

**EXPLANATORY MEMORANDUM TO**  
**THE LONDON THAMES GATEWAY DEVELOPMENT CORPORATION (TRANSFER**  
**OF PROPERTY, RIGHTS AND LIABILITIES) (GREATER LONDON AUTHORITY)**  
**ORDER 2012**

**2012 No. 872**

**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 certain property, rights and liabilities held by 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 to the Greater London Authority property, rights and liabilities of the London Thames Gateway Development Corporation which relate to land outside the boundary of the London Legacy Development Corporation. It also transfers certain staff and other assets. Separately the Government is transferring to the London Legacy Development Corporation in April 2012 the property, rights and liabilities of the London Thames Gateway Development Corporation which relate to land within the London Legacy Development Corporation boundary via a transfer scheme made under section 200 of the Localism Act 2011.

4.3 It is proposed that the London Thames Gateway Development Corporation will cease to operate after 1 October 2012, at which point a further Order will be made transferring its residual property, rights and liabilities to the Greater London Authority. The proposal is for the London Thames Gateway Development Corporation to then be dissolved on 31 December 2012 by means of an order 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”<sup>1</sup>) 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, its planning functions in the Barking Riverside area were returned to the relevant London Boroughs on 1st April 2011, while its property, rights and liabilities that fall within the boundary of the new London Legacy Development Corporation will be transferred to that body on 1 April 2012. 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 has now decided to advance this timetable, for two reasons:

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<sup>1</sup> <http://www.communities.gov.uk/publications/communities/sustainablecommunitiesbuilding>

- the establishment of the London Legacy Development Corporation and the transfer of planning powers outlined above will 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.

7.5 The purpose of this order is to transfer the property, rights and liabilities which relate to land outside the boundary of the London Legacy Development Corporation to the Greater London Authority on 16th April 2012. The London Thames Gateway Development Corporation will continue to exercise its planning functions in the Lower Lea Valley until 1 October 2012 and a small number of staff will be retained for this purpose. On that date, the Government proposes to transfer the London Thames Gateway Development Corporation's remaining planning functions to the London Boroughs of Hackney, Newham, Tower Hamlets and Waltham Forest. Thereafter, the London Thames Gateway Development Corporation would be wound down and closed by 31 December 2012.

## **8. Consultation outcome**

8.1 Section 165B of the 1980 Act requires the Secretary of State to consult the local authorities in whose area the London Thames Gateway urban development area is situated before making this Order. These are the London boroughs of Barking and Dagenham, Hackney, Havering, Newham, Tower Hamlets and Waltham Forest.

8.2 The Secretary of State wrote to these boroughs on 23 January 2012, setting out his proposal that the development assets and liabilities held by the London Thames Gateway Development Corporation (other than those within the proposed boundary of the London Legacy Development Corporation) should transfer to the Greater London Authority on 16 April 2012, together with liabilities associated with London Thames Gateway Development Corporation's project activities (including compulsory purchase liabilities), project provisions, and development staff.

8.3 The boroughs were alerted to the consultation before 23 January, and were asked to respond by the close of business on 20 February 2012. A four-week consultation period was considered reasonable given the nature of the Government's proposals and the limited scope of the consultation. A wider public consultation was not considered necessary in this case because of the limited impact of the Order.

8.4 Four responses were received:

- the London Borough of Waltham Forest had no objections to the Government's proposals;

- the London Borough of Tower Hamlets had no substantive comments on the Government’s proposals;
- the London Borough of Havering sought a firm commitment that a number of projects relating to the redevelopment of the site of Rainham Library, would be given the highest priority for completion before, during and after their transfer to the Greater London Authority;
- the London Borough of Barking & Dagenham welcomed the de-designation of the London Thames Gateway Development Corporation in general terms, but made three points:
  - (a) the transfer process must not result in any loss of momentum in securing the regeneration of key sites, particularly Barking Riverside and the London Sustainable Industries Park in Dagenham;
  - (b) proceeds from land disposals on transferred assets should be reinvested in the area to secure regeneration potential and deliver local benefits;
  - (c) the site of the former Captain Cook public house (part of a wider site owned by the Council) should be transferred to the Council at no cost, to avoid the cost (in terms of due diligence and legal fees) of a future transfer from the Greater London Authority.

8.5 The Government has considered these responses. It understands that the Mayor has expressed his commitment to the Rainham Library project in Havering. It also understands that the Greater London Authority has affirmed its intention to continue to work with the London Borough of Barking and Dagenham to reach a solution on redeveloping the site of the former Captain Cook public house to provide a new sports centre in Barking town centre. The Government considers that this provides sufficient assurance to address the issues raised by the London Boroughs of Havering and of Barking and Dagenham. 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**

Chris Meader at the Department for Communities and Local Government (Tel: 03033 44 43797 or Email: [Chris.Meader@communities.gsi.gov.uk](mailto:Chris.Meader@communities.gsi.gov.uk)) can answer any queries regarding the instrument.