EXPLANATORY MEMORANDUM TO

THE LONDON THAMES GATEWAY DEVELOPMENT CORPORATION (TRANSFER OF PROPERTY, RIGHTS AND LIABILITIES) (GREATER LONDON AUTHORITY) (NO. 2) ORDER 2012

2012 No. 3084

1. This explanatory memorandum has been prepared by the Department for Communities and Local Government and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

2.1 The purpose of this Order is to transfer to the Greater London Authority residual property, rights and liabilities of the London Thames Gateway Development Corporation.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None

4. Legislative Context

4.1 The London Thames Gateway Development Corporation (Area and Constitution) Order 2004 (S.I. 2004/1642) ("the 2004 Order") designated two areas in the London Thames Gateway as an urban development area, and established the London Thames Gateway Development Corporation as an urban development corporation to regenerate the area.

4.2 Under section 165B of the Local Government, Planning and Land Act 1980 ("the 1980 Act") the Secretary of State may make an Order transferring property, rights and liabilities of an urban development corporation to a statutory body. This Order transfers the remaining property, rights and liabilities of the London Thames Gateway Development Corporation to the Greater London Authority as a precursor to dissolution of the London Thames Gateway Development Corporation. It is proposed that the Corporation will be dissolved on 28th February 2013 by an Order made under section 166 of the 1980 Act.

5. Territorial Extent and Application

5.1 This instrument applies to England.

6. European Convention on Human Rights

As the instrument is subject to the negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 The 2003 Sustainable Communities Plan ("Sustainable communities: building for the future") identified four growth areas to accommodate the economic success of London and the wider South East, and included a commitment to set up strengthened local delivery vehicles in these areas with the necessary powers to drive forward development.

7.2 One outcome was the establishment of two urban development corporations, for the London Thames Gateway and Thurrock areas. The statutory objective and powers of an urban development corporation are set out in section 136 of the 1980 Act. The 2004 Order established the London Thames Gateway Development Corporation to regenerate its area. The London Thames Gateway Development Corporation (Planning Functions) Order 2005 (S.I. 2005/2721) made the London Thames Gateway Development Corporation the local planning authority for its area.

7.3 At the time of their establishment, the Government committed to reviewing the urban development corporations after five years. In June 2009, the Department for Communities and Local Government undertook a Quinquennial Review of the three urban development corporations in England. The review looked at the performance and future of the urban development corporations and included a 12 week consultation. Following that review, it was decided not to make any changes to the structure or responsibilities of the London Thames Gateway Development Corporation prior to the London 2012 Olympic Games.

7.4 However, the Public Bodies Review established by the new Government after the May 2010 General Election concluded (20th October 2010) that the functions of the London Thames Gateway Development Corporation should be transferred to the relevant local authority or other London bodies. To this end:

- the Corporation's planning functions in the Barking Riverside area were returned to the relevant London Boroughs on 1st April 2011

- its property, rights and liabilities that fall within the boundary of the new London Legacy Development Corporation (a mayoral development corporation established under Part 8 of the Localism Act 2011) were transferred to that body on 1 April 2012.

7.5 The Government's original proposal was to transfer the London Thames Gateway Development Corporation's remaining property, rights and liabilities to the Greater London Authority on 31 December 2012. It decided to change this timetable, for two reasons:

- the establishment of the London Legacy Development Corporation and the transfer of planning powers outlined above would leave the London Thames Gateway Development Corporation with no positive development role during the summer of 2012;

- it would be operationally advantageous to enable the Greater London Authority to take forward the ongoing development projects within the London Thames Gateway Development Corporation's area from 1 April 2012 alongside the work of the London Legacy Development Corporation.

7.6 On 16 April 2012 the London Thames Gateway Development Corporation (Transfer of Property, Rights and Liabilities) (Greater London Authority) Order 2012 (S.I. 2012/872) transferred to the Greater London Authority most of the property, rights and liabilities of the London Thames Gateway Development Corporation which relate to land outside the boundary of the London Legacy Development Corporation.

7.7 The Corporation's planning functions in the Lower Lea Valley were transferred to the London Legacy Development Corporation and the relevant London boroughs on 1 October 2012 by the London Legacy Development Corporation (Planning Functions) Order 2012 (S.I. 2012/2167).

7.8 The Government originally proposed that the London Thames Gateway Development Corporation's remaining property, rights and liabilities (except for those it needed to prepare its final report and accounts) would transfer to the Greater London Authority on 1 October 2012, and it wrote on 10 July 2012 to consult the affected London boroughs on this.

7.9 However, to allow time for proper completion of the legal procedures needed for the London Thames Gateway Development Corporation to acquire land in connection with the Lea Valley Park pedestrian and cycle linear parkland route along the River Lea, it amended this proposal. The present order, to which this Explanatory Memorandum relates, transfers the remaining property, rights and liabilities of the London Thames Gateway Development Corporation to the Greater London Authority on 22 January 2013, apart from:

- those administrative assets needed by the Corporation to prepare its final accounts and report , and to wind up its affairs, which will transfer on 28 February 2013:
- rights and liabilities related to employment of staff and to pensions;
- the land and rights which are to be acquired by the London Thames Gateway Development Corporation in connection with the Lea River Park pedestrian and cycle route, which will be transferred through a separate transfer scheme under Part 8 of the Localism Act 2011 to the London Legacy Development Corporation.

7.10 The Government wrote to the affected London boroughs on 15 October 2012, seeking their views.

8. Consultation outcome

8.1 Under Section 165B of the 1980 Act, the Secretary of State may at any time by order transfer to a statutory body any property, rights or liabilities which are vested in an urban development corporation. Before doing so, he must consult the local authorities in whose area all or part of the urban development corporation is situated. In the case of the London

Thames Gateway Development Corporation, the relevant local authorities are the London Boroughs of Barking and Dagenham, Hackney, Havering, Newham, Tower Hamlets and Waltham Forest.

8.2 As noted in paragraph 7 of this Memorandum, a consultation letter was sent to each of these six Boroughs on 10 July 2012, requesting responses by 7 August 2012. The London Boroughs of Barking and Dagenham, Hackney and Tower Hamlets did not respond to this letter. Three responses were received:

- the London Borough of Newham had no comments on the proposals
- the London Borough of Waltham Forest had no objections to the proposals outlined in the consultation letter
- the London Borough of Havering expressed concern that the closure of the London Thames Gateway Development Corporation would impede the redevelopment of Rainham Broadway (including the relocation of the existing Rainham Library). The Council sought a firm commitment from the Department that it would ensure that funding for the new Rainham Library Project and for Rainham Primary School would be provided by the Greater London Authority as part of the transfer of assets.

8.3 A further letter on the Government's amended transfer proposals was sent to the six boroughs on 15 October 2012, requesting responses by 12 November 2012.

8.4 One response was received. The London Borough of Havering expressed some continuing concern about the redevelopment of Rainham Broadway, stating that the Greater London Authority had not yet made the necessary funding available The Government has considered this response and has communicated with officers at the Greater London Authority and at the London Borough of Havering.

8.5 Since the completion of the consultation period the Greater London Authority has provided written confirmation that the Mayor has signed authorisation to enter a Grant Funding Agreement and Development Agreement governing the redevelopment of the Library, Broadway and Primary school sites. These documents are now being drafted and negotiated with London Borough of Havering. The Government considers that this provides sufficient assurance to address the issues raised by the London Borough of Havering. Accordingly, it has decided not to amend its transfer proposals.

9. Guidance

9.1 No guidance on this Order will be issued.

10. Impact

10.1 An Impact Assessment has not been prepared for this instrument as it has no

impact on business, charities or voluntary bodies.

10.2 There is a minimal impact on the public sector.

11. Regulating small business

11.1 The legislation does not apply to small business.

12. Monitoring & review

12.1 There will be no formal monitoring or review of the effect of this Order.

13. Contact

Emily Hay at the Department for Communities and Local Government (Tel: 03033 44 41814 or Email: Emily.Hay@communities.gsi.gov.uk) can answer any queries regarding the instrument.