

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD3140

Title: Local Growth Capacity Support Programme – DLUHC Levelling Up Funds

Executive Summary:

Approval is sought for the receipt of £1.125 million Levelling Up Fund (LUF) funds from the Department for Levelling Up Homes and Communities (DLUHC) and for their use alongside GLA funds to support a Capacity Support Programme for the development and delivery of local authority-led capital projects.

Three strands of the programme will (i) promote peer learning and best practice sharing including targeted research and training, (ii) promote place-based engagement including effective project identification and early scoping of spatial strategies, and (iii) provide support for local partnership formation and funding strategies and for expert design advice via the Mayor's Design Advocates (MDAs) and wider consultants. It is further proposed to utilise this allocation to fund two fixed-term (24 months) posts in the GLA's Planning and Regeneration team to design and deliver the overall programme.

Revenue funding of £625,000 revenue has been confirmed for financial year 2023-24 with indicative subsequent receipts of £300,000 in financial year 2024-25 and £200,000 for 2025-26.

Decision:

That the Mayor:

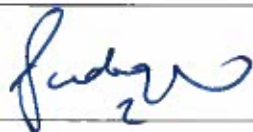
- i. approves the receipt and expenditure of up to £1,125,000 of DLUHC funds, comprising £625,000 in financial year 2023-24, a further £300,000 in financial year 2024-25 and a further £200,000 in financial year 2025-26
- ii. approves expenditure (from the above funds) of up to £297,000 revenue in financial year 2023-24, and £107,000 in financial year 2024-25 to meet the costs of targeted programmes, projects and staff resources to build enabling infrastructure and enhanced development and delivery capacity
- iii. delegates authority to the Executive Director, Good Growth, to approve remaining detailed funding allocations and expenditure in financial year 2024-25 and financial year 2025-26 in accordance with the principles and priorities set out in this decision form.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

28/7/23

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1. Through the Levelling Up Fund (LUF), DLUHC is committed to developing longer-term capacity and capability in local government and supporting local authorities to deliver capital projects. As part of this ambition, DLUHC has allocated revenue grant payments to all Mayoral Combined Authorities (MCAs), Combined Authorities (CAs) and the Greater London Authority (GLA) with the intention that the funding is used to build the support infrastructure that will enable local authorities within their geographical areas to successfully develop and deliver capital projects that can contribute to the Levelling Up agenda.
- 1.2. DLUHC will provide funding to the GLA in annual instalments, over three financial years. An initial receipt of £625,000 revenue funding has been confirmed for financial year 2023-24, with indicative subsequent receipt being provided in quarter 1 of subsequent financial years. See schedule of payments below (please note that allocations in 2023-24 and 2024-25 are indicative).

Indicative Capacity and Capability Grant Allocation			
2023-24	2024-25	2025-26	Total
£625,000	£300,000	£200,000	£1.125m

- 1.3 DLUHC have indicated that the funding should be used to:
- build the necessary capacity and capability to support local authorities and other local delivery partners in London to assist the delivery of capital projects
 - support local authority capital projects (including projects that the MCA/GLA may not routinely be involved in, such as smaller, local schemes).
- 1.4 Although this support is being funded through the LUF, the use of the funding is not limited to LUF projects. DLUHC are also looking to build support infrastructure for local authorities to call upon to assist with medium and long-term future projects. This support (non-exhaustive) could take the shape of:
- bringing in-house delivery experts/project managers that local authorities can consult for delivery support
 - providing training to local authorities, upskilling to assist delivery
 - providing/supporting local peer network opportunities
 - building support infrastructure within the GLA, that can be made available to local authorities.
- 1.5 DLUHC do not expect the support to take the form of direct grant funding to local authorities as DLUHC has provided separate direct grant funding of this kind.
- 1.6 DLUHC have released the initial grant funding for financial year 2023-24 on the basis of the proposal outlined in section 2 of this decision form. For subsequent years, DLUHC will review progress against the agreed proposal prior to releasing additional payments. Details of monitoring arrangements will be provided by DLUHC following agreement of the proposal.

2. Objectives and expected outcomes

- 2.1 The GLA Planning and Regeneration Unit has strong borough relationships and a track record of supporting partners to develop place-based strategies which attract external funding and deliver high quality civic projects across London.
- 2.2 The unit carries out a biennial place shaping capacity survey which provides an accurate understanding of the places facing significant change and the places where place shaping capacity is limited. This includes a strong analysis of deprivation, climate vulnerability and levels of civic engagement.
- 2.3 Engagement in the definition of the UK Shared Prosperity Fund (UKSPF) Investment Plan for London and support for borough bid development and delivery (including and beyond LUF) has established a strong understanding of local aspirations and the pipeline of emerging projects across London.
- 2.4 In combination this means the Regeneration team have the skills, knowledge and networks to nurture local delivery capability. The team can provide both city-scale and more targeted place support offers, which promote quality, sustainability and inclusion in the built environment. As part of this, the team can leverage expertise and capacity from across the GLA Group, including from Transport for London and the Mayoral Development Corporations, as well as from other GLA units including Housing and Land, Culture and Creative Industries and Environment and Energy in a coordinated way to build local capacity and capability.
- 2.5 The GLA Regeneration team have therefore worked closely with London Councils to propose three strands of support as outlined below. All elements of delivery can commence in 2023-24 and develop across subsequent years.

Strand 1 – The High Street Network

- 2.6 The first strand proposes to evolve the existing High Street Network to develop a coordinated and impactful 'Community of Practice' to tackle the breadth of challenges associated with delivering high quality place-based development. This will promote peer learning to highlight and share innovation, whilst developing the capacity of local authorities and town centre partnerships to work with community groups and the private sector to plan for, safeguard and directly deliver a diverse, resilient, and thriving mix of high street and town centre activity.
- 2.7 As demonstrated by our Placeshaping Capacity Survey, specific areas of expertise are in high demand and low supply. Targeted research will build practical knowledge resources and develop or enable access to networks of expertise e.g. property, data, climate, health & wellbeing, social value.
- 2.8 Property X-Change is a recognisable brand identity and digital platform with a library of shared resources generated by its emerging network. It provides an active, inclusive and diverse forum to connect people and share innovative ideas, driving social value in the use of high street property. Through a programme of events and accessible content, it profiles diverse talent and innovative ideas. Following an impact review of its pilot year, further funds will ensure Property X-Change builds profile and momentum and that lessons learned can be mainstreamed into the High Street Network Community of Practice learning offer.
- 2.9 The proposed expenditure would cover a period of 18 months and will pay for platform and programme management consultancy services from a learning partner organisation. In 2023-24 expenditure will be £80,000, with further expenditure in 2024-25 and 2025-26 subject to a Director's Decision. Services will be procured through TfL frameworks.
- 2.10 The learning partner will provide resourcing to develop the overall strategy and then deliver an annual programme of workshops, networking and training events alongside original research and pilot innovation (across areas spanning policy, governance and delivery). By sharing learning and building capacity, the programme aims to accelerate capital delivery, maximise impact and quality, and expand

outreach and engagement to ensure local development better responds to the needs of diverse local communities.

- 2.11 The programme will coordinate delivery experience across existing Levelling Up programmes, Property X-Change (PX), the High Street Data Service and High Streets for All challenge. Activities will ensure places and teams already in receipt of Levelling Up Funding, Future High Streets Fund, Historic High Streets Fund Heritage Action Zones, and Good Growth Fund will be able to showcase learning through delivery of these projects and address shared challenges through new research or pilot innovation.

Strand 2 – Place-based engagement – area planning expertise

- 2.12 The second strand will enhance and broaden the support to boroughs and other key partners available through partnership working with the GLA Regeneration team. This will enable greater access to effective project identification and early scoping of spatial strategies.
- 2.13 In places where limited baseline work is available funding will unlock access to specialist expertise and enable targeted co-commissioning of appropriate evidence bases. Experience shows that developing local partnership driven strategies helps to build capacity and capability over time and helps to attract funding for capital delivery. Places contending with high levels of deprivation, high climate vulnerability, or limited civic engagement will be able to access follow-on support to enable effective commissioning and client development of spatial strategies or capital delivery projects.
- 2.14 Funding will complement the proposed Civic Partnership Programme approved under MD3094, by funding additional spatial strategies over the three years of the programme and includes budget provision for a 24-month fixed-term G8 officer to enable wider delivery and coordination of the GLA's place-based offer.
- 2.15 In the first year of the programme (2023-24) expenditure of £80,000 will fund area planning exercises in North Tottenham and upper Edmonton to support the emerging partnership taking forward the Selby Centre and wider master planning exercises including along the High road; support the delivery of the Levelling Up Fund project in Lewisham, including its integration into the wider town centre; and in Feltham, the most deprived ward in Hounslow, develop a plan for the release of significant Ministry Of Defence land and a number of related development sites which will come forward in phases over the next 15 years. All of these have been identified through partnership working and assessment of need. Further expenditure in 2024-25 and 2025-26 will be subject to a Director's Decision.

Strand 3 – Expert advice from the Mayor's Design Advocates¹

- 2.16 This third strand of funding will enable a clear long-term vision, and sound place-based strategies to be developed alongside enhanced design scrutiny arrangements in partnership with senior officers, local design champions and local communities. Strategies and arrangements will incorporate well scoped exemplar projects which reflect local priorities, support social integration, and build pride in place.
- 2.17 This requires longer term, more embedded support, expertise and involvement in specific places. Funding will therefore promote the role of Mayor's Design Advocates (MDAs) (and where necessary wider consultancy support) as 'Town Architects' available to chief officers and council design champions to review capital project proposals; to help officers to establish design quality management arrangements; to help officers develop design visions across areas; and to help provide design commentary on major developments in a given place and over an extended period. This seeks to

¹ The Mayor's Design Advocates (MDAs), include specialists in: project set-up; evaluation and economics; community engagement; partnership formation and capacity-building; architecture and urbanism; public space and public art; landscape architecture; heritage and conservation; markets; climate-change action planning; child-friendly design and play; cultural curation; business planning and organisational development; property development advice; skills and employability support; business support, community business and enterprise; and planning and licensing incentives

unlock longer term benefits and synergies across service areas such as housing, transport, and town centre management.

- 2.18 In 2023-24 expenditure of £56,750 will be used to take forward pilot Town Architect projects in two locations – Hackney Central (LB Hackney) and Northolt (LB Ealing) – identified through partnership working and assessment of need. Any further expenditure in 2024-25 and 2025-26 will be subject to a Director's Decision.
- 2.19 This funding will cover the costs of additional MDA activities, wider consultancy services and the establishment of a 24-month fixed-term G6 officer role in Good Growth by Design team to coordinate delivery of the wider research, learning and procurement work that supports local leads.
- 2.20 MDAs were appointed through a competitive recruitment process to provide advice within agreed Terms of Appointment. They are remunerated via GLA payroll. MDA related expenditure in 2024-25 and 2025-26 will be subject to reappointment of MDAs and related Mayoral approval. Consultancy services will be accessed through the GLA's Architecture and Urbanism framework panel.

Funding

- 2.21 Whilst DHLUC approval remains indicative for the second and third year of the programme a breakdown of the proposal across the whole funding period has been prepared. This sets out clearly which elements are this year only 2023-24, and which are multi-year over the course of the grant funding period 2023-24 to 2025-26. The full funding profile will be subject to confirmation once delivery partnerships are in place and will be set out in subsequent Director's Decisions.

	2023-24	2024-25	2025-26	Total
Income				
DLUHC	625,000	300,000	200,000	1,125,000
Expenditure				
High Street Network	80,000	100,000	100,000	280,000
Place based engagement (Area - planning)	80,000	124,000	120,000	324,000
Expert Advice	56,750	80,000	90,000	226,750
Resourcing G8 / G6 posts	80,250	107,000	107,000	294,250
Total expenditure	297,000	411,000	417,000	1,125,000

- 2.22 Further approvals in the form of Director's Decisions will be sought for aspects of this funding as needed, and the establishment of the two proposed fixed-term posts will also follow the Establishment Control Procedures and onboarding arrangements.

3. Equality comments

- 3.1 Under section 149 of the Equality Act 2010 (the Equality Act), as a public authority the GLA must have due regard to the need to eliminate discrimination, harassment and victimisation, and any conduct that is prohibited by or under the Equality Act; and to advance equality of opportunity, and foster good relations, between people who share a protected characteristic and those who do not. This involves having due regard to the need to remove or minimise any disadvantage suffered by those who share a relevant protected characteristic that is connected to that characteristic; taking steps to meet the different needs of such people; and encouraging them to participate in public life or in any other activity where their participation is disproportionately low.

- 3.2 The relevant protected characteristics under section 149 of the Equality Act are: age, disability, gender reassignment, pregnancy and maternity, marital or civil partnership status, race, religion or belief, sex, and sexual orientation. Compliance with the duty may involve ensuring people with a protected characteristic are provided with all the opportunities that those without the characteristic would have.
- 3.3 The Mayor's Equality, Diversity and Inclusion Strategy sets out how the Mayor works to create a fairer, more equal, integrated city where all people feel welcome and able to fulfil their potential. Equality, diversity and inclusion are subsequently enshrined within the GLA's strategies, programmes and activities.
- 3.4 As part of its ongoing legal responsibility to have due regard to the need to promote equality in everything it does, including its decision-making, the GLA will ensure the removal of barriers that may prevent those with protected characteristics benefiting from the projects.
- 3.5 The development of the Local Growth Capacity Support Programme will place a requirement on participating boroughs to propose projects and strategies that have been/will be developed in collaboration with the local community, including under-represented groups such as those with protected characteristics. This will help advance equality of opportunity, and foster good relations, between people who share a protected characteristic and those who do not.
- 3.6 The proposed Local Growth Capacity Support programme prioritises communities that are particularly exposed to inequalities that have been exacerbated by COVID-19 and further intensified by the cost-of-living-crisis and the climate emergency. London-wide information from the London Datastore will be used to target local communities of highest need.
- 3.7 All proposals will need to demonstrate in the specification of scope and methodology how they are considering the needs of their local communities, including in particular under-represented groups, such as those with protected characteristics. This might include, for example, how their procurement strategy for consultant teams would be opened to minority-led firms. Projects will also need to demonstrate how they will ensure that, as relevant, these needs are included in the design and implementation of local strategies and projects; and how the relevant groups will benefit from them.

4 Other considerations

Key risks and issues

- 4.1 The key risks and issues are set out in the table below.

Risk	Likelihood	Impact	Mitigation	RAG rating
Programme costs increase and impact deliverability and outcomes	High	High	The GLA Planning and Regeneration team has built up considerable experience in assessing project costings and will draw on this to help to establish realistic project scopes. We will also continue to monitor construction inflation and impact on delivery; and work with delivery partners to determine appropriate contingency levels.	
London boroughs and delivery partners lack resources to develop and deliver	Medium	High	The specific purpose of the funding is to counteract lack of capacity in boroughs. GLA staff will keep requirements on the boroughs to access the funds to a minimum.	

high-quality projects				
Lack of local support for proposed activities	Medium	Medium	Selected projects will be required to show evidence of local support through initial stakeholder engagement and a clear plan for continued engagement.	
Lack of demand for the programme	Low	Medium	Through our specific engagement with London Councils on this programme and evaluations of earlier funding programmes, we know there is a significant demand for additional support and capacity.	
The Capacity Support Programme fails to effectively disseminate learning	Low	High	The GLA will work actively with the selected boroughs and local partnerships to capture and share learning with its networks and recovery mission partners, including London Councils.	
The GLA's capacity to deliver the programme	Low	Medium	This will be managed through the two fixed-term appointments detailed in this paper.	

Links to Mayoral strategies and priorities

- 4.2 The funding outlined in this decision form will be used to develop and deliver strategically important projects that contribute directly to the approach that the Mayor has adopted for London's economic and social recovery – specifically through the London Partnership Board's Economic Framework and the Building a Fairer London Recovery Framework.
- 4.3 The proposed Local Growth Capacity Support Programme will be closely aligned to Mayoral and London Partnership Board priorities, ensuring that the GLA continues to play an influential role in supporting and driving up the quality of physical regeneration across London. Engagement with boroughs and delivery partners highlights their continued demand for targeted support by City Hall, making the case for the development of an exemplar investment programme to bridge the gap between immediate and longer-term recovery within the framework of current Mayoral priorities. These priorities are:
- Keeping London Safe – promoting dignity in the public realm
 - Getting London Back on its Feet – recovery, jobs and skills
 - Supporting Young People – opportunities for young Londoners
 - Green New Deal – addressing the climate and ecological emergencies and improving air quality
 - Affordable Housing and Physical Delivery.
- 4.4 The Local Growth Capacity Support Programme supports cross-cutting recovery principles. Funded activities will be expected to deliver outcomes that address social, economic and health inequalities; deliver a cleaner, greener London; and ensure Londoners are at the heart of recovery by playing an active role in their communities.
- 4.5 The proposed expenditure is expected to deliver against multiple objectives included in the London Plan to promote and enhance the vitality and viability of London's varied town centres; the Mayor's

Economic Development Strategy; the Culture Strategy for London; the 24-hour London vision; and the Healthy Streets agenda.

Consultations and impact assessments

- 4.6 The outline for the Local Growth Capacity Support programme has been developed in response to the issues and challenges that partners and stakeholders have raised in discussions with the Regeneration team. It has been tested with London Councils and representatives from London boroughs.
- 4.7 There will be appropriate levels of impact assessment and stakeholder consultation in relation to the development and delivery of projects funded through this programme.

Conflicts of interest

- 4.8 No GLA officer involved in the drafting or clearance of this MD is aware of any conflicts of interest with the proposed programme.
- 4.9 If any conflicts of interest arise during grant-funding process, officers will be required to declare that interest as part of a requirement of the Contracts and Funding Code; and to not take any part in the grant-funding process for the particular project. This process will also be in accordance with the Code of Ethics and Standards for Staff and accompanying guidance on registering and declaring interests.

5 Financial comments

- 5.1 Approval is requested for the following:

- Receipt of up to £1,125,000 of DLUHC funds, comprising £625,000 in financial year 2023-24, a further £300,000 in financial year 2024-25 and a further £200,000 in financial year 2025-26.
- Expenditure of up to £1,125,000 comprising £297,000 revenue in financial year 2023-24, £107,000 in financial year 2024-25 to meet the costs of targeted programmes, projects and staff resources to build enabling infrastructure and enhanced development and delivery capacity. Allocation of the remaining £721,000 is to be confirmed.
- Delegated authority to the Executive Director, Good Growth, to approve remaining detailed funding allocations and expenditure in financial year 2024-25 and financial year 2025-26 in accordance with the principles and priorities set out in this decision form.

- 5.2 The initial payment of £625,000 has already been made by DLUHC to the GLA. Subsequent payments of £300,000 in 2024-25 and £200,000 in 2025-26 are expected to be made depending on progress made on delivering the planned programme.

- 5.3 The indicative profiling of the expected income and expenditure is shown below however this may change and will be subject to subsequent Director Decisions. This decision approves the 2023-24 expenditure of up to £297,000 and the 2024-25 resourcing cost of £107,000 with the remainder to be approved by subsequent Director Decisions:

	2023-24	2024-25	2025-26	Total
Income				
DLUHC	625,000	300,000	200,000	1,125,000
Expenditure				
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Total Expenditure	297,000	411,000	417,000	1,125,000

5.4 All relevant budget adjustments will be made.

6 Legal comments

6.1 The foregoing sections of this report indicate that:

- (a) the decisions sought concern the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation in Greater London
- (b) in formulating the proposals in respect of which a decision is sought, officers must comply with the GLA's related statutory duties to:
 - pay due regard to the principle that there should be equality of opportunity for all people
 - consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom
 - consult with appropriate bodies.

6.2. In taking any decisions sought, the Mayor must have due regard to the Public Sector Equality Duty - namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010 and to advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion) and persons who do not (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 (above) of this report.

6.3. The Mayor may delegate the exercise of the GLA's functions to the Executive Director of Good Growth as proposed.

6.4 If the Mayor makes the decisions sought, officers must ensure that:

- (a) they are content that any proposed use of the DLUHC funding falls corresponds with conditions upon which it was granted to the GLA
- (b) any other services, supplies or works required are procured in liaison with TfL Procurement and in accordance with the GLA's Contracts and Funding Code and contracts are put in place between and executed by the GLA and contractors before commencement of such services
- (c) the proposed award of grant funding is made:
 - fairly, transparently, in accordance with the GLA's equalities requirements and with the requirements of GLA's Contracts and Funding Code and funding agreements are put in place between and executed by the GLA and recipients before any commitment to fund is made
 - in compliance with the principles set out in the Subsidy Control Act 2022 and where total of such funding to any one recipient exceeds £100,000 in aggregate (whether approved under cover of this or any other approval paper), they register the grant on the Department for Business, Energy & Industrial Strategy's Transparency Database

(d) to the extent that the activity approved concerns the creation of new posts, all applicable GLA HR protocols and procedures are followed.

- 6.6 In addition, to the extent that the proposals in respect of which decisions are sought involve the making of commitments which extend beyond the current Mayoral term, officers must ensure that the terms of all agreements entered into in respect of the expenditure do not have the effect of fettering the discretion of any successor administration, considering in particular the London elections taking place in May 2024. Accordingly, officers must ensure that all agreements which involve making such commitments include a GLA right to terminate at any point for convenience (at no cost to the GLA) and all such agreements are managed in such a manner, and any deliverables, milestones and/or output requirements are structured so as to mitigate risks of the GLA incurring abortive expenditure (which might be reasonably be taken to fetter, practically, the exercise of such discretion).

7 Planned delivery approach and next steps

Activity	Timeline
Approvals in place	July 2023
Announcement of programme	July 2023
GLA staff select areas of focus	July 2023
Expressions of interest from borough partners for selective aspects of the programme	July 2023
Delivery start date	July 2023
Interim internal evaluation (1 year in) start and finish	April – May 2024
Delivery end date	Mar 2026
Final evaluation	May – July 2026
Project closure	August 2026

Appendices and supporting papers:

None.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? NO

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

Jamie Dean has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Phillip Graham has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Jules Pipe has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 24 July 2023.

INTERIM CHIEF FINANCE OFFICER:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature



Date

26 July 2023

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature



Date

26 July 2023

