



City of Westminster

Cabinet Member Report

Decision Makers:	Cabinet Member for Climate Action Regeneration & Renters Cabinet Member for Finance & Council Reform
Date:	11 July 2023
Classification:	General Release
Title:	Ebury Bridge Estate Renewal – Phase 1 Substation Lease and third party agreements
Wards Affected:	Knightsbridge & Belgravia
Decision:	Non-Key Decision
Financial Summary:	One pound (£1 on agreement) annual peppercorn rental value.
Report of:	Debbie Jackson, Executive Director of Growth, Planning and Housing

1. Executive Summary

- 1.1 This report seeks approval for WCC to enter into the substation lease with Eclipse Power Networks Limited and any other agreements and property documents including but not limited to leases, warranties, substation leases, wayleaves, licences, deeds of easement, asset protection agreements, section 104 agreements, section 185 agreements and any other statutory agreements and utilities agreements in connection with ancillary works required to facilitate the construction works for Phase 1 of Ebury Bridge Estate.
- 1.2 The Phase 1 construction works commenced in September 2021 and are scheduled for completion in July 2024.
- 1.3 The proposed substation lease with Eclipse Power Networks Limited is to be granted for a premium of one pound (£1.00) at a peppercorn annual rent (if demanded) and does not affect two or more wards. Due to the length of the term of the lease, the decision needs to be delegated via a CMR.

2. Recommendations

- 2.1 That the Cabinet Member for Climate Action Regeneration & Renters and the Cabinet Member for Finance & Council Reform:
 - 2.1.1 Delegate to the Executive Director of Growth Planning and Housing authority to approve and enter into a lease of an electricity substation chamber at Phase 1 of the Ebury Bridge Estate regeneration.
 - 2.1.2 Delegate to the Executive Director of Growth Planning and Housing authority to approve and enter into other agreements and property documents including but not limited to leases, warranties, substation leases, wayleaves, licences, deeds of easement, asset protection agreements, section 104 agreements, section 185 agreements and any other statutory agreements and utilities agreements in connection with ancillary works required to facilitate the construction works at Phase 1 of the Ebury Bridge Estate regeneration.

3. Reasons for Decision

- 3.1 The substation lease and all other statutory and utility leases/ easements/ wayleaves/leases/licences/deeds and agreements are deemed necessary contractual documents in order to complete all connections and disconnections to Phase 1 of the project to meet the critical path programme with the main contractor to complete the construction handover for occupation by Westminster City Council.

3.2 The power to grant leases of over 25 years are delegated to the relevant Cabinet Member.

4. Financial Implications

4.1 The proposed lease is a peppercorn lease with a value of £1. Due to the length of the lease being over 25 years, a Cabinet Member delegation is required.

4.2 There are no other direct financial implications.

5. Legal Implications

5.1 Section 32 of the Housing Act 1985 grants a local authority the power to dispose of land held by the local authority with the consent of the Secretary of State (subject to limited exceptions such as letting on a secure or introductory tenancy which do not apply here). The Secretary of State has issued a number of consents for the purpose of section 32, pursuant to powers in section 34 of the Housing Act 1985. General Consent A of the General Housing Consents 2013 under Section 32 of the Housing Act 1985 (**General Consent**) was issued under those and other powers.

5.2 Paragraph A.3.2 of the General Consent provides a local authority may dispose of vacant land. Paragraph A.3.1 of the General Consent provides that a local authority may dispose of land for a consideration equal to its market value. Paragraph 8 of the General Consent permits local authorities to dispose of vacant land and assets that are not dwellings at any price determined by the local authority. So long as the disposals covered by this report fall under the General Consent, specific consent is not required.

5.3 This report seeks approval of the Cabinet Members to delegate to the Executive Director of Growth, Planning and Housing to approve and enter into an electricity substation lease and other agreements and property documents in connection with ancillary works required to facilitate the construction works at Phase 1 of the Ebury Bridge Estate regeneration.

5.4 Under paragraph 12.3 of Chapter 3 of the Council's Constitution, a Cabinet Member may delegate their executive functions to an officer. The delegation to the Executive Director of Growth, Planning and Housing to execute ancillary documents is justified for expeditious execution of various documents required to give effect to the decision and for efficient use of Cabinet Member time.

5.5 WCC is to grant a lease of an electricity substation chamber at Ebury Bridge, Ebury Bridge Road, London, SW1 8PX to Eclipse Power Networks Limited.

5.6 The term of the lease is 99 years from the date of completion of the lease.

- 5.7 The premium payable by Eclipse Power Networks Limited is £1 and the rent payable by Eclipse Power Networks Limited throughout the duration of the lease is a peppercorn (if demanded).
- 5.8 The lease is not contracted out of the Landlord and Tenant Act 1954 which means that Eclipse Power Networks Limited will, subject to some statutory exceptions (such as redevelopment by WCC), have the right to renew the lease at the end of the term. This is not unusual, as it is common for leases of substation chambers to not be contracted out of the Landlord and Tenant Act 1954.
- 5.9 The lease will provide Eclipse Power Networks Limited with rights to install, repair and use electrical cables.

6. Carbon Impact

- 6.1 The Ebury Bridge Estate development is a high performing sustainable development that utilises ground and air source heat pumps for the generation of all heating and cooling in the development. In addition, it provides infrastructure for electric car charging across all car parking provision in accordance with statutory requirements. The development is a low car development due to its proximity to public transport and connectivity. Although the development pays a small carbon offset payment, the development is far more carbon efficient than the current estate and sees this benefit materialise in Year 12 of operation.

7. Equalities Impact

- 7.1 WCC reviews and updates the relevant sections of the independent Equality Impact Assessment (EQIA) at key milestones during the project and a copy of the current EQIA is at Appendix 2.
- 7.2 WCC requires all partners, professional advisors, and contractors to align with WCC's equality duties and the requirements stipulated in the Considerate Contractors Scheme. The Considerate Contractors Scheme has made inclusivity a key objective and is actively requiring participants to recruit from under-represented groups.

8. Consultation

- 8.1 The consultation with Ebury Bridge Estate residents continues to be delivered consistently by the on-site community engagement team who have been available since July 2017. The commitment of WCC to work with residents on key decisions throughout the project led to the establishment of the Ebury

Bridge Community Partnership Group (**CPG**), formally the Community Futures Group (**CFG**). Through the CPG the residents have continued to play a key role in all strategic decisions and have been and will continue to be consulted throughout the delivery lifecycle of the development on Phase 1 and all following phases.

If you have any queries about this Report or wish to discuss further, please contact:

Setareh Neshati sneshati@westminster.gov.uk or 07966 167491

APPENDICES


Appendix 1 - Eclipse Substation Lease - Engrossment(140644875.1)

Appendix 2 - EQIA July 2020

For completion by the **Cabinet Member for Climate Action, Regeneration and Renters**

Declaration of Interest


I have no interest to declare in respect of this report

Signed:  Date: 11 July 2023
NAME: **Councillor Matt Noble**

State nature of interest if any:

(N.B: If you have an interest, you should seek advice as to whether it is appropriate to make a decision in relation to this matter)

For the reasons set out above, I agree the recommendation(s) in the report entitled **Ebury Bridge Estate Renewal – Phase 1 Substation Lease Agreement and third party agreements** and reject any alternative options which are referred to but not recommended.

Signed: 
Cabinet Member for Climate Action, Regeneration and Renters

Date: 11 July 2023

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:

If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Director of Law, City Treasurer and, if there are resources implications, the Director of People Services (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.

For completion by the **Cabinet Member for Finance and Council Reform**

Declaration of Interest

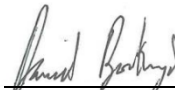
I have no interest to declare in respect of this report

Signed:  Date: 11 July 2023
NAME: **Councillor David Boothroyd**

State nature of interest if any:

(N.B: If you have an interest, you should seek advice as to whether it is appropriate to make a decision in relation to this matter)

For the reasons set out above, I agree the recommendation(s) in the report entitled **Ebury Bridge Estate Renewal – Phase 1 Substation Lease Agreement and third party agreements** and reject any alternative options which are referred to but not recommended.

Signed: 

Cabinet Member for Finance and Council Reform

Date: 11 July 2023

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

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