

Date: 18 March 2025

Item: Limmo Peninsula Preferred Bidder

This paper will be considered in public

1 Summary

- 1.1 This paper provides the Committee with information relating to the residential-led property development at the Limmo Peninsula, in the London Borough of Newham (LB Newham) and the procurement of a joint venture development partner to undertake development management and construction works on the site.
- 1.2 The paper sets out progress to date and seeks Land Authority which will enable the disposal of the Limmo site and entry into contractual agreements with the preferred bidder.
- 1.3 A paper is included on Part 2 of the agenda which contains supplementary information that is exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the financial or business affairs of TfL. Any discussion of that exempt information must take place after the press and public have been excluded from the meeting.

2 Recommendation

- 2.1 **The Committee is asked to note the paper and the exempt supplementary information on Part 2 of the agenda and approve:**
 - (a) **Land Authority in the sum set out in the paper on Part 2 of the agenda for the transaction as described in this paper and in the paper on Part 2 of the agenda (the Transaction); and**
 - (b) **the formation a new wholly owned subsidiary company for the purposes of entering into the contractual agreements relating to the Transaction.**

3 Background

- 3.1 The Limmo peninsula site comprises five hectares of brownfield land located in LB Newham. It forms one of the westernmost parts of the Royal Docks and Beckton Riverside Opportunity Area, one of the Mayor of London's key strategic areas identified as a focus for housing, jobs and regeneration. Local housing is predominantly high-rise relatively new stock, with high-quality neighbouring developments including Goodluck Hope, City Island, Brunel Street Works and Hallsville Quarter.
- 3.2 The site was compulsory purchased from BRB (Residuary) Limited and LB Newham under the Crossrail Act 2008 and was vacated by Crossrail in 2021.

- 3.3 The Limmo site is one of the last remaining large brownfield sites in the local area, with 600 metres of river frontage. It provides an opportunity to deliver a high-quality new neighbourhood with ancillary commercial, green infrastructure and public realm, a river walkway and improved connectivity across the wider area.
- 3.4 Places for London's vision for the Limmo site is to create a thriving and inclusive new residential neighbourhood, linked to excellent transport and active travel connections. Open space with trees, nature and good access along the river will be provided in order to address local deficiency.

4 Procurement Process

- 4.1 A two-stage competitive dialogue exercise to procure a preferred bidder for the Limmo joint venture commenced in January 2024, following a soft market testing exercise. Four submissions were received at Standard Selection Questionnaire stage, all of which were invited to submit an outline solution in April 2024.
- 4.2 Following evaluation of the outline solutions, one party was eliminated from the process. The remaining three were invited to participate in dialogue in September and October 2024, with final tenders being returned on 13 December 2024.

5 Transaction Overview

- 5.1 The transaction entails:
- (a) disposal of the Limmo site to the Joint Venture Limited Liability Partnership via a 999-year leasehold interest, following the satisfaction of the contractual conditions;
 - (b) entry into contractual agreements with the preferred bidder, including the conditional joint venture agreement, works agreement, business development management agreements, Planning Overage Agreement and the Members Agreement, and any documents ancillary to those or contemplated within them, including any planning-related agreements; and
 - (c) Places for London will form of a wholly owned subsidiary company to act as shareholder in the joint venture and that shareholder will take an equity stake of 49 per cent in the joint venture.

6 Investment Strategy

- 6.1 Places for London will require a commercial return for participation in the joint venture. The paper on Part 2 of the agenda covers this in more detail, noting that the site does not yet have planning consent, and therefore the technical proposals sitting behind the financial model are indicative at this stage.
- 6.2 The development will also deliver the following public benefits:
- (a) provision of high-quality new homes designed to exceed modern housing standards;

- (b) affordable homes, providing a variety of tenures and formats to address housing need;
- (c) a significant proportion of open space;
- (d) new routes and connections to address the severance in the wider area; and
- (e) a new river walkway to connect Thameside West to the south with Canning Town to the north.

7 Environmental, Social and Governance (ESG) Strategy

- 7.1 Places for London's Sustainable Development Framework (SDF) is an industry-leading ESG tool. It is performance-focused and will measure the project against 98 Key Performance Indicators. It spans the full range of social impact, economic prosperity and environmental stewardship.
- 7.2 The SDF forms part of the joint venture contract documents with the joint venture partner committing to deliver the higher of the target score or best practice, where achievable.

8 Operational Impact and Assurance

- 8.1 Significant engagement has been undertaken with all operational occupiers of the site and a refreshed Mayors Opinion has recently been obtained.
- 8.2 TfL's Project Assurance team and the Independent Investment Programme Advisory Group Places for London sub-group were briefed on the project and the authority requests in this paper on 14 February 2025. They have provided their feedback which is included in the paper on Part 2 of the agenda.

List of appendices to this report:

None

A paper containing exempt supplementary information is included on Part 2 of the agenda.

List of Background Papers:

None

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