

GREATERLONDONAUTHORITY

REQUEST FOR DIRECTOR DECISION – DD2707

Title: Local Growth Capacity Support Programme

Executive Summary:

The Local Growth Capacity Support Programme was established with £1.125M support from the Department for Levelling Up Homes and Communities (DLUHC). Subsequently a further £16k of DLUHC funding was allocated. The principles and practices of the programme were approved by the Mayor under MD3140, including delegated authority to the Executive Director, Good Growth to approve detailed funding allocations and expenditure in 2024-25 and 2025-26.

The approval of the Executive Director is now sought (pursuant to the above mentioned delegation) for remaining programme expenditure and associated resources to further (i) promote peer learning and best practice sharing including targeted research and training via the High Street Network and Property X-Change, (ii) promote place-based engagement including effective project identification and early scoping of spatial strategies, and (iii) provide support for local partnership formation, funding strategies and expert design and area planning advice, via the Mayor's Design Advocates. An early decision is being sought on this expenditure, in advance of the finalisation of the 'Helping Local Economies to Thrive' programme mandate in order to achieve spend in accordance with milestones set by DLUHC.

Decision:

That the Executive Director of Good Growth approves remaining programme expenditure of up to £566,000 revenue in financial year 24-25, and £520,323 in financial year 25-26 to meet targeted programme costs, projects and staff resources to build enabling infrastructure and enhanced development and delivery capacity under the Local Growth Capacity Support programme.

AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Philip Graham

Position: Executive Director of Good Growth

Signature:



Date:

12/07/2024

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1. The Local Growth Capacity Support Programme was established to (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 area planning exercises, (iii) provide support for local partnership formation, funding strategies and expert design advice via the Mayor's Design Advocates.
- 1.2. The principles and priorities of the programme were approved by the Mayor under cover of [MD3140](#) including: –
 - i. the receipt and expenditure of up to £1,125,000 of Department for Levelling Up Homes and Communities (DLUHC) funds comprising £625,000 in 2023-24, £300,000 in 2024-25 and £200,000 in 2025-26
 - ii. approved expenditure (from related funds) of up to £297,000 revenue in 2023-24 and £107,000 in 2024-25 to meet the costs of remaining targeted programmes, projects and staff resources to build enabling infrastructure and enhanced development and delivery capacity; and
 - iii. the delegation of authority to the Executive Director, Good Growth, to approve remaining funding allocations and expenditure in 2024-5 and 2025-26 in accordance with the principles and priorities set out in the decision form.
- 1.3. The launch of the support programme followed a DLUHC commitment to develop capacity and capability in local government and to support delivery of capital projects.
- 1.4. In financial year 23-24 DLUHC provided an additional £16k and the Property X-Change (which is integral to the High Street Network – see Strand 1 of the support programme as set out in section 2) initiative attracted £10,000 revenue in sponsorship – taking total revenue funding for the programme to £1,151,000.
- 1.5. Following initial pilot activities and modest associated expenditure of £64,677 in the first year of the programme all three strands are now well poised to develop and deliver across the remaining two years of the programme with proposed total expenditure of £566,000 in 2024-25 and £520,323 in 2025-26. A full breakdown of income and proposed expenditure can be seen at 2.14.
- 1.6. The development and delivery of this programme is being undertaken alongside the development of the 'Helping Local Economies to Thrive' mandate and related activities. It is necessary to proceed with this decision at this point to achieve spend in accordance with agreed DLUHC milestones. Capacity created through this programme will support Mandate delivery.

2. Objectives and expected outcomes

- 2.1. At the inception of the programme the GLA Regeneration team worked closely with London Councils to propose three strands of support as outlined in MD3140. Subject to approval of this Decision, these will be delivered as set out below.

Strand 1 – the High Street Network and Property X-Change

- 2.2. In line with programme approvals it is proposed to utilise £165,000 in 2024-25 and £85,000 in 2025-26 of (table 1.5) to support the further delivery of the High Street Network and take forward the Property X-Change.

- 2.3. The High Street Network ('the Network') was formed to tackle the breadth of challenges associated with delivering high quality place-based development. In 2023-24, the GLA Regeneration and Growth Strategies team appointed a multi-disciplinary consultant team, via the Architecture + Urbanism Framework, to provide Programme Coordinator services in 2023-24, 2024-25 and 2025-26. To date, expenditure has funded the development of a strategy and action plan for the Network, drawing on GLA group, Local Authority, private and third sector stakeholder engagement.
- 2.4. Over the next two years, funding will support the delivery of the strategy and action plan, comprising a programme of seminars, events and research designed to promote peer learning, highlight and share innovation, and develop the capacity of local authorities and town centre partnerships to safeguard and directly deliver a diverse, resilient and thriving mix of high street and town centre activity.
- 2.5. The expected outcomes are increased capital delivery capability, improved quality, and expanded outreach and engagement, ensuring that development better responds to the needs of diverse local communities. The systems and processes that underpin the Network will set a new precedent for how the GLA supports effective cross-borough collaboration and exchange. The Network will also consolidate the GLA's leadership on high streets and town centres and promote greater sharing of knowledge to enrich work across the GLA family. The Network is complemented by the Property X-Change initiative which engages with the property sector to drive social value in the use of high street and town centre property.
- 2.6. Property X-Change will pilot models such as a social purpose estate agency that can offer a unique and cost-effective service to London's landlords/agents, advertising vacant high street units connecting them with relevant SME, social and civic operators. Funds will initiate a legacy and market facing sustainable operating model which is expected over time to serve landlords by providing a professional brokerage for a fee - promoting opportunities, good practice, and strengthening the network of more diverse decision makers in the Commercial Real Estate sector.

Strand 2 – Place based engagement – Area planning expertise.

- 2.7. In line with programme approvals, a second strand of the programme will utilise £200,000 in 2023-24 and 2025-26 to support boroughs to develop area-based planning and implementation capacity and capability in specific locations. The provision of GLA funding aims to unlock access to specialist expertise to be procured by local authority recipients to enable targeted area-based planning exercises and associated follow-on capital delivery.
- 2.8. To date expenditure has complemented the Civic Partnership Programme approved under [MD3094](#), by funding an additional spatial strategy. It has also supported area planning exercises in North Tottenham to take forward the Selby Centre wider master planning exercise and unlock £20m Levelling Up Fund investment. Future expenditure will support the following with area planning, regeneration and project delivery:
 - Bakerloo Line Extension (BLE) growth corridor supporting the implementation of LB Southwark's draft Area Action Plan and Southwark Land Commission's recommendations. (£50,000 in 2024-25 and £50,000 in 2025-26)
 - Great West Corridor vision update as part of the wider A4/Great West Corridor programme to include physical upgrades to the road itself. (£40,000 in 2024-25 and £60,000 in 2025-26)
 - Upper Lee Valley specifically the A10/A1010 Corridor which spans the London boroughs of Haringey and Enfield, stretching from Stamford Hill northwards to the M25, (£40,000 in 2024-25 and £60,000 in 2025-26)
 - Lower Lea Valley support for delivery of connective infrastructure to address the many and significant physical barriers between communities in the area, (£70,000 in 2024-25 and £45,323 in 2025-26).

Strand 3 – Town Architect: Expert Advice from the Mayor’s Design Advocates¹

- 2.9. In line with programme approvals it is proposed to utilise £80,000 in 2023-24 and £90,000 in 2025-26 of (table 1.5) to continue to promote the use of Mayor’s Design Advocates (MDAs) in the role of a Town Architect.
- 2.10. MDAs will support chief officers and council design champions to review capital project proposals, help establish design quality management arrangements, support exemplary procurement and design competitions, help develop design visions and design principles for area planning exercises and to help provide design commentary on major developments in each place and over an extended period.
- 2.11. In 2023-24, programme planning initiated pilots in Hackney Central, Northolt, Ilford and Angel Edmonton. Pilots were identified by the GLA Regeneration and Growth Strategies team in discussion with the boroughs and through identification of need. Initial outputs and related learnings and ongoing close liaison with London boroughs have informed the development of a refined pilot programme. Proposed expenditure of £80,000 in 2024-25 and £90,000 in 2025-26. will secure the services of MDAs for up to 40 days per year in the following eight locations Hackney Central, Angel Edmonton, Lewisham Town centre, Croydon Town Centre, Ilford Town Centre, Abbey Wood, Brentford/A4 Corridor and Uxbridge.
- 2.12. MDAs were appointed as regular advisors through a competitive recruitment process, for a period (including GLA extension options) until March 2026.

Resourcing the programme

- 2.13. Under cover of MD3140 funding is already approved in 2024-25 to cover the costs of a fixed term G6 officer role in the Design Unit and to cover the costs of the G8 Senior Project Officer in the Regeneration and Growth Strategies Area Team utilising £121,000 of programme funds. In line with programme approvals, it is proposed to utilise in 2025-26 a further £130,000. These posts will continue to coordinate delivery of the wider research, learning and procurement work that supports wider team members and enable delivery and coordination between boroughs and the GLA. Fixed term appointments have been made following external recruitment and onboarding processes.

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

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

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/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 capacity and capability programme prioritises communities that are particularly exposed to inequalities that were further exacerbated by COVID-19 and have been intensified by the cost-of living-crisis and the climate emergency.
- 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, specifically under-represented groups, such as those with protected characteristics – including for example - the procurement strategy for consultant teams. These 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
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 monitor impact on delivery; and work with delivery partners to determine appropriate contingency levels.	
London boroughs and delivery partners lack resources to develop and deliver high-quality projects	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.	
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 is dependent on programme resources and appointments	Low	Medium	This will be managed through the two fixed term appointments detailed in this paper – both of which have now been progressed.	

Links to Mayoral strategies and priorities

- 4.2. The Local Growth Capacity Support Programme will be expected to deliver outcomes that address social, economic and health inequalities in a cross-cutting way; deliver a cleaner, greener London; and ensure Londoners are at the heart of economic growth by playing an active role in their communities.
- 4.3. The funding outlined in this decision form will be used to develop and deliver strategically important support initiatives, area-based frameworks and projects that align with the emerging growth priorities for London – which are to be set out in the proposed London Growth Plan and are emerging in Mayoral mandates. The aim is to ensure that the GLA continues to play an influential role in supporting and driving up the quality of physical regeneration across London and ensuring delivery. Strong engagement with the boroughs continues to highlight the need for additional capacity and capability within the boroughs to help shape good growth and realise potential benefits of growth for the wider community.
- 4.4. The proposed expenditure is expected to deliver against multiple objectives included in the London Plan; the Mayor's Economic Development Strategy; the Environment Strategy and the Culture Strategy for London. It will bolster the delivery of the ambitions set out in the Mayor's Good Growth by Design programme and respond to the Mayor's biennial Place Shaping Capacity Survey through which the boroughs have highlighted the ongoing mismatch between growth potential and delivery capacity.

Consultations and impact assessments

- 4.5. 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 our discussions with them. It was tested with London Councils and representatives from London boroughs.
- 4.6. 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

- 4.7. No GLA officer involved in the drafting or clearance of this DD is aware of any conflicts of interest with the proposed programme.

- 4.8. If any conflicts of interest arise during grant-funding processes, officers will be required to declare that interest as part of a requirement of the Contracts and Funding Code; and will be excluded from the grant-funding (or any other related) process or activity for that 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 remaining programme expenditure of £1,086,323 to meet the targeted programme costs, projects and staff resources to build enabling infrastructure and enhanced development and delivery capacity under the Local Growth Capacity Support programme.
- 5.2. Approval was granted under MD3140 for the receipt and expenditure of £1.125m Local Growth Capacity Fund grant from the Department for Levelling Up homes and Communities (DLUHC). Additional funding was provided in 2023-24 financial year totalling £16k and the Property X-Change initiative attracted £10,000 revenue in sponsorship - taking total income for the programme to £1,151,000. Expenditure so far totals £64,677 resulting in this decision requesting approval to spend the remaining balance of £1,086,323.
- 5.3. Income totalling £951k has been received to date in relation to the programme. The final instalment of £200k is due to be received towards the end of 2024-25 financial year subject to approval by DLUHC regarding progress made by the programme. All contracts and Grant Awards are subject to the necessary break clauses, and or will not proceed in 25-26 until final confirmation of this final tranche of funding is in place.
- 5.4. The planned split of expenditure and income is shown in the table below:

	23/24 (Actual)	24/25 (£)	25/26 (£)	Total (£)
Income				
DLUHC	625,000	316,000	200,000	1,141,000
Property X-Change income	10,000			10,000
Total income	635,000	316,000	200,000	1,151,000
Expenditure				
Strand 1 - High Street Network & Property X-Change	30,000	165,000	85,000	280,000
Strand 2 – Place based engagement (Area – planning) OAPF 2.0	34,677	200,000	215,323	450,000
Strand 3 - Expert Advice – MDA time	0	80,000	90,000	170,000
Resourcing G8 / G6 posts	0	121,000	130,000	251,000
Total Expenditure	64,677	566,000	520,323	1,151,000

- 5.5. All relevant budget adjustments will be made.

6. Legal comments

- 6.1. The foregoing sections of this report indicate that 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 and 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 Director 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 Director should have particular regard to section 3 (above) of this report.
- 6.3. If the Director makes the decisions sought, officers must ensure that:
- any 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
 - the extension of MDA arrangements is exercised and recorded in accordance with all applicable MDA requirements
 - to the extent that the activity approved concerns the creation of new posts, all applicable GLA HR protocols and procedures are followed.

7. Planned delivery approach and next steps.

Activity	Timeline
Approvals in place	June 24
Announcement of programme	June 24
Expressions of interest from Borough partners for selective aspects of the programme – Town Architect.	July 24
Delivery Start Date	July 24
Interim internal evaluation (1 year in) start and finish	April – May 25
Delivery End Date (for project proposals)	Mar 26
Final Evaluation	May – July 26
Project Closure (for project proposals)	August 26

Appendices and supporting papers:

[MD3140 Local Growth Capacity Support Programme - DLUHC Levelling Up Funds](#)

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:

✓

Assistant Director/Head of Service:

Phillip Graham name has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Financial and Legal advice:

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

Mayoral Delivery Board

A summary of this decision was reviewed by the Mayoral Delivery Board on 8 July 2024.

✓

INTERIM CHIEF FINANCE OFFICER:

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

Signature:



Date:

12/07/2024