, the data provided for the scoring and the previous case studies has been drawn upon to make recommendations for each of the estates. Two additional estates have been identified through previous case studies and visits, and are included in the suggested programme, as they have the potential to produce net additional homes, one of the estates significantly so.
- 3.8 Estates proposed for the next phase of the estate renewal programme are contained in an appendix in part 2 of the report.
- 3.9 Officers are in the process of commissioning architectural and financial feasibilities for the listed estates. The cost of these is set out in part 2. These assessments will confirm or otherwise the development potential and financial viability of the proposed schemes. The outcome of these feasibility studies will be included in the reports either back to Cabinet.
- 3.10 Whilst schemes will be considered for financial viability in their own right they will be looked at in parcels and within the whole programme. This way schemes that create surpluses can be used to offset those that do not. It is important to consider this programmed approach as some estates that may produce large amounts of additional new homes can be costly to deliver and so may benefit from some cross subsidy. Consideration will also be given to alternative options for delivery, for example delivery through a third party, delivery through a company in which the Council has an interest or the sale of some sites in order to fund other schemes.
- 3.11 Within the HRA there is scope to fund schemes through ring-fenced sales. The Council owns sites e.g. high value and garage sites that could be sold for capital receipts to help fund the programme and other housing development schemes.
- 3.12 Tenants Decanting and Tenants Moving off Estates
 - 3.12.1 Although the outcome of redeveloping estates provides residents with the advantages of new homes that are of a much higher standard than their existing homes, good design and improved open space and other facilities it does involve disruption to existing living arrangements. Residents can be supportive of estate redevelopment but it does not mean that they do not have concerns about how they will manage their families' lives during the period of works. Tenants are offered the opportunity to stay on the estate and receive a new home or take the opportunity to move permanently elsewhere.

- 3.12.2 If they choose the former option the likelihood is that they will need to be decanted i.e. moved temporarily before moving into a new home. Whereas this is usually within the estate it can be a move off of the estate. In any event it means that the tenant has a period of living elsewhere which requires the Council to facilitate the availability of other accommodation and undertake additional management arrangements.
- 3.12.3 The requirement to move people either for decant purposes or to rehouse them permanently off of the estate they used to live on places a burden on the number of available lets for other households. People having to move because of estate redevelopment are awarded Group 2 priority for a certain amount of lettings every year.

Allocation Group	Actual Lets				Target Lets No.	Percentages		+/- %
	2013 -14	2014 -15	2015 -16*	Total		Target %	Actual %	
Transfers	104	82	33	219	223	16.7	16.7	0
Decants	100	87	18	205	280	21	15.6	-5.4
Quotas	157	163	42	362	312	23.4	27.5	+4.1
Homeless	238	192	98	528	521	38.9	40.2	+1.3
Total				1314	1336	100	100	0

* Lets to 31.8.15

If these group 2 applicants do not take up the allotted quota, properties are then offered to other quota groups on the housing register e.g. transfers and homeless households.

The reduction from 2015/16 onwards in the current programme reflects the lessening demand for decants now that decanting of phase 1 of the Alma redevelopment has almost completed and subsequent phases have fewer families requiring decanting.

Decanting requirements for the 2016-25 programme will be better assessed following full feasibilities however these will be offset by completions coming from the existing estate renewal programme and other residential schemes of which anticipated net lettings (rehousing of decanting tenants excluded) over the next few years that will contribute to overall available lettings include:

2016 - 2021	Current Estate Renewals	145
2017 - 2019	Electric Quarter	50
2017- 2020	Small Sites Rolling Programme	300 – 400
2018 – 2037	Meridian Water Phase 1	2000+

- 3.12.4 In order to reduce the pressures on overall letting supply all new schemes will be considered for how they can be developed in such a way that the need for decanting is reduced. This for

example may mean that non-residential areas within an estate can to be identified for earliest development so that tenants from other parts of the estate can move directly into the properties without the need for decant. If such a rolling decant programme of building, moving and building can take place this approach will be adopted, subject to scheme feasible. Scheme design constraints may mean this approach can have negative effects on the length of the development programme and viability and as a result may not work for a whole estate. However where possible this approach will be used to help alleviate decant pressures. This will always be considered as part of the design and financial feasibility assessment.

3.12.5 In addition to on-site solutions it is important that new supply is available to people wishing to move from the estate. Therefore if homes can be developed on infill sites (e.g. unused land or disused garage blocks, etc.) within estates, these can speed up the re-housing process. This approach has been adopted as part of the Alma redevelopment, whereby new Council homes being developed on the Dujardin Mews scheme and properties from the Small Sites 1 programme are being offered to group 2 in the allocations policy. Support for the smaller schemes within the Estate Renewal programme is required to continue this supply and combined with the Small Sites Rolling Programme will aid those needing to decant as well as increasing overall supply.

3.12.6 Where larger estates are being redeveloped, these will be linked to smaller nearby sites to help meet the requirements of tenants wishing to move. Should the need arise newer developments could be used for decanting off the estate. The proximity of the decant unit should help ensure that tenants can continue to maintain existing social networks and access to schools and work, etc.

3.13 Consultation

3.13.1 This report seeks Cabinet approval to undertake consultation with residents and other stakeholders for all the schemes included in the estate renewal list recommended for development.

3.13.2 Initial consultation will give residents the opportunity to give their input to the redevelopment proposals and most importantly whether or not they support a scheme. Residents support is vital in progressing ambitious estate renewal schemes and their continued involvement through further consultation events and resident panels will be developed once schemes are approved and underway.

- 3.13.3 Each estate will have a proportion of leaseholders; either tenants who have exercised the right to buy or people who have bought ex-RTB properties on the open market. The level varies from estate to estate and within this group there will be a split between those still resident and those who have moved off the estate. While the view of non-resident leaseholders will be sought it is the views of those still resident that require the most consideration as it is their homes that are being redeveloped. Leaseholders will be offered advice and support and resident leaseholders wishing to remain on the estate will be consulted upon options to do so.
- 3.13.4 Other stakeholders will also be included at the appropriate time. These include residents associations, ward members, occupiers of retail units on or adjoining estates, other Council departments, schools and neighbouring residents, etc.
- 3.13.5 Progression of developments will be reliant on the support of residents. An extensive consultation plan will be prepared following initial discussions.

3.14 Delivery Methods

- 3.14.1 The architectural and financial viabilities will help assess which method of delivery the Council can use for each respective scheme. What may work for one scheme may not for another. Often it is in the Council's long term financial interests to retain ownership of newly improved land and housing assets. However different approaches will be considered to ensure that schemes are deliverable and provide value for money. This involves the consideration of different mechanisms to involve development partners and could include disposal of land or properties within a scheme to a housing association.
- 3.14.2 Innovative delivery mechanisms have already been adopted with the example of Enfield Innovations Limited on the Small Housing Sites 1 programme. With new financial challenges being faced by the Council e.g. the 1% rent reduction from 2016 the ability to fund all schemes through the HRA will be difficult so officers are currently exploring other joint venture arrangements that could enable development.
- 3.14.3 In all methods of delivery the Council will consider negotiating with adjoining land owners where land assembly could lead to a better scheme. To ensure vacant possession can be obtained to enable the proposed developments the Council will need to make use of Compulsory Purchase (CPO) powers, as has been the case on current schemes.

3.15 Stock Condition

- 3.15.1 As part of the review of the current housing stock, detailed analysis has been undertaken of both the historic stock condition information that we hold, as well as the life expectancy of the renewable components (such as windows, bathrooms, kitchens, etc.) and also the structural integrity of the blocks. The weighting attached to these elements therefore reflects not only the current condition of the schemes, but also the required investment to keep the blocks habitable over a 30 year life span.
- 3.15.2 On some estates (particularly medium / high rise blocks, where an element of non-traditional construction has been involved), the investment required to keep the blocks in reasonable order, far outweighs the rental stream that could be achieved, meaning that these units have a “negative net present value” in the HRA business model (i.e. the investment in monetary terms is greater than the income that can be obtained). Whilst therefore a number of these estates might appear to be in an adequate condition at present, the potential life cycle costs of renewal, plus the potential incidence of structural failure in the future, inevitably leads to the conclusion that some of the blocks should be classified as more suitable for regeneration / demolition rather than further re-investment.
- 3.15.3 After analysis, it has also been decided that some of the estates would benefit from minor development covering such as redundant garages, sheds, etc. rather than complete demolition. These would be re-developed with infill new build development alongside the housing blocks that we can retain for the future. This integrated approach also helps to facilitate regeneration, with minimal impact on decanting and the attendant pressures that exerts on the remainder of the housing stock.

3.16 Next Steps

- 3.16.1 Initial feasibilities have been undertaken on the sites identified for full scale redevelopment. These indicate good initial potential viability for the proposed schemes and will be built upon to develop more detailed proposals that will be submitted to Cabinet for further approval.
- 3.16.2 Consultation will be integral to progressing schemes and will be undertaken as schemes are drawn up. Consultation will enable residents' views to be incorporated into general redevelopment proposals as well as more detailed design aspects and scheme layouts, etc.

3.16.3 It is anticipated that the major schemes within this report will be returned to Cabinet for approval throughout this and next financial years. However updates on all schemes contained within the report will be made to Cabinet as and when significant matters need approval or need to be noted.

3.16.4 The programme as a whole will complete over a number of years and will be dependent on the availability of funding either through the HRA or through other delivery mechanisms e.g. a housing association (Registered Provider) set up as a joint venture between the Council and suitable partner.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 The report gives Cabinet the option of supporting proposals for various levels of redevelopment for the estates that are listed. In proposing the suggestions financial viability has been considered along with the data that the Council holds to conclude that the proposals will be of financial and/or housing target benefit to the Council and also help meet the future housing needs of the borough's residents.

4.2 Alternative options were considered and rejected prior to this report as these either did not meet the needs of the Council in seeking to fulfil its obligations to maintain its properties e.g. through the increasing cost of maintaining poor condition buildings or because they did not generate sufficient new homes. On many of the sites different scale development could have been achieved or development not considered at all. However these options have not been put forward for one of the following reasons:

- they do not to represent value for money (significantly financially unviable)
- they do not produce a net increase of units on the estate
- they do not contribute significant numbers towards the Council's house building targets

5. REASONS FOR RECOMMENDATIONS

5.1 The report recommends a next phase of estate renewal schemes so that the Council can deliver:

- Better condition housing stock
- Improved housing estates, retail and other facilities
- Contribute to meeting London Mayor and Council house building targets
- Increased net housing stock
- The Council's responsibilities and duties to provide accommodation for those that need it and those that choose to live in Enfield
- Better economic and social outcomes for the borough's residents

- Improved energy efficiency by connecting to the LVHN
- An estate renewal programme that can be delivered on an overall cost neutral basis

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

6.1 Financial Implications

- 6.1.1 It is assumed in the Council's 30-Year HRA Business Plan that a future programme of estate renewal will be delivered on an overall cost neutral basis. As the programme of work described in this report is developed, proposals will be modelled through the Business Plan to ensure overall affordability and that the Business Plan remains in balance in individual years.
- 6.1.2 This will be a challenge in the years up to 2021/22 when the Business Plan is particularly tightly constrained. This constraint has recently been compounded following the Government's summer budget announcement that rents will reduce by 1% per year over the next four years. Revenue balances will be reduced by £325m over the 30 years and there are capital shortfalls of £81.7m. In 2016/17 alone, rental income to the HRA will be reduced by £2.2m. A major review of the Business Plan is therefore currently being undertaken, the outcome of which will be reported to Cabinet in November.
- 6.1.3 However, the Council now has experience in offering alternative financial solutions to continue to meet its estate renewal aspirations. Schemes so far have been developed through Housing Associations, the use of a Council-owned company, the sale of some assets to fund other projects and positive negotiation with developers. The Governments "Right to Buy one for one replacement scheme" and the Council's status as a Greater London Council Investment Partner also present opportunities to lever in funding to contribute towards scheme development.
- 6.1.4 The requirement to fund feasibility work in 2015/16 will be taken into account in reviewing and rebalancing the Business Plan.

6.2 Legal Implications

- 6.2.1 The proposals set out in this report are in accordance with the Council's main powers and duties, as local housing authority, contained in Part II of the Housing Act 1985.
- 6.2.2 Local authorities have a general power of competence which is set out in s. 1.1 of the Localism Act 2011 and states that "a local

authority has power to do anything that individuals generally may do. “ Ss (2) states that “Subsection (1) applies to things that an individual may do even though they are in nature, extent or otherwise— (a) unlike anything the authority may do apart from subsection (1), or (b)unlike anything that other public bodies may do.” Where the authority can do something under the power, the starting point is that there are to be no limits as to how the power can be exercised. For example, the power does not need to be exercised for the benefit of any particular place or group, and can be exercised anywhere and in any way. Section 2 sets out the boundaries of the general power, requiring local authorities to act in accordance with statutory limitations or restrictions. Further, section 111 of the Local Government Act 1972 confers on a local authority power to do anything which is incidental to the discharge of any of its functions.

6.3 Property Implications

- 6.3.1 The estate renewal programme is supported by Strategic Property Services as one of the strands for the Council’s house building target of 798 homes a year between 2015/16 and 2024/25.
- 6.3.2 Following the high level review of urban capacity, it is essential that further feasibility review work is undertaken to better understand the local context and in particular further due diligence including but not limited to the following :
- Town Planning opportunities and constraints
 - Title report and potential encumbrances including rights of way, easements, wayleaves and any other rights granted to leaseholders and third parties on land affected by the proposals.
 - Highways capacity (on and off street provision)
 - Utility Services (location and capacity)
 - Impact on Public Realm and amenity space
- 6.3.3 Further consideration will also be required in terms of method of sale, joint venture or direct development following completion of the feasibility studies on identified estates.
- 6.3.4 Decanting arrangements may be required depending upon the quantum, scale and type of proposal on each estate which may involve additional development costs which should be fully considered at the viability stage.

7. KEY RISKS

- 7.1 The Council has responsibility to ensure that it is:
- meeting the needs of its tenants and leaseholders
 - contributing to house building targets
 - maintaining its accommodation both to ensure its physical fabric is sound but also ensuring that value for money is being obtained by not investing in buildings that are becoming uneconomical to repair
 - to provide housing for people that are living in the borough both to whom the Council has a statutory duty towards e.g. the homeless or those seeking accommodation via the open market
- 7.2 By not having a continuous supply of sites for new development the Council will find it harder to achieve the above objectives. By using its own land resources it can help deliver the wide range of targets in 7.1 without being wholly reliant on others.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

The proposed redevelopments of these sites can provide replacement accommodation to a much higher standard, and provide an increase in the supply of much needed new housing for different tenures and income levels, along with higher quality related facilities.

New housing for mixed tenure, delivered by the Council can help tackle inequality and provide high quality, affordable and accessible accommodation for Enfield residents.

8.2 Growth and Sustainability

Increasing the supply of new housing can satisfy market demand in the borough for new housing, and help meet the borough's housing needs.

New homes will be designed to meet relatively high standards for sustainability. The Code for Sustainable Homes is being superseded but the Council will insist on Code for Sustainable Homes Level 4 or equivalent for its new developments.

8.3 Strong Communities

Increasing housing supply, designing new mixed tenure homes and schemes with strong urban design principles will encourage activity, interaction and community cohesion will have a positive impact on the local communities.

Residents living in close proximity to proposed developments, and those with interests affected by scheme proposals will be consulted on the design of new housing development proposals.

9. EQUALITIES IMPACT IMPLICATIONS

An Equalities Impact Assessment is yet to be undertaken for these schemes. These will be undertaken if the Council proceeds with the schemes.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

- 10.1 This report does not recommend a change of service or implementation of new practices and therefore Performance Management Implications are not applicable.

11. PUBLIC HEALTH IMPLICATIONS

- 11.1 Housing is fundamental to health; housing-related hazards that increase the risk of illness are discussed later but include damp, mould, excess cold and structural defects that increase the risk of an accident (such as poor lighting, or lack of stair handrails). Excess ill-health is estimated to cost the NHS some £600 million a year through cardiovascular diseases; respiratory diseases; rheumatoid arthritis; depression and anxiety; nausea and diarrhoea; infections; allergic symptoms; hypothermia and physical injury from accidents. In themselves cold homes are linked to in more than 30,000 excess deaths a year.

Housing has further social implications; there is evidence that people who live in cold homes may face social isolation as they may become embarrassed and not wish to invite people into their home. This will compound physical and mental health issues.

Background Papers

None

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MUNICIPAL YEAR 2015/2016 REPORT NO. **88**

MEETING TITLE AND DATE:
Cabinet – 21 October 2015

REPORT OF:
Director – Regeneration &
Environment

Contact officer and telephone number:

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Agenda: Part 1

Item:16

Subject: Meridian Water and Ponders
End High Street (Electric Quarter):
Programme Update

Wards: Upper Edmonton and Ponders
End

Key Decision No: KD 4033/KD 3687

Cabinet Member consulted: Councillors
Alan Sitkin and Ahmet Oykener

1. EXECUTIVE SUMMARY

- 1.1 Meridian Water is one of the largest regeneration schemes nationally and will transform 85 hectares of brownfield land and spread prosperity into neighbouring areas.
- 1.2 Ponders End is one of the Council's priority regeneration areas and the Council is making good progress to bring forward the redevelopment of the Alma Estate and Electric Quarter.
- 1.3 The purpose of this report is to provide further authorisations to move the regeneration of both areas forward so that they can improve opportunities for the local communities.

2. RECOMMENDATIONS

It is recommended that Cabinet:

- 2.1 Approves the terms of the Overarching Borough Agreement (**Appendix 1**) with the GLA, which governs the Meridian Water Housing Zone obligations and authorises the Authorised Legal Officer to sign the contract on behalf of Enfield Council.
- 2.2 Authorises £1.16m from the existing Neighbourhood Regeneration capital programme to enable the design and development of the new station vision in conjunction with Network Rail.

- 2.3 Notes and endorses the Council's bid to the Mayor's London Regeneration Fund which will support the creation of over 300 new jobs, a training centre and a new viewing gallery at Meridian Water.
- 2.4 Authorises £1.35m of the existing Neighbourhood Regeneration Capital programme to forward fund part of the London Regeneration Fund bid expenditure.
- 2.5 Authorises the Council to underwrite the initial cost of demolition and meanwhile uses from the existing Neighbourhood Regeneration capital programme in the sum of £1.2m to advance delivery of the "Electric Quarter".
- 2.6 Authorises the allocation of £0.5m from the existing Neighbourhood Regeneration Capital Programme to fund feasibility work on the revitalisation of Ponders End High Street.

3. BACKGROUND

- 3.1 Meridian Water comprises approximately 85 hectares in the south east of the borough and is one of the largest developable areas of land in the UK. Located within the Central Leaside growth area and the Mayor of London's wider Upper Lee Valley Opportunity Area it has significant development potential.
- 3.2 Ponders End is one of the Council's priority regeneration areas and the Electric Quarter on Ponders End High Street has a developer in place and a planning application for 167 homes was submitted on 2nd October 2015. This report seeks authority to support the cost of demolition whilst also providing funding to undertake a study looking at new opportunities to increase growth, footfall, and homes along Ponders End High Street.

4. MERIDIAN WATER HOUSING ZONE

- 4.1 Enfield Council was successfully awarded Housing Zone status by the GLA in June 2015. An award valued at £25m was agreed in principle, to accelerate delivery of homes in Meridian Water. This report seeks authority to enter into agreement with the GLA to accept the award.
- 4.2 In order to receive Housing Zone financial assistance, the GLA requires successful participating boroughs to enter into a funding agreement termed an 'Overarching Borough Agreement' (OBA contract) and then subsequently enter into subsidiary site by site (Transaction) agreements which will set out the zone output details. Essentially this is a commercial agreement which contracts the

Council and its partners to deliver housing outcomes and infrastructure in return for their funding. For Meridian Water there are four residential sites which for each there is both Recoverable Grant for additional land remediation works if required (so this acts as a contingency sum if needed) and Affordable Housing Grant for the new build housing itself. In addition to the four residential sites, there are three infrastructure projects:

- Angel Road Station improvements – Grant towards the new station and access work;
- Meridian Boulevard for construction of the first two phases of the new highway – both Recoverable Grant and Grant;
- Lee Valley Heat Network (LVHN) – Recoverable Grant towards the cost of installing pipework under the same sections of the new to be constructed Boulevard.

- 4.3 The OBA states that funding is on the understanding that the zone outputs will be delivered, and that Enfield will use all reasonable endeavours to deliver or procure the delivery of its agreed outputs.
- 4.4 These outcomes are not additional to what is already being planned but will support the Council to accelerate planned delivery in the initial phases of the overall Meridian Water development. The financial assistance takes the form of both Grant and Recoverable Grant (time-limited, interest free loan). A copy of the OBA is provided at **Appendix 1**.

5. MERIDIAN WATER ENHANCED STATION

- 5.1 In March 2015 (KD4029) Cabinet provided authority for a new Meridian Water station. The approved funding package of £12.3m includes contributions from the GLA, Network Rail, CIL and the LBE capital programme. The funding package however provided for only a basic station design that neither provided for essential 24/7 publically accessible access over the railway line nor did it provide for a design in keeping with the aspirations for the residential development.
- 5.2 Since March the Council's architects have been working on a concept for an enhanced station which both provides 24/7 free access via stairs and lifts over the railway line as well as a station design in keeping with the ambitions for the residential development. East-west connectivity either over or under the railway track is essential to create a cohesive neighbourhood; the proposal here to create the link as part of the enhanced station is considered to be the most economical way of achieving this.
- 5.3 Network Rail has been positive about the Council's enhanced station vision whilst also keen to ensure that a change of brief from the basic station to the enhanced station does not adversely impact upon the programme. In order to integrate the enhanced station vision into the existing programme further design work needs to be undertaken.
- 5.4 A further cabinet report will follow later in the year requesting approval to forward fund the additional cost of the enhanced station (recoverable from the appointed

developer), but at this stage authority is only required to enter into a variation on the Developer Services Agreement (DSA) with Network Rail (NR).

- 5.5 The current signed DSA between LBE and Network Rail instructs the design and development of the original basic station design for £831k, however further expenditure is required to fund the new scope of works. Network Rail has provided a fee proposal for the design and support services to take the new station through to a stage in 2016 when there will be sufficient information to enter into a delivery Implementation Agreement.
- 5.6 Approval is sought for an additional amount of £1.16m to be redirected from within existing capital budget provision.
- 5.7 It should be noted that section 4.1 of this report also recommends that the Council enters into the OBA with the GLA which will unlock £6m of investment from the GLA into the Meridian Water station.

6.0 MERIDIAN WATER LONDON REGENERATION FUND

- 6.1 Meridian Water will only achieve a successful legacy if equal thought, time and consideration are given to social and economic regeneration interventions as well as physical change.
- 6.2 The Council's emerging Regeneration Strategy identifies a need for pioneer uses during pre-construction and development of the early phases. This is critical to achieve a change in perceptions of Meridian Water and establishing it as a new destination.
- 6.3 A key principle in the emerging Regeneration Strategy is the Pioneer stage of Meridian Water which will run from 2016-2021. The objectives of the Pioneer stage are to:
 - Raise awareness of Meridian Water within the community, London, and beyond
 - Change perceptions of the area and create a buzz about the place
 - Increase footfall to and around the area
 - Provide jobs in sectors that have higher salary potential
- 6.4 The Council submitted a bid to the GLA's London Regeneration Fund on 2nd October 2015 which meets all of the above Pioneer stage objectives.
- 6.5 The bid proposes refurbishing existing industrial buildings on the Orbital Business Park which the Council completes the purchase of (following an unconditional exchange) in December 2015. The refurbishment will allow existing buildings to be used for an interim period of 5 years to provide over 300 jobs in the creative and technology sectors.
- 6.6 The jobs will be provided by two companies, one of which is based in Edmonton and there will be an exclusive offer for local people so that they can become the principal beneficiaries of this investment. The Council's master

developer partner will be expected to find a permanent home within the new Meridian Water development for the jobs created should the bid be successful. The revenue generated by the tenants will be in accordance with market rents and the increase in footfall also provides a saving on security costs that would otherwise be needed.

- 6.7 The LRF bid provides for a new sky bar / viewing gallery at the top of one of the refurbished warehouse units providing panoramic views of Meridian Water and it is hoped that the sky bar will be the place to showcase the Meridian Water opportunity. The investment will finance a new cycle link and the vocational space for the Built Environment Training centre which will be designed to provide to train overtime 10,000 local people so that they can participate in the construction jobs and management and maintenance jobs.
- 6.8 The total cost of the LRF is £2.7m therefore the bid to the GLA is for £1.35m which will be match funded by the private sector on a 50/50 basis. The match funding will be made up of contributions from the Meridian Water remediation contractor, boulevard contractor and master developer.
- 6.9 This report seeks authority for the Council to forward fund up to £1.35m on the basis that the Council recovers this sum from the Meridian Water private sector contracts. This initial fund of £1.35m is contained within the existing Neighbourhood Regeneration Team's budget. Expenditure will only occur once at least one of the three contracts has been entered into.

7. PONDER'S END

- 7.1 The Council has entered into an Agreement for Lease with Lovell Partnerships Limited to deliver the Electric Quarter. The Agreement for Lease is Conditional and all Conditions must be satisfied before a Lease can be granted by the Council to Lovell. One Condition is that Lovell must secure a satisfactory planning permission for the Electric Quarter. It was reported to Cabinet in June 2015 that a detailed Planning Application for the Electric Quarter was expected in July/August 2015. The Planning Application has been delayed due to ongoing design and viability work but was submitted on 2nd October 2015.
- 7.2 So as to stay on programme, with a start on site in the 1st Quarter of 2016, Lovell Partnerships Limited has been asked to proceed with the demolition of buildings on the former University site, now owned by the Council. Planning permission and quotations have been secured for the demolition, but Lovell has asked the Council to provide an Undertaking that Lovell's costs will be covered by the Council, if the Council does not grant a Lease to Lovell Partnerships Limited.
- 7.3 Lovell has also stepped in to work with the Ponders End community to deliver the Meanwhile Use Building, on the former Middlesex Police Station site for which planning permission has already been secured. Again, Lovell has asked the Council to provide an Undertaking to cover costs incurred by Lovell, if the Lease is not granted.

- 7.4 As such, Cabinet is requested to authorise a Financial Undertaking to Lovell Partnerships Limited, up to a total value of £1.2m (Recommendation at para 2.5 above). The Undertaking will cover all anticipated costs incurred by Lovell Partnerships Limited associated with the demolition of the former Middlesex University Buildings and the delivery of the Electric Quarter Meanwhile Use Building. Payment to Lovell will only be made should the Council not grant a Lease to Lovell to deliver the Electric Quarter.
- 7.5 The Electric Quarter development will make a positive contribution to the High Street but it is not a large enough intervention on its own to address the decline in the High Street's fortunes. This report recommends allocating funding of £0.5m from the existing Neighbourhood Regeneration Capital Programme to fund a feasibility study to consider new opportunities for interventions along Ponders End High Street. These interventions could include acquiring additional sites or investing in the public realm and will be procured in line with the Council's decision making and corporate procurement processes. The objectives of the study are to propose a number of interventions to grow the local economy, provide a community offer, increase footfall and deliver new homes.

8. REASONS FOR RECOMMENDATIONS

These are two priority areas for the Council and the measures set out in this report help to improve opportunities for local communities.

9. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

9.1 Financial Implications

The approved Regeneration Capital Programme of £70.4m (2015-2019) is sufficient to fund all of the recommendations contained within this report. The reprofiling will be reported as part of the second quarter's capital monitoring report to Cabinet.

9.2 Legal Implications

- 9.2.1 The Council has power under s1 of the Localism Act 2011 ("the Act") to do anything that individuals can do, subject to restrictions stated in the Act.
- 9.2.2 The recommendations in this report are in accordance with the s1 competence power under the Act and the Council's constitution.

9.3 Property Implications

- 9.3.1 New Station Vision. The design and development of a new station vision is supported by Strategic Property Services (SPS).

- 9.3.2 Meridian Water Housing Zone. Acceleration of planned delivery of the next phases of the overall Meridian Water development is to be welcomed provided that this is carried out within a framework which fosters and does not prejudice good and proper due diligence and clear understanding, analysis and costing of risks associated with the project.
- 9.3.3 London Regeneration Fund. Capital and revenue expenditure associated with the provision of refurbished industrial buildings on the Orbital Business Park and new space creation after 5 years will need to be integrated within the wider delivery plans, which will be subject to further viability and spatial planning. Resources to support Interim management and the selection of suitable tenants should be in accordance with the Council's constitution and SPS will provide further comment in due course as appropriate documentation is produced.
- 9.3.4 Any delivery payment of £1.2m to the Council's delivery partner Lovell's to demolish the former Middlesex university buildings would be subject to due diligence. Officers will ensure licensing arrangements for access, works and public liability insurance are in place in addition to a specification detailing how the site will be left following demolition.

10 KEY RISKS

- 10.1 Risk: The Council does not meet the Housing Zone obligations and the GLA is not therefore obligated to pay out anticipated funding. Mitigation: The Council will reflect zone outputs within the developer bids to ensure risks are minimised through appointment of its preferred delivery partner. The Council is taking the steps through accelerating planning and the developer partner appointment to meet the timescales and remains on track. A strong partnership approach has been developed with the GLA however it may be necessary to renegotiate terms over time.
- 10.2 Risk: The GLA can recover funding in the event that a site which benefits from zone funding is disposed of without first obtaining GLA consent. Mitigation: The Council's approach is to acquire all developable land at Meridian Water to ensure delivery of the project and that the Council has control at every stage of the development process.
- 10.3 Risk: The London Regeneration Fund bid is not successful. Mitigation: The Council will find an alternative use for the warehouses which can also generate income and jobs.
- 10.4 Risk: Station design may not be incorporated into the Network Rail scheme. Mitigation: The Council would have to find alternative means to provide an East-West connection and work with Network Rail to make further improvements to the Angel Road station.
- 10.5 Risk: The Department for Transport does not deliver 4 trains per hour from 2018. Mitigation: the Council would work with the DfT to ensure that essential

train services would be provided and in the meantime would facilitate additional bus routing to meet any shortfalls in rail provision.

- 10.6 Risk: That should the Council not grant a Lease to Lovell Partnerships Limited that the Council will have to meet the costs of demolition and the Meanwhile Use Building as per the financial undertaking. Mitigation: The demolition of existing buildings on the former Middlesex University campus will increase the value of the land. Therefore the costs of demolition will be recovered from the future disposal of the land. The Meanwhile Use Building would prove a useful asset, activating Ponders End High Street whilst a new delivery partner is procured, or the land is disposed of. As a Council asset the Meanwhile Building could be sold to a third party or used as part of other regeneration programmes such as Meridian Water, to secure value for money.

11 IMPACT ON COUNCIL PRIORITIES

11.1 Fairness for All

Meridian Water will provide fairness for all by ensuring the local communities are the beneficiaries of the housing led growth at Meridian Water.

11.2 Growth and Sustainability

Meridian Water is Enfield's largest regeneration opportunity area, delivering up to 8,000 new homes and 3,000 jobs. The acquisition of land will enable the early development of new homes in conjunction with the delivery of new education and rail infrastructure. Their subsequent development would be guided in part by the Meridian Water Master Plan which, amongst other things seeks to achieve fairness for all, sustainable growth and the development of strong communities.

11.3 Strong Communities

The Meridian Water Regeneration Strategy places an important emphasis on community cohesion both between existing residents as well as amongst the new residents themselves.

12 EQUALITIES IMPACT IMPLICATIONS

- 12.1 The draft Meridian Water Masterplan was subject to an initial Equalities Impact Assessment/Analysis (EqIA) to ensure that consultation promoted equal opportunities. During the master-planning process, demographic data was collected in relation to residents of Edmonton in order to determine which groups to target for community engagement and to also help assess the equalities issues the Masterplan proposals will need to consider.
- 12.2 Any further equalities impact issues will be examined at the planning application stage on individual sites.

13 PERFORMANCE MANAGEMENT IMPLICATIONS

Delivery of a comprehensive regeneration scheme at Meridian Water is a corporate priority within the Council's Business Plan for 2012-15. Completion of the Masterplan and the delivery of phased infrastructure improvements including increased rail services, station improvements and new homes will help to meet Outcome 2.10 of the Business Plan; to improve the quality of life of residents through the regeneration of priority areas and to promote growth and sustainability.

14 HEALTH AND SAFETY IMPLICATIONS

- 14.1 The Council will continue to work with the Environment Agency in relation to contaminated land and will expect the appointed development partner to adhere to Health and Safety legislation.
- 14.2 The Council would also need to ensure that any acquired land was properly managed in order to provide a satisfactory level of amenity, safety and security.

15 HR IMPLICATIONS

Since the last Meridian Water report to Cabinet in April good progress has been made to increase the number of internal staff working on Meridian Water; the Meridian Water Programme Manager has been appointed to programme manage The Team's portfolio of projects to advise upon the considered deployment of resources, project planning, risk management and identifying positive publicity opportunities. Four of the six Regeneration Managers have been appointed to work across all projects as required, including facilitating governance. The Strategic Design Manager position has been offered to the preferred candidate.

16 PUBLIC HEALTH IMPLICATIONS

The Meridian Water development is a major opportunity to improve the health of the population that compliments other initiatives in the borough. This should increase the health of the public through improved housing, economic development and urban planning to facilitate healthy lifestyles. The development should take account of such initiatives as Cycle Enfield to encourage everyday physical activity as well as ensuring pleasant walking access to facilities and access to and sight of green space.

Appendix 1

Overarching Borough Agreement (OBA)

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dated

2015

Greater London Authority

and

[]

Overarching Borough Agreement (principles document)

[This is a template agreement which will form the basis of the Housing Zones arrangements with successful bidding Boroughs. It may be revised and/or amended at the discretion of GLA to reflect Zone-specific or other provisions]

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Overarching Borough Agreement

dated

2015

Parties

- (1) **Greater London Authority** of City Hall, The Queen's Walk, More, London SE1 2AA (the **GLA**); and
- (2) [] of [] (the **Borough**)

Introduction

- (A) The GLA is empowered under the Act to make available the Zone Funding.
- (B) The Borough has submitted proposals to the GLA pursuant to the Housing Zones Programme in respect of the proposed construction and/or delivery of the Zone Outputs within the Zone and the GLA has agreed in principle to make Zone Funding available.
- (C) The GLA has agreed in principle to make Borough Zone Funding available to the Borough subject to the terms of this Agreement to enable the delivery of the Borough Zone Outputs.
- (D) It is a condition precedent to the GLA providing any Borough Zone Funding that the Borough enters into Intervention Agreements which secure, amongst other things, the delivery of the Borough Zone Outputs
- (E) This Agreement sets out the overarching principles upon which Borough Zone Funding may be made available to the Borough and the Borough's role in securing the delivery of the Third Party Zone Outputs. The Intervention Agreements will set out the detailed terms and conditions upon which specific amounts of Borough Zone Funding will be advanced to the Borough by the GLA.

Agreed terms

1 Definitions

This Agreement shall operate and be construed in accordance with the definitions and interpretation provisions set out in Schedule 1.

2 Principles of the provision of Zone Funding

2.1 The GLA (in exercise of its powers under the Act) has agreed in principle during the Availability Period:

- 2.1.1 to make available the Zone Funding in an aggregate principal amount equal to the Total Zone Allocation; and
- 2.1.2 to make available to the Borough subject to and in accordance with the terms of this Agreement the Borough Zone Funding in an aggregate principal amount equal to the Borough Zone Allocation;

and the Borough agrees and acknowledges that the Total Zone Allocation and the Borough Zone Allocation are as at the date of this Agreement indicative amounts only and may be adjusted by the GLA.

2.2 The parties acknowledge and agree that the provision of any Zone Funding by the GLA is subject to:

2.2.1 due diligence (including financial and legal due diligence) having been carried out by the GLA and, the results of which being satisfactory to it;

2.2.2 the availability of GLA resources; and

2.2.3 [an Intervention Agreement having been concluded between the GLA and the Borough].

3 **State Aid**

3.1 The Borough acknowledges that:

3.1.1 Borough Zone Funding will be given under each Intervention Agreement on the basis that such Borough Zone Funding is compliant with State Aid requirements.

3.1.2 The grounds for such compliance will vary depending on the particular circumstances of each Agreed Intervention and that State Aid compliance is likely to be based on one or more of the following grounds:

(a) the Agreed Intervention is compatible aid given in accordance with an EU measure (including a Service of General Economic Interest or in accordance with the General Block Exemption Regulation);

(b) the Agreed Intervention does not constitute State Aid;

(c) the Agreed Intervention is provided for a public function which is not an economic activity; and

(d) such other grounds as may be applicable.

4 **Zone Outputs**

4.1 The Borough acknowledges that the GLA has (subject to clause 2) allocated the Total Zone Allocation on the understanding that the Zone Outputs will be delivered in accordance with the Zone Output Schedule.

4.2 The Borough must:

4.2.1 use all reasonable endeavours to deliver or procure the delivery of the Borough Zone Outputs in accordance with the terms and timescales set out in the Zone Output Schedule;

4.2.2 take reasonable steps to procure the delivery of the Third Party Zone Outputs in accordance with the terms and timescales set out in the Zone Output Schedule.

- 4.3 If and to the extent that any variation is agreed in relation to an Intervention Agreement or a Third Party Intervention Agreement which has the effect or ought to have the effect of varying the Zone Outputs or the Zone Details or the Borough Zone Allocation or the Third Party Zone Allocation, the parties must vary the terms of this Agreement to give effect to the variation of the Intervention Agreement's or the Third Party Intervention Agreement's terms SAVE THAT nothing in this clause 4.3 shall require the Borough to accept a variation under a Third Party Intervention Agreement which would materially and adversely affect its position under this Agreement.
- 4.4 Failure by the Borough to deliver or procure the delivery of any Borough Direct Zone Output (in whole or in part) in accordance with the timescales set out in the Zone Output Schedule will entitle the GLA to do any one or more of the following:
- 4.4.1 terminate this Agreement in its entirety where the failure has a Material Adverse Effect;
 - 4.4.2 terminate the Intervention Agreement the performance or non-performance of which contributed to the failure to deliver the Borough Direct Zone Output in accordance with the terms of this Agreement (the **Direct Contributory Agreement**);
 - 4.4.3 cancel any undrawn Final Intervention Sum;
 - 4.4.4 recover any sums paid to the Borough pursuant to the Direct Contributory Agreement; and
 - 4.4.5 require the Borough to prepare a plan (satisfactory in form and substance satisfactory to the GLA) to remedy and/or mitigate the effects of the failure to deliver the Borough Direct Zone Output and to submit the plan to GLA for its approval within ten (10) Business Days of GLA's request;
- 4.5 Termination of any Intervention Agreement by GLA will entitle GLA to exercise the rights set out in clause 4.4 (except clause 4.4.2).
- 4.6 Failure by the Borough to deliver or procure the delivery of any Borough Indirect Zone Output (in whole or in part) in accordance with the timescales set out in the Zone Output Schedule will entitle the GLA to do any one or more of the following:
- 4.6.1 terminate the Intervention Agreement the performance or non-performance of which contributed to the failure to deliver the Borough Indirect Zone Output;
 - 4.6.2 cancel any undrawn Final Intervention Sum;
 - 4.6.3 adjust the Final Intervention Sum by such amount as the GLA acting reasonably considers appropriate to reflect the Borough's failure to deliver or procure the delivery of the Borough Indirect Zone Output in accordance with the requirements of the applicable Zone Documents.
- 4.7 If a Zone Milestone Failure occurs or is in the opinion of GLA likely to occur (having regard to the information supplied pursuant to clauses 6 or 7) and such Zone Milestone Failure is not the result of an Extension Event GLA shall be entitled (but not obliged) and in its absolute discretion to:

- (a) exercise the rights described under clause 8; or
- (b) agree a revised Zone Milestone and/or Zone Milestone Date with the Borough in which case any relevant condition of this Agreement shall apply mutatis mutandis to the revised Zone Milestone and/or Zone Milestone Date.

4.8 Where any Zone Milestone Failure occurs or is in the opinion of GLA likely to occur (having regard to the information supplied pursuant to clauses 6 or 7) and GLA determines that such failure is the result of an Extension Event GLA shall extend the relevant Zone Milestone Date by such reasonable period as it considers appropriate to take account of the delay caused or likely to be caused by the Extension Event.

5 **Borough's Obligations**

5.1 The Borough must:

- 5.1.1 not, without the prior written consent of GLA, dispose of the whole or any part of any Borough Site comprised within the Zone save as expressly contemplated within any Intervention Agreement.
- 5.1.2 comply with the following provisions in relation to the London Living Wage and:
 - (a) use all reasonable endeavours to ensure that none of its employees engaged in the delivery of the Zone Outputs or any Agreed Intervention is paid an hourly wage (or equivalent of an hourly wage) less than the London Living Wage;
 - (b) use all reasonable endeavours to ensure that none of its employees engaged in the provision of the Works is paid less than the amount to which they are entitled in their respective contracts of employment;
 - (c) provide to GLA such information concerning the London Living Wage as GLA or its nominees may reasonably require from time to time; and
 - (d) use all reasonable endeavours to co-operate and provide all reasonable assistance in monitoring the effect of the London Living Wage.
- 5.1.3 subscribe to the Mayoral Concordat which stipulates that new homes for sale will be available for sale to Londoners before or at the same time as they are available to buyers from other countries.
- 5.1.4 ensure that:
 - (a) a Planning Performance Agreement is in place in relation to each of the Sites and that GLA is a party to such agreement in relation to any Site which is referable to it; or
 - (b) an alternative arrangement (acceptable to GLA acting reasonably) is in place to ensure efficient and prompt decision-making in relation to planning matters; and

- (c) no change is made to the arrangements contemplated in this clause without the GLA's prior written consent;
- 5.1.5 ensure the availability and application of the Borough's Zone Contribution in the form, quantum and timescale required pursuant to this Agreement and under each Intervention Agreement;
- 5.1.6 notify the GLA of the occurrence of any Notifiable Event;
- 5.1.7 allow the GLA (or procure permission for the GLA) to visit the Sites at reasonable times and on reasonable notice for the purposes of monitoring the Borough's progress in delivering the Agreed Interventions and Borough Zone Outputs and, to the extent practicable, Third Party Interventions and the Third Party Zone Outputs;
- 5.1.8 comply with the provisions of the Governance Strategy and Structure and not make any changes to the same without the prior written consent of the GLA; and
- 5.1.9 where the Borough has submitted a Remediation Plan and that plan has been approved by the GLA, implement the Remediation Plan in accordance with its terms.

6 Notifications, reporting and audit

6.1 The Borough shall notify GLA:

- 6.1.1 immediately upon any change (whether actual or proposed) required to the Zone Outputs other than any change permitted under this Agreement;
- 6.1.2 immediately upon becoming aware of any event which:
 - (a) has or might have a Material Adverse Effect on the Borough; or
 - (b) prejudices or might prejudice the Borough's ability to deliver the Borough's Zone Outputs in accordance with the Zone Output Schedule; or
 - (c) constitutes or might constitute a Zone Milestone Failure; or
 - (d) prejudices or might prejudice the delivery of the Third Party Zone Outputs or any Third Party Intervention; or
 - (e) prejudices or might prejudice the Borough's ability to provide the Borough's Zone Contribution; or
 - (f) prejudices or might prejudice the Borough's ability to deliver any Agreed Intervention; or
 - (g) has resulted in or might give rise to the making of a Report or Direction;

6.1.3 as soon as reasonably practicable on becoming aware of any claim brought against the Borough arising out of or relating to the activities of the Borough and/or the Zone Funding or pursuant to the any Associated Project Documents;

6.1.4 immediately upon there being a proposed change to:

- (a) any Associated Project Documents which is material;
- (b) the use of any asset funded by means of Borough Zone Funding made available under this Agreement (including the purposes for which it is to be used and/or any time periods for which the asset is to be used);
- (c) the ownership of any asset funded by means of Borough Zone Funding made available under this Agreement;

6.1.5 immediately upon the occurrence of an Event of Default.

6.2 The GLA and the Borough shall attend a Review Meeting within ten (10) Business Days of each Quarter Date (or within such longer period as the GLA may at its absolute discretion agree) to discuss (but without limitation) progress in achieving the Borough Zone Outputs and the Third Party Zone Outputs and such other matters in relation to the performance of this Agreement as are notified by either party to the other in writing at least five (5) Business Days prior to the date of the Review Meeting.

6.3 The GLA or the Borough may also call a Review Meeting at any time outside of the quarterly cycle provided that the party requesting the meeting gives reasonable prior written notice to the other of such meeting.

6.4 Nothing in this clause 6 shall prevent GLA from requesting (whether on behalf of itself or any Government office) at any other time information from the Borough in respect of the delivery of the Zone Outputs or such other matters relating to the performance of this Agreement and the Borough shall promptly respond to any such request.

6.5 The Borough shall, as and when requested by GLA, make available on an Open Book basis and in a timely manner to GLA where required in connection with this Agreement or the Zone Documents a copy of each of: all data, materials, documents and accounts of any nature created, acquired or brought into existence in any manner whatsoever by or on behalf of the Borough (including by its officers, employees, agents or consultants) for the purposes of the Zone Documents.

7 Change in financial circumstances

The Borough shall notify GLA immediately where there is or has been any withdrawal or reduction of any funding or income available to the Borough or any reduction or withdrawal in relation to the Borough's Zone Contribution.

8 Events of Default

8.1 An Event of Default occurs where:

8.1.1 a Zone Milestone Failure occurs or is in the opinion of GLA likely to occur (having regard to the information supplied pursuant to clauses 6 or 7) and such Zone Milestone Failure is not the direct result of a Extension Event;

- 8.1.2 the Borough fails to perform and/or observe any obligation or restriction on it under any Intervention Agreement or Associated Project Document (to which it is a party) such that delivery of the Agreed Intervention or Borough Zone Outputs in the opinion of GLA is unlikely to be achieved and/or an Intervention Agreement is terminated;
- 8.1.3 the Borough fails to comply with clauses 5.1.5, 5.1.6, 5.1.8, 5.1.9 and/or 6.1;
- 8.1.4 the GLA believes that any information or change notified to it pursuant to clauses 6 and/or 7 or which it otherwise becomes aware of has or might have a Material Adverse Effect;
- 8.1.5 the Borough or where applicable any Contractor, subcontractor, employee, officer or agent commits any Prohibited Act (in respect of which the Waiver Condition has not been satisfied) or a Report or Direction is made;
- 8.1.6 a Change of Use or Disposal other than a Permitted Disposal has occurred without the prior consent of GLA; or
- 8.1.7 there has been an act/omission on the part of the Borough or of any of its Contractors that in the GLA's opinion harms or has the potential to harm the reputation of the GLA Group, the Mayor or the Housing Zones Programme or to bring them into disrepute.
- 8.2 Where an Event of Default has occurred GLA may by notice to the Borough:
 - 8.2.1 require the Borough to prepare a plan to remedy and/or mitigate the effects of the Event of Default and submit the plan to GLA within ten (10) Business Days of such request for approval; and/or
 - 8.2.2 reduce the then applicable Borough Zone Allocation and/or terminate this Agreement.
- 8.3 In relation to the exercise by GLA of its rights under clause 8.2:
 - 8.3.1 the exercise by GLA of its rights under clause 8.2 will be without prejudice to any other right of action or remedy of GLA (including any claim for damage) in respect of the Event of Default; and
 - 8.3.2 if GLA exercises its rights under clause 8.2.1, the Borough will, after notice from GLA, remedy the Event of Default to GLA's satisfaction within such period as prescribed in the relevant Remediation Plan and subject to such conditions as GLA may determine.
- 9 **Public relations and publicity**
 - 9.1 The Borough will ensure that the GLA's requirements from time to time in relation to public relations and publicity for capital projects (including site signage) as notified to the Borough from time to time are observed and implemented in respect of the Zone Documents, the Housing Zones and/or the Zone Outputs.
 - 9.2 The Borough will not and will procure that no Contractor, officer, employee or agent will not communicate with any representative of any press, television, radio or other

communications media on any matter concerning the Zone Documents, the Housing Zones and/or the Zone Outputs without GLA's prior written consent.

9.3 GLA will have the right to approve any announcement in relation to the Zone Documents, the Housing Zones and/or the Borough Zone Outputs before it is made.

9.4 The Borough grants GLA a non-exclusive, royalty free licence (to the extent that it can grant such a licence) to use any photographs, records, images, articles or illustrations relation to the Housing Zones undertaken by or for the Borough for use in any publicity or advertising, whether published alone or in conjunction with any other person.

10 **Reputation of the parties**

10.1 The Borough will not, and will use all reasonable endeavours to procure that all Contractors officers, employees or agents will not knowingly do or omit to do anything in relation to the Zone Documents, the Housing Zones and/or the Borough Zone Outputs or in the course of their other activities that may bring the standing of the Mayor, the GLA or the GLA Group into disrepute or attract adverse publicity for GLA.

10.2 No party will publish any statement, orally or in writing, relating to the other party which might damage that other party's reputation or that of any of its officers or employees.

11 **Confidentiality and freedom of information**

11.1 **Confidentiality**

11.1.1 Subject to clauses 11.1.2 to 11.1.5 below, neither party shall disclose to any third party any Confidential Information without the prior written consent of the other party.

11.1.2 Clause 11.1.1 shall not apply to any Confidential Information which:

- (a) is or becomes public knowledge (otherwise than by breach of this Agreement);
- (b) is lawfully in the possession of the disclosing party, without restriction as to its disclosure, before they receive it from the other party;
- (c) is received by the disclosing party from a third party who lawfully acquired it and who is under no obligation restricting its disclosure;
- (d) either party discloses in response to a Request for Information.

11.1.3 Clause 11.1.1 shall not prevent either party from disclosing, without the other party's consent, any Confidential Information to the extent that it is required to be disclosed:

- (a) by law, including the FOIA Legislation, or by a court, arbitral or administrative tribunal or regulatory body in the course of proceedings before it or a regulatory body acting in the course of its duties;
- (b) to enable the disclosing party to perform its obligations under any Zone Document; or

- (c) in order to give proper instructions to any professional adviser of that party who also has an obligation to keep any such Confidential Information confidential.

11.1.4 Nothing in this clause 11 shall prevent GLA:

- (a) disclosing any Confidential Information for the purpose of the examination and certification of GLA's accounts or any examination pursuant to section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which GLA has used its resources; or
- (b) disclosing any Confidential Information obtained from the Borough to any other department, office or agency of the Crown or to any person engaged in providing any services to GLA for any purpose relating to or ancillary to a Zone Document or any person conducting an Office of Government Commerce gateway review;

provided that in disclosing information under clause 11.1.4(b) GLA discloses only the information which is necessary for the purpose concerned and requires that the information is treated in confidence and that a confidentiality undertaking is given where appropriate.

11.1.5 Nothing in this clause 11.1 shall prevent GLA from publishing information relating to Total Zone Allocation, the Borough Zone Allocation, the Third Party Zone Allocation, Intervention Sums, locational characteristics of a Housing Zone and/or Zone Outputs.

11.2 Freedom of information

11.2.1 The parties to this Agreement are FOIA Authorities and:

- (a) are subject to legal duties which may require the release of information; and
- (b) FOIA Authorities may be under an obligation to provide Information subject to a Request for Information.

11.2.2 The FOIA Authority in receipt of or to receive the RFI (**Relevant FOIA Authority**) will be responsible for determining in its absolute discretion whether:

- (a) any Information is Exempted Information or remains Exempted Information; and/or
- (b) any Information is to be disclosed in response to a Request for Information;

and in no event shall any party, other than the Relevant FOIA Authority, respond directly to a RFI except to confirm receipt of the RFI and that the RFI has been passed to the Relevant FOIA Authority unless otherwise expressly authorised to do so by the Relevant FOIA Authority.

11.2.3 Subject to clause 11.2.4 below, each party acknowledges that the Relevant FOIA Authority may disclose Information:

- (a) without consulting the other; or
 - (b) following consultation with the other party and having taken (or not taken, as the case may be) its views into account.
- 11.2.4 Without in any way limiting clauses 11.2.2 and 11.2.3, in the event that the Relevant FOIA Authority receives a RFI, the Relevant FOIA Authority will, where appropriate, as soon as reasonably practicable notify the other party.
- 11.2.5 Each party will assist and co-operate as requested by the Relevant FOIA Authority to enable the Relevant FOIA Authority to comply with its disclosure requirements under FOIA and EIR within the prescribed periods for compliance and in particular without limitation will (and will procure that its agents and sub-contractors will), at their own cost:
 - (a) transfer any RFI received to the Relevant FOIA Authority as soon as practicable after receipt and in any event within two (2) Business Days of receiving a RFI;
 - (b) provide all such assistance as may be required from time to time by the Relevant FOIA Authority and supply such data or information as may be requested by the Relevant FOIA Authority;
 - (c) provide the Relevant FOIA Authority with any data or information in its possession or power in the form that the Relevant FOIA Authority requires within five (5) Business Days (or such other period as the Relevant FOIA Authority may specify) of the Relevant FOIA Authority requesting that Information; and
 - (d) permit the Relevant FOIA Authority to inspect any records as requested from time to time.
- 11.2.6 Nothing in this Agreement will prevent the Relevant FOIA Authority from complying with any valid order, decision, enforcement or practice recommendation notice issued to it by the Information Commissioner under FOIA and / or EIR in relation to any Exempted Information.
- 11.2.7 The Borough acknowledges and agrees that GLA may in its absolute discretion redact all or part of the Information prior to its publication. In so doing and in its absolute discretion GLA may take account of any EIR Exemptions and FOIA Exemptions. GLA may in its absolute discretion consult with the Borough regarding any redactions to the Information to be published pursuant to this clause 11. GLA will make the final decision regarding publication and/or redaction of the Information.
- 11.3 The obligations in this clause 11 will survive the expiry or termination of the Zone Documents for a period of two (2) years or, in respect of any particular item of Confidential Information, until such earlier time as that item of Confidential Information reaches the public domain otherwise than by reason of a breach of a Zone Document or of any other duty of confidentiality relating to that information.

12 **Data protection**

- 12.1 The Borough warrants and represents that it has obtained all necessary registrations, notifications and consents required by the DPA to process Personal Data (as defined in the DPA) for the purposes of performing its obligations under the Zone Documents.
- 12.2 The Borough undertakes that to the extent that the Borough and/or any of its employees receives, has access to and/or is required to process Personal Data on behalf of GLA (**GLA's Personal Data**) for the purpose of performing its obligations under the Zone Documents it will at all times comply with the provisions of the DPA for the time being in force, including without limitation the Data Protection Principles set out in Schedule 1 of the DPA.
- 12.3 The Borough agrees to comply at all times with the DPA and to use all reasonable efforts to assist GLA to comply with such obligations as are imposed on GLA by the DPA and not to perform its obligations under the Zone Documents in such a way as to cause GLA to breach any of its applicable obligations under the DPA.
- 12.4 The Borough will indemnify GLA against all claims and proceedings and all liability, losses, costs and expenses incurred in connection therewith by GLA as a result of the Borough's destruction of and/or damage to any of GLA's Personal Data processed by the Borough, its employees, agents, or any breach of or other failure to comply with the obligations in the DPA and/or this clause 12 by the Borough, its employees, agents or Contractors.
- 12.5 The Borough undertakes to include obligations no less onerous than those set out in this clause 12, in all contractual arrangements with Associated Persons and/or with agents engaged by the Borough in performing its obligations under the Zone Documents.

13 **Senior Officers**

13.1 **Authority of the Borough Senior Officer**

The Borough represents to GLA that the Borough Senior Officer has full authority to act on its behalf for all purposes under the Zone Documents. GLA and the GLA Senior Officer are entitled to treat any act of the Borough Senior Officer in connection with the Zone Documents as being expressly authorised by the Borough (save where the Borough has notified GLA that such authority has been revoked) and GLA will not be required to determine whether any express authority has in fact been given. The Borough Senior Officer may authorise any of its subordinates to exercise its powers under the Zone Documents by notice to GLA.

13.2 **Authority of GLA Senior Officer**

GLA represents to the Borough that the GLA Senior Officer has full authority to act on its behalf for all purposes under the Zone Documents. The Borough is entitled to treat any act of the GLA Senior Officer in connection with the Zone Documents as being expressly authorised by GLA (save where GLA has notified the Borough that such authority has been revoked) and the Borough will not be required to determine whether any express authority has in fact been given. The GLA Senior Officer may authorise any of its subordinates to exercise any of its powers under any Zone Document

14 **No agency, partnership or employment**

- 14.1 Nothing in this Agreement or otherwise shall be held, implied or deemed to constitute a partnership, joint venture or other association or, save as expressly provided, the relationship of principal and agent between the parties for any purpose whatsoever.
- 14.2 The Borough shall at all times be independent and nothing in this Agreement shall be construed as creating the relationship of employer and employee between GLA and the Borough. Neither the Borough nor any of its respective employees shall at any time hold itself or themselves out to be an employee of GLA.
- 14.3 The Borough will not say or do anything which may pledge the credit of or otherwise bind GLA or that may lead any other person to believe that the Borough is acting as GLA.

15 **Assignment and sub-contracting**

- 15.1 The GLA will be entitled to transfer or assign all or part of this Agreement.
- 15.2 The Borough will not be entitled to transfer or assign all or part of this Agreement.

16 **No fettering of discretion/statutory powers**

Nothing contained in or carried out pursuant to any Zone Document and no consents given by GLA or the Borough will unlawfully prejudice GLA's or the Borough's (as appropriate) rights, powers or duties and/or obligations in the exercise of its functions or under any statutes, byelaws, instruments, orders or regulations.

17 **Dispute Resolution**

- 17.1 All disputes and differences arising out of or in connection with this Agreement (a **Dispute**) shall be resolved pursuant to the terms of this clause 17.
- 17.1.1 In the event that the Borough or the GLA consider that a Dispute exists, such party will serve a notice upon the other party (a **Notice of Dispute**) giving brief details of the Dispute.
- 17.1.2 Senior representatives of the parties (the **Senior Representatives**) will meet within ten (10) Business Days (or such other longer period not exceeding twenty (20) Business Days as the parties may agree) of receipt of a Notice of Dispute and use their reasonable endeavours to resolve such Dispute amicably and in good faith and in accordance with this clause 17. Any unanimous resolution of the Senior Representatives shall be recorded in writing and signed by them and shall be final and binding unless the parties agree otherwise.
- 17.1.3 If the Dispute remains unresolved after ten (10) Business Days following referral to the Senior Representatives, such Dispute will be finally resolved by the courts of England and Wales.

18 **Notices**

- 18.1 Any notice to be given hereunder shall be in writing addressed to GLA Senior Officer or to Borough's Senior Officer (as applicable) and shall be sufficiently served if delivered by hand and receipted for by the recipient or sent by a recorded delivery service addressed in

the case of any party to the other party's registered office as set out at the beginning of this Agreement or to such other addresses a party may from time to time notify to the other in writing provided that such other address is within England and Wales.

18.2 Any notice shall be deemed to be given by the sender and received by the recipient:

18.2.1 if delivered by hand, when delivered to the recipient; or

18.2.2 if delivered by a recorded delivery service, three (3) Business Days after delivery including the date of postage

provided that if the delivery or receipt is on a day which is not a Business Day or is after 4.00pm it is to be regarded as received at 9.00am on the following Business Day.

19 **Rights of third parties**

Except as otherwise expressly provided no person who is not a party shall be entitled to enforce any terms of this Agreement solely by virtue of the Contracts (Rights of Third Parties) Act 1999.

20 **Entire agreement**

20.1 This Agreement and the conditions herein contained together with the schedules constitute the entire agreement between the parties in relation to its subject matter and may only be varied or modified by written agreement of the Borough and GLA.

20.2 The Borough hereby acknowledges that save as set out or referred to in the Agreement there are and have been no representations made by or on behalf of GLA of whatsoever nature on the faith of which the Borough is entering into this Agreement.

21 **Severance**

If any term, condition or provision contained in this Agreement shall be held to be invalid, unlawful or unenforceable to any extent, such term, condition or provision shall to that extent be omitted from this Agreement and shall not affect the validity, legality or enforceability of the remaining parts of this Agreement.

22 **Waiver**

22.1 The failure of any party at any one time to enforce any provision of this Agreement in no way affects its right thereafter to require complete performance by the other party, nor may the waiver of any breach or any provision be taken or held to be a waiver of any subsequent breach of any provision or be a waiver of the provision itself. The rights and remedies contained in this Agreement are cumulative and not exclusive of each other nor of rights or remedies provided by law.

23 **Disclaimer**

GLA will not be liable to the other party for any advice given by a representative of GLA. In addition, GLA gives no assurance as to the suitability or viability of any Housing Zone and no endorsement of the same.

24 **Governing law**

This Agreement shall be governed by and construed in accordance with the laws of England and Wales and the parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales.

In witness of which this Agreement has been duly executed as a deed and is delivered and takes effect on the date written at the beginning of this Agreement.

Schedule 1 – Definitions and Interpretation

- 1 In this Agreement (including in the Introduction and schedules) the following words and expressions have the following meanings:

Act means the Greater London Authority Act 1999;

Agreed Intervention means the outputs to be delivered by the Borough pursuant to an Intervention Agreement;

Agreed Intervention Expenditure means the costs set out in the Agreed Intervention Expenditure Plan and summarised in the Zone Budget which the GLA is satisfied either have been or will be reasonably and properly incurred by the Borough in delivering the Agreed Interventions and Borough Zone Outputs but for the avoidance which does not include:

- (a) staff costs and other internal costs of the Applicant;
- (b) statutory fees;
- (c) finance charges;
- (d) marketing costs;
- (e) VAT;
- (f) any costs of activities of a political or exclusively religious nature;
- (g) any costs of goods or services that the Borough has a statutory duty to provide;
- (h) payments reimbursed or to be reimbursed by other Public Sector Financial Assistance or private sector grants;
- (i) contributions in kind;
- (j) depreciation, amortisation or impairment of fixed assets owned by the Borough;
- (k) interest payments (including service charge payments for finance leases);
- (l) gifts, other than promotional items with a value of no more than £10 a year to any one person;
- (m) any costs of entertaining which would be a taxable benefit to the person being entertained according to current UK tax regulations;
- (n) statutory fines, criminal fines or penalties;
- (o) liabilities incurred before the date of this Agreement unless agreed in writing by the GLA;

- (p) the costs of making good any damage to the Works caused by an insurable risk or the costs of making good any defects on the Works; or

and where any costs relate to both construction works and professional fees (including design) then the proportion attributable to professional fees shall be included the Agreed Intervention Expenditure (the amount of such proportion to be determined by the Agency).

Agreed Intervention Expenditure Plan means the plan (if any) forming part of an Intervention Agreement describing the expenditure to which the Final Intervention Sum is to be applied and the manner of its application;

Associated Person means in relation to a company, a person who performs or has performed services for or on that company's behalf;

Associated Project Documents means each Contract and all relevant construction documents entered into or to be entered into by the Borough in relation to the Zone including but not limited to planning agreements, appointments of Professionals and collateral warranties;

Availability Period means the period from the date of this Agreement until [];

[DN: date of end of Availability Period to be inserted]

Bid means the submission by the Borough of its proposal for the development of the Zone and the delivery of the proposed Agreed Interventions and Zone Outputs and any supporting information relating to the same;

Borough Direct Zone Output means the outputs designated as such in the Zone Details;

Borough Indirect Zone Output means the outputs designated as such in the Zone Details;

Borough Site means the land upon which the Agreed Interventions and Borough Zone Outputs are to be constructed;

Borough Zone Allocation means the indicative sum identified in Part 2 of Schedule 3 as amended from time to time in accordance with principles described in clauses 2 and/or 4.3;

Borough Zone Funding means funding made or to be made available by the GLA to the Borough for the purposes of reimbursing Agreed Intervention Expenditure incurred by the Borough in delivering or procuring the delivery of the Borough Zone Outputs;

Borough Zone Outputs means the Borough Direct Zone Outputs and the Borough Indirect Zone Outputs (as the same may be amended from time to time in accordance with the terms of this Agreement);

Borough's Senior Officer means [];

Borough's Zone Contribution has the meaning attributed to it in Schedule 2 and which may only be varied with the prior written consent of GLA from time to time;

Business Day means any day other than a Saturday, Sunday or statutory bank holiday in England;

Change of Use means in relation to any asset funded pursuant to the Zone Documents a change in its use from that agreed in the applicable Zone Document or a reduction in the time for which it is to be used for any designated purpose as specified in the applicable Zone Document;

Confidential Information means in respect of GLA all information relating to GLA or the existence or terms of this Agreement or any Zone Document in respect of which the Borough becomes aware in its capacity as a party to the Zone Documents or which is received by the Borough in relation to this Agreement or any Zone Document from either GLA or any of its advisers or from any third party if the information was obtained by that third party directly or indirectly from GLA or any of its advisors in whatever form in either case (including information given orally and any document electronic file or other means of recording or representing information which includes derives or is copied from such information) and in the case of the Borough means such specific information as the Borough shall have identified to GLA prior to the date hereof as confidential information for the purposes of this Agreement;

Consents means and includes any necessary approval, authorisation, consent, exemption, licence, permit, permission or registration by, of or from any governmental or other authority, the local planning authority, landlord, funder, adjoining land owner or any other person required to undertake the Works or deliver the Agreed Interventions or Borough Zone Outputs;

Contractor means each contractor or other party (however described) engaged by the Borough (or on behalf of the Borough) or collaborating with the Borough in or for the delivery of Works, Agreed Interventions or other Borough Zone Outputs;

Contracts mean the contracts to be entered into by the Borough with Contractors for or in relation to the Works, Agreed Interventions or other Borough Zone Outputs;

Direction means a direction by the Secretary of State under Section 15 of the Local Government Act 1999;

Disposal means a disposal of the whole or any part of a Borough Site or asset funded by Borough Zone Funding pursuant to this Agreement or pursuant to an Intervention Agreement;

DPA means the Data Protection Act 1998 as amended or updated from time to time;

EIR means the Environmental Information Regulations 2004, and any subordinate legislation made under this Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner in relation to such legislation;

EIR Exemption means any applicable exemption to EIR;

Event of Default means any of the events set out at clause 8;

Exempted Information means any Information that is designated as falling or potentially falling within the FOIA Exemptions or the EIR Exceptions;

Extension Events means any of the following:

- (a) exceptionally adverse weather conditions **provided that** any extension permitted on this ground will be restricted to the number of days for which the adverse weather continued;
- (b) the exercise after the date of this Agreement by the United Kingdom Government of any statutory power which directly affects the execution of the Works by restricting the availability or use of labour which is essential to the proper carrying out of the Works or preventing the Borough from, or delaying in, securing such goods or materials or such fuel or energy as are essential to the proper carrying out of the Works;
- (c) the use or threat of terrorism and/or the activity of the relevant authorities in dealing with such use or threat;
- (d) fire, explosion, lightning, storm, tempest, flood, bursting or overflowing of water tanks, apparatus or pipes, ionising radiation, earthquakes, riot and civil commotion;
- (e) failure by any statutory undertaker, utility company or other like body to carry out works or provide services which the Borough has taken all steps open to it to procure and expedite;
- (f) any failure or major shortage of power, fuel or transport;
- (g) any blockade or embargo;
- (h) any (i) official or unofficial strike; (ii) lockout; (iii) go-slow; or (iv) other dispute;

generally affecting the house building industry or a significant sector of it to a material extent;

unless any of the events arises (directly or indirectly) as a result of any wilful default or wilful act or negligent act of the Borough or any Contractor;

Final Intervention Sum means the sum set out in an Intervention Agreement representing the amount of Borough Zone Funding provided by the GLA in respect of the Agreed Intervention;

FOIA means the Freedom of Information Act 2000, and any subordinate legislation made under this Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner in relation to such legislation;

FOIA Authority/Authorities means a public authority as defined by FOIA and/or EIR;

FOIA Exemption means any applicable exemption to the FOIA;

GLA Group means the Greater London Authority, any Functional Body of the Greater London Authority as defined by the Greater London Authority Act 1999 (as amended from time to time) and subsidiaries thereof

GLA Senior Officer means the person notified as such by the GLA to the Borough;

Good Industry Practice means that degree of skill, care, prudence and foresight and operating practice which would reasonably and ordinarily be expected from time to time of a skilled and experienced contractor (engaged in the same type of undertaking as that of the Borough or any Contractors) under the same or similar circumstances;

Governance Strategy and Structure means the governance and structure strategy set out in Schedule 4;

Housing Zone means an area of land within Greater London designated as such by the Mayor of London;

Housing Zones Programme means the programme to be administered by the Greater London Authority which provides grants loans or equity investments to certain parties to contribute to the regeneration or development of Housing Zones within Greater London;

Indicative Intervention Sum means the sum set out in the Zone Details as the amount of Zone Funding requested by the Borough in relation to a Proposed Intervention;

Information means:

- (a) in relation to the FOIA has the meaning given under section 84 of the FOIA and which is held by GLA at the time of receipt of an RFI; and
- (b) in relation to the EIR has the meaning given under the definition of “environmental information” in section 2 of the EIR and which is held by GLA at the time of receipt of an RFI;

Information Commissioner has the meaning set out in section 6 of the DPA;

Intellectual Property Rights shall include without limitation all rights to, and any interests in, any patents, designs, trademarks, copyright, know-how, trade secrets and any other proprietary rights or forms of intellectual property (protectable by registration or not) in respect of any technology, concept, idea, data, program or other software (including source and object codes), specification, plan, drawing, schedule, minutes, correspondence, scheme, formula, programme, design, system, process logo, mark, style, or other matter or thing, existing or conceived, used, developed or produced by any person;

Intervention Agreement means an agreement entered into between the GLA and the Borough pursuant to which the Borough agrees to deliver or procure the delivery of capital works or other outputs (as specified within the relevant agreement) which contribute to the delivery of the Borough Zone Outputs;

Intervention Sums means any or all of Indicative Intervention Sums, Final Intervention Sums or Third Party Intervention Sums;

Legislation means:

- (a) any Act of Parliament;

- (b) any subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978;
- (c) any exercise of the Royal Prerogative; and
- (d) any enforceable community right within the meaning of section 2 of the European Communities Act 1972;

in each case in the United Kingdom;

London Living Wage means the basic hourly wage of £9.15 (nine pound and fifteen pence) (before Tax, other deductions and any increase for overtime) as may be updated from time to time by GLA and notified to the Borough;

Material Adverse Effect means any present or future event or circumstances which could, in the opinion of GLA:

- (a) materially impair the ability of the Borough to perform and comply with its obligations under any Zone Document or Associated Project Document;
- (b) adversely affect the business, assets or financial condition of the Borough; or
- (c) materially impair the validity or enforceability of, or the effectiveness or ranking of any Zone Document or any other security granted or purporting to be granted pursuant to any Zone Document or the rights or remedies of GLA under any Zone Document;

Mayor means the Mayor of London as defined under section 424 of the Act

Mayoral Concordat means the "*Mayoral Concordat for New Homes for Londoners*" published in March 2014 on the website of GLA as such document may be updated, amended or replaced from time to time;

Notifiable Event means an event of the type described in clause 6.1;

Open Book means the transparent and full disclosure of information to be undertaken in utmost good faith and to include the declaration of all information which the Borough is required to maintain keep or disclose under this Agreement and any other financial components such as price, profit margins, central office overheads, site overheads, preliminaries, contingencies and the cost of all materials, goods, equipment, work and service, apportionments of these items with all and any books of accounts, correspondence, agreements, orders, invoices, receipts and other documents available for inspection;

Permitted Disposal means:

- (a) any Disposal expressly contemplated within an Intervention Agreement; and/or
- (b) the Disposal of part or parts of a Borough Site upon which an electricity sub-station, gas generation or pumping station or other statutory

services or infrastructure have been or are to be constructed or installed and the immediate curtilage of the same together with ancillary easements; and/or

- (c) Disposals made pursuant to a planning obligation pursuant to section 106 of the Town & Country Planning Act 1990 or the Local Government (Miscellaneous Provisions) Act 1982 or section 33 and/or the Local Government Act 1972 section 111 and the Highways Act 1980 section (s) 38 and/or 278; and/or
- (d) and any other Disposal which GLA agrees from time to time will become a Permitted Disposal;

Plan means the plan annexed to this Agreement as Annexure 1;

Planning Performance Agreement means an agreement entered into between a local planning authority, developer and associated stakeholders in relation to the project management of a planning application;

Professional means any architect, surveyor and any other consultant or advisor with a design or supervisory responsibility for the Works appointed or engaged by the Borough or a Contractor in connection with the Works;

Prohibited Act means:

- (a) offering, giving or agreeing to give to any servant of GLA any gift or consideration of any kind as an inducement or reward:
 - i for doing or not doing (or for having done or not having done) any act in relation to the obtaining or performance of a Zone Document; or
 - ii for showing or not showing favour or disfavour to any person in relation to a Zone Document;
- (b) entering into a Zone Document in connection with which commission has been paid or has been agreed to be paid by the Borough or on its behalf, or to its knowledge, unless before the relevant agreement is entered into particulars of any such commission and of the terms and conditions of any such agreement for the payment thereof have been disclosed to GLA;
- (c) committing any offence:
 - i under legislation creating offences in respect of fraudulent acts;
 - ii at common law in respect of fraudulent acts in relation to this Agreement; or
 - iii under the Bribery Act 2010; or
- (d) defrauding or attempting to defraud or conspiring to defraud GLA;

Proposed Intervention means the proposed capital works or other outputs (as specified within the Zone Details) which contribute to the delivery of the Borough Zone Outputs;

Public Sector Financial Assistance means any funding (excluding the Borough's Zone Contribution) received or receivable by the Borough or a Contractor to finance any part of the Agreed Interventions or Borough Zone Outputs from public sector bodies including but not limited to funding by the GLA other than the Borough Zone Funding, funding from the European Commission, government bodies (whether national or local) or bodies in receipt of lottery funds from the National Lottery Distribution Fund pursuant to the National Lotteries Act 1993 and 1998

Quarter Date means 31 March, 30 June, 30 September and 31 December;

Remediation Plan means a plan submitted by the Borough pursuant to clause 4.4.5 or clause 8.2.1

Report means a report under Section 114(3) or Section 114A of the Local Government Finance Act 1988 or Section 5 of the Local Government and Housing Act 1989;

Request for Information/RFI shall have the meaning set out in the FOIA or any request for information under EIR which may relate to the Zone, any Zone Document or any activities or business of GLA;

Required Standards means the requirements of the Zone Documents, Good Industry Practice, all Consents and Legislation;

Review Meeting means a meeting of the type described in clause 6.2 or clause 6.3;

Sites means the Borough Sites and the Third Party Sites;

Tax means any tax, levy, impost, duty or other charge or withholdings and any charges of a similar nature, together with interest thereon and penalties with respect thereto, if any, and any payments made on or in respect thereof and Taxation or taxation and Taxes or taxes shall be construed accordingly;

Third Party Intervention means the outputs to be delivered by a third party pursuant to a Third Party Intervention Agreement;

Third Party Intervention Agreement means an agreement entered into between the GLA (or any subsidiary of the GLA) and a third party (other than the Borough) pursuant to which such third party agrees to deliver or procure the delivery of capital works or other outputs (as specified in the relevant agreement) which contribute to the delivery of the Third Party Zone Outputs;

Third Party Intervention Sum means the amount of Zone Funding (whether proposed to or agreed by the GLA) in relation to the delivery of a Third Party Intervention;

Third Party Sites means the land (if any) upon which Third Party Zone Outputs are to be constructed;

Third Party Zone Outputs means the outputs designated as such in the Zone Output Schedule;

Third Party Zone Allocation means the indicative sum identified in Part 3 of Schedule 3;

Total Zone Allocation means the indicative sum identified in Part 1 of Schedule 3 being the aggregate of the Borough Zone Allocation and the Third Party Zone Allocation as the same may be amended from time to time in accordance with the principles described in clauses 2 and/or 4.3;

VAT means Value Added Tax as presently charged under the Value Added Tax Act 1994 or any tax of similar nature;

Waiver Condition means provision of satisfactory evidence by the Borough to GLA that the relevant Prohibited Act was committed by:

- (a) an employee acting independently of the Borough and such employee's employment is terminated within 20 Business Days of GLA serving notice on the Borough of such Prohibited Act; or
- (b) the Borough, the Contractor or a subcontractor (or any employee of a subcontractor not acting independently of the subcontractor) and the relevant subcontract is terminated within 20 Business Days of GLA serving notice on the Borough of such Prohibited Act; or
- (c) an employee of a subcontractor acting independently of such subcontractor and such employee's employment is terminated within 20 Business Days of GLA serving notice on the Borough of such Prohibited Act; or
- (d) any person not specified in paragraphs (a), (b) or (c) and the Borough (or the Borough, the Contractor or any subcontractor) has severed links with such person (whether his employment, appointment or any other link) within 20 Business Days of GLA serving notice on the Borough of such Prohibited Act

where acting independently means not acting with the authority or knowledge of any one or more of the directors of the Borough or relevant subcontractor;

Works means all the works (including design, infrastructure works and all other works necessary) to deliver the Agreed Interventions and/or Borough Zone Outputs to the Required Standards.

Zone means the area which includes, amongst other things, the Sites, shown [edged red] on the Plan;

Zone Budget means the budget for the Zone including cashflows (as the same may be agreed by the GLA from time to time) showing (amongst other things) proposed drawdowns of Zone Funding during each financial year of the Availability Period;

Zone Details means information provided by the Borough and comprised within the Zone Output Schedule, which shall include:

- (a) the descriptive and other details in respect of the Zone as set out in Annexure 2;

- (b) proposed Borough Direct Zone Outputs and Borough Indirect Zone Outputs and the projected dates for their achievement;
- (c) the proposed Third Party Zone Outputs and the projected dates for their achievement together with the identity of the third party responsible for their delivery or performance;
- (d) Zone Milestones and associated Zone Milestone Dates;
- (e) the Proposed Interventions, the Indicative Intervention Sums and Agreed Intervention Expenditure;
- (f) the proposed Third Party Interventions, the proposed Third Party Intervention Sums together with the heads of expenditure to which such sums relate; and
- (g) the Zone Budget;

all in accordance with the Bid and each as varied from time to time in accordance with the terms of this Agreement;

Zone Document means:

- (a) this Agreement;
- (b) the Intervention Agreements;
- (c) any other document designated as such by the Borough and GLA; and
- (d) any document entered into, pursuant to, or which amends or varies any document referred to in paragraphs (a) to (c) (inclusive) above;

Zone Funding means funding allocated by the GLA to the Borough (on behalf of itself and others) to facilitate the delivery of the Zone Outputs;

Zone Milestones means those stages in the delivery of the Zone Outputs agreed by the parties as critical to the successful delivery of the Zone set out in the Zone Details;

Zone Milestone Date means the date set out in the Zone Details by which the relevant Zone Milestone must have been achieved (as the same may be revised by GLA in accordance with clauses 4.3 or 4.8) otherwise an Event of Default will occur;

Zone Milestone Failure means a failure by the Borough or any Contractor (as relevant) to achieve any Zone Milestone by the relevant Zone Milestone Date;

Zone Output Schedule means the schedule annexed to this Agreement at Annexure 2;

Zone Outputs means the aggregate of the Borough Zone Outputs and the Third Party Zone Outputs (as the same may be amended from time to time in accordance with the terms of this Agreement);

1.2 Interpretation

- 1.2.1 The masculine includes the feminine and vice versa.
- 1.2.2 The singular includes the plural and vice versa.
- 1.2.3 Any reference in this Agreement to any condition, sub-condition, paragraph, schedule, appendix, annexure or section heading is, except where it is expressly stated to the contrary, a reference to such condition, sub-condition, paragraph, schedule, appendix, annexure or section heading of this Agreement.
- 1.2.4 Any reference to this Agreement or to any other document shall include (except where expressly stated otherwise) any variation, amendment or supplement to such document to the extent that such variation, amendment or supplement is not prohibited under the terms of this Agreement.
- 1.2.5 Any reference to any enactment, order, regulation or similar instrument shall (except where expressly stated otherwise) be construed as a reference to the enactment, order, regulation or instrument (including any EU instrument) as amended, replaced, consolidated or re-enacted.
- 1.2.6 A reference to a person includes firms, partnerships and corporations and their successors and permitted assignees or transferees.
- 1.2.7 Headings are for convenience of reference only.
- 1.2.8 A party means a party to this Agreement.
- 1.2.9 The words includes or including are to be construed without limitation.
- 1.2.10 A document in the agreed form is to be the form of the relevant document agreed between the parties and for the purpose of identification initialled by each of them or on their behalf (in each case with such amendments as may be agreed by or on behalf of the parties) or in the form set out in a schedule to this Agreement.
- 1.2.11 A paragraph in a schedule shall be construed as references to a paragraph in that particular schedule.
- 1.2.12 A deliberate act or omission of any person shall exclude acts or omissions which were within the contemplation of the parties or which were otherwise provided for in this Agreement.
- 1.2.13 In any case where the consent or approval of GLA (or any officer of GLA) is required or a notice is to be given by or to GLA, such consent or approval or notice shall only be validly given if it is in writing and signed by (if relevant) the officer stipulated in this Agreement or such other person as may be specified to the other parties from time to time. Any consent, approval or refusal to consent or approve should be issued within a reasonable time frame.
- 1.2.14 An obligation to do anything includes an obligation to procure its being done.

- 1.2.15 Any restriction includes an obligation not to permit infringement of the restriction.
- 1.2.16 The term Site includes each and every part of it and any estate or interest in it.
- 1.2.17 When there are two or more persons affected by the obligations under this Agreement such obligations are to bind each such person jointly and severally.
- 1.2.18 If there is any ambiguity or conflict between the implied terms and the express terms of this Agreement then the express terms shall prevail.
- 1.2.19 No review comment or approval by GLA under the provisions of this Agreement shall operate to exclude or limit the Borough's obligations or liabilities under this Agreement save where GLA have confirmed the said review comment or approval in writing.
- 1.2.20 The Borough shall be responsible as against GLA for the acts or omissions of any Contractor as if they were the acts or omissions of the Borough.
- 1.2.21 Neither the giving of any approval, consent, examination, acknowledgement, knowledge of the terms of any agreement or document nor the review of any document or course of action by or on behalf of GLA shall, unless otherwise expressly stated in this Agreement or agreed in writing by GLA, relieve the Borough of any of its obligations under any Zone Document or any of the Associated Project Documents or of any duty which it may have hereunder to ensure the correctness, accuracy or suitability of the matter or thing which is the subject of the approval, consent, examination, acknowledgement or knowledge nor confer impose or imply any liability or responsibility on or on behalf of GLA in respect of or in connection with the matter to or in relation to which such approval consent examination acknowledgement was given or review made.
- 1.2.22 Save where a contrary intention is shown or where an express discretion is given by this Agreement, GLA will act in a commercially reasonable manner in deciding whether to give any consent, agreement, determination or approval or express its satisfaction and whether to give any such consent, agreement, determination or approval or express its satisfaction subject to restrictions, terms or conditions unless in each case to do so would fetter its statutory powers, rights or obligations.

Schedule 2 - Borough's Zone Contribution

[DN: This is where any Zone wide "something for something" offered by the Borough should be set out]

Schedule 3 - Zone Funding Allocations

Part 1 – Total Zone Allocation

[DN: insert global figure notionally allocated by GLA to the whole Zone]

Part 2 – Borough Zone Allocation

[DN: insert figure notionally allocated to delivery of Borough Zone Outputs]

Part 3 – Third Party Zone Allocation

[DN: insert the difference between the figures set out in Part 1 and Part 2]

Schedule 4 - Governance Strategy and Structure

Annexure 1 - Plan

Annexure 2 - Zone Output Schedule

This Agreement has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

EXECUTED as a **DEED** by affixing)
THE COMMON SEAL of the)
GREATER LONDON AUTHORITY)
In the presence of:

Authorised Signatory

EXECUTED as a **DEED** by affixing)
THE COMMON SEAL of)
[BOROUGH])
in the presence of:)

Authorised Officer

[Borough's attestation details to be provided]

