Richard Garside

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~ Richard

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HMP Holloway

Thank you for your letter of 17 October about the disposal of Holloway Prison by the Ministry of Justice, in particular your request that the Greater London Authority (GLA) bid for the site.

My officers at the GLA have been in regular contact with both the Ministry of Justice and Islington Council regarding the disposal of this site. In particular they have worked with Islington Council on the preparation of the draft Supplementary Planning Document (SPD).

The draft SPD sets a clear expectation that at least 50% affordable housing should be delivered on this site, in line with the Council's planning policy requirement. The viability work that the Council has commissioned demonstrates that this is achievable. I have also set out the important role that public land will play in delivering 50% affordable housing in my draft Housing Strategy and my Affordable Housing and Viability Supplementary Planning Guidance (SPG). In particular, the SPG makes clear that residential development on public land or land that has been released from public ownership must deliver at least 50% affordable housing to benefit from the 'fast track' route for planning scrutiny.

The draft SPD also identifies other key objectives that the Council expects for the site. This includes provision of a centre that incorporates safe space to support women in the criminal justice system and services for women, as part of a wider building that could also include affordable workspace to support local organisations and employment opportunities.

I will be consulted on any planning application for residential development of more than 150 homes on this site, therefore my officers will be able to work closely with Islington Council to seek delivery of my affordable housing objectives, as well as other key objectives for the site.

The benefit of having such a clear position in the SPD for this site is that we and the Council can be in a strong position to seek the objectives that are important to us, even without acquiring the site.

I have also written to the Ministry of Justice, offering help from my team in the assessment of bids for the site. I hope that the involvement of my team would strengthen the likelihood of a bidder being selected who will be committed to delivering genuinely affordable homes. I enclose a copy of my letter to the Minister for your information.

Thank you again for writing to me.

Yours sincerely,

Sadiq Khan Mayor of London

Enc.

Rt Hon David Lidington MP

Lord Chancellor and Secretary of State for Justice Ministry of Justice 102 Petty France London SW1H 9AJ

Date:

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David

Holloway Prison

Holloway Prison is currently being marketed for sale by the Ministry of Justice and I understand that the deadline for expressions of interest is 15 November. At 10 acres, it is a major site capable of delivering in the region of 1,000 new homes, and I am aware that there is likely to be considerable market interest, given its size and location.

I welcome the decision to release the site for much needed new housing. However, I have concerns about the current disposal process considering the need, acknowledged by Government, to ensure homes are built on such sites without delay. I therefore want to offer assistance that I believe could help to achieve both the early release of the site and also ensure greater certainty around the delivery of new housing.

I appreciate that your department needs the receipt from the sale to help fund the prison reform programme. However, I am aware that because the site is being offered to the market as a straightforward and unencumbered freehold disposal, it could end up being land banked for a period, or even traded to another party, rather than being developed at pace for much needed new homes.

I have been working closely with the London Borough of Islington on their new planning guidance for Holloway Prison and I support the proposals in their draft Supplementary Planning Document which set out that the site could viably deliver 50 per cent affordable housing. As a site being released from public ownership, such a level of affordable housing would enable this site to benefit from the 'Fast Track Route' to planning permission set out in my Affordable Housing and Viability Supplementary Planning Guidance (August 2017) – avoiding the delay and possible risks of protracted negotiation around scheme viability.

To achieve an early and satisfactory land receipt, confidence that the site will be built out with pace, and planning consent without unnecessary delay, I suggest that my Homes for Londoners team, which has very considerable expertise and experience in bringing sites to market, should work with your officials and advisers as this process moves forward.

Once your marketing has closed, I suggest that my team could work with yours in the assessments of bids, recognising, as your marketing material states, that you are not necessarily bound to accept any bids or those based only on the highest financial offer. The knowledge and experience of my officials would, I am sure, help to give you the strongest assurance that the site will achieve best consideration, alongside a clear commitment to build at pace and with genuinely affordable homes for Londoners.

If it is not possible to identify a bidder from the current round who meets these objectives, I would also stand ready to offer my team's support to re-run the disposal via my fast track London Development Panel. This would provide a mechanism to bring the site forward which is fully compliant with public sector procurement requirements.

I look forward to hearing from you and to our teams working together.

Yours sincerely,

Sadiq Khan
Mayor of London

Cc: Rt Hon Philip Hammond MP, Chancellor of the Exchequer

Rt Hon Sajid Javid MP, Secretary of State for Communities and Local Government

Rt Hon Greg Hands MP, Minister for London

Rt Hon Gavin Barwell, Chief of Staff, 10 Downing Street