

REQUEST FOR DIRECTOR DECISION – DD2705

Civic Partnership Programme - Exemplar Stage Funding

Executive summary:

The Civic Partnership Programme is a £12.91m grant-funding programme, targeting areas of need where borough regeneration objectives align with Mayoral priorities to combat long-standing inequalities exacerbated by COVID-19, the cost-of-living crisis and the climate emergency. To date 12 boroughs have received development funding for place-based regeneration strategies, which also identify potential exemplar capital projects to act as cornerstones for each strategy.

The Mayor (under cover of MD3094: Civic Partnership Programme) delegated authority to the Executive Director, Good Growth, to approve the remaining detailed funding allocations to successful project applications, in accordance with established principles and priorities. This decision form seeks approval to provide £12.4m of capital grant funding to contribute to the delivery costs of the exemplar projects set out in this report.

Decision:

That the Executive Director Good Growth approves expenditure of up to £12.4m in grant funding as a contribution to the delivery costs of the selected third-party projects, set out at Appendix A to this report.

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, Good Growth

Signature:



Date:

24/06/2024

PART I – NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1. The Civic Partnership Programme (CPP) is a £12.91m grant-funding programme, to run from 2023-24 (CPP strategy phase delivered 2023-24) to 2026-27 (CPP exemplar phase). It targets areas of need where borough regeneration objectives align with Mayoral priorities to combat long-standing inequalities exacerbated by COVID-19, the cost-of-living crisis and the climate emergency. The CPP programme is an evolution of the Good Growth Fund and the High Streets for All recovery mission.
- 1.2. CPP funds have been used by London boroughs and their partners to support the development of place-based regeneration strategies; and, for selected applications, will deliver of a limited number of exemplar capital projects (see Appendix A). Exemplar projects provide a mechanism for the development, implementation and evaluation of innovative regeneration approaches through a co-design process involving local communities and businesses.
- 1.3. The Mayor (under cover of MD3094 – Civic Partnership Programme) approved expenditure of up to £12.91m for the CPP to provide:
 - £12.4m capital grant funding as a contribution to the delivery costs of third-party exemplar projects
 - £450,000 revenue grant funding as a contribution to the delivery costs of third-party local regeneration strategies
 - £60,000 revenue for associated operational expenditure and programme support costs.
- 1.4. In MD3094, the Mayor delegated authority to the Executive Director, Good Growth, to approve detailed funding allocations in accordance with the principles and priorities set out in this decision form.
- 1.5. This decision form sets out the proposal for and seeks the Executive Director of Good Growth's approval to allocate (i) £12.4m capital grant funding as a contribution to the delivery costs of the selected third-party exemplar projects. Budgets (ii) and (iii) were covered under MD3094 and are not the subject of this DD.

2. Objectives and expected outcomes

- 2.1. As existing Mayoral and LEAP investments in place-based regeneration (through the Good Growth Fund and the High Streets for All Challenge) come to an end, the Regeneration and Growth Strategies team continues to provide engagement and leadership through place-based and London-wide support mechanisms.
- 2.2. While these support mechanisms are valuable in themselves, it is when the GLA can align advice with capital grant funding that it can have the greatest influence to drive up quality, enable innovation, facilitate engagement, lever additional investment, improve outcomes and build capability.
- 2.3. The CPP will support exemplar, transformative area-based projects, that deliver a coordinated plan of activity across three strategic objectives:
 - *expanding the public realm*: creating open, connected and inclusive public spaces, high streets and green and blue spaces, alongside welcoming social and cultural infrastructure

- *strengthening representation and authorship in physical regeneration*: delivering projects for and with the communities they serve, particularly people from Black, Asian and minority ethnic communities, disabled Londoners and younger and older Londoners
- *addressing the climate and ecological emergencies*: strengthening London's climate resilience and tackling environmental inequalities

2.4. The intention is for projects to create long-term impact, have certainty around delivery, and attract key partners. 4 of the 5 capital awards range from £2.48m to £3.1m. This approach also generates benefits in terms of programme resourcing, and the ability to make cross-policy connections in a given place. A final award of £814k is proposed which although smaller catalyses existing strategic work.

How the CPP exemplar projects have been selected

- 2.5. The CPP exemplar project selection process follows the completion of the CPP strategy phase at the end of April 2024, following the process as set out in Mayoral Decision form MD3094.
- 2.6. During the CPP strategy phase, 12 places were selected using data focussing on need (included in Indices of Multiple Deprivation and facing high climate vulnerability); change (growth areas experiencing large-scale development); and the potential to align with the CPP programme objectives for delivery of impactful, place-based regeneration interventions. Each of the 12 boroughs were awarded up to £40,000 revenue grant funding to convene a local partnership; and develop a geographically specific regeneration strategy and business case. Ten boroughs used their completed CPP strategies to submit an application for the CPP exemplar funding.
- 2.7. The CPP exemplar selection draws on insights from the Good Growth Fund and lessons from programme delivery across the Good Growth directorate, to ensure effective cross-policy objectives are established; and the new fund can accommodate a range of multi-faceted activities, and work with a range of partners.
- 2.8. The CPP exemplar appraisal stage provided a further level of scrutiny and introduced a programme-wide assessment process. The aims were to ensure consistency of assessment; scrutinise investment-readiness; interrogate whether applicants would deliver high-quality projects and outcomes, and what sort of contribution they would make to the strategic objectives of the programme.
- 2.9. GLA Regeneration and Growth Strategies officers scored applications, with commentary informing this appraisal supplied by policy leads from across the GLA Group. Moderation was undertaken by the GLA Regeneration and Growth Strategies Management team to review the evaluation of applications, and check adherence with the appraisal process (see section 2.10, below, and Appendix B). A shortlist was agreed, and the final selection was presented to the Deputy Mayor for Planning, Regeneration and the Fire Service.
- 2.10. The scoring criteria for the appraisal of CPP exemplar applications were structured as below and communicated in the application guidance.

Project and strategic objectives	40%
Deliverability	30%
Value for money	30%

Outcome of exemplar project appraisal

2.11. Five projects have been selected for exemplar funding as below. See Appendix A for full details.

Project name (borough)	CPP grant	Match funding
Ilford Arrival (LB Redbridge)	£3,000,000	£4,000,000
Connecting Hoxton (LB Hackney)	£3,000,000	£2,407,568
Room for the Rivers: A Place for People (LB Lewisham)	£2,486,000	£769,000

Neasden Town Centre (LB Brent)	£3,100,000	£7,352,550
North End Quarter Fringes: Amplifying Surrey Street (LB Croydon)	£814,000	£2,239,583

- 2.12. This CPP exemplar stage supports two projects in inner London (allocating £5,486,000, or 44 per cent of funding) and three projects in outer London (allocating £6,914,000, or 56 per cent of funding).

Expected outcomes

- 2.13. Based on previous experience delivering place-based programmes including the Good Growth Fund, and on the information provided on the proposed projects, a set outcome measures listed below would be used to track the progress of the proposed funding programme (these measures also align with key metrics in London's UKSPF investment plan submission).

Measure	Metric	Application stage numbers
Overall public realm created or improved, both green and hard	m2	28,293
Civic or commercial buildings created, improved or brought back into use	m2	1,327
Vacant units back into use	no.	2
Lower energy usage initiative implemented	no.	3
Facilities with lower embodied energy created	no.	3
Trees planted	no.	220
Green space created	m2	2,475
Volunteering opportunities created	no. hours	1,960
Number of individuals number belonging to groups engaged with, equating to the makeup of the local population targeted	no.	401
Number of individuals paid for their time	no.	175

- 2.14. These measures will be complemented, on a project-by-project basis, by additional performance indicators agreed in collaboration with delivery partners. All measures will have consistent definitions and will be reported to the GLA on a quarterly basis. In addition, civic measures will be monitored during a pre-commencement and post-completion survey. This will be carried out by the borough, on the scale of the neighbourhood within which the project is located and framed around the impact of the project.
- 2.15. Exact programme targets for outputs and outcomes will be confirmed once projects enter into a grant agreement. All successful funding recipients must undertake a self-evaluation of the project, the parameters of which will be agreed at project inception.
- 2.16. To maximise impact beyond funded projects, proposals will also take account of the need to invest time and effort in peer exchange and wider dissemination of lessons learned, between boroughs, local partner organisations and communities.

Delivery

- 2.17. Programme delivery will be managed by established area-based officers in the GLA Regeneration and Growth Strategies team. This will build on their experience in delivering significant funding programmes and area-based engagement with the boroughs. Area officers will coordinate with relevant leads in other policy units to draw on their skills and expertise as required.
- 2.18. Rigorous programme-level reporting and monitoring will be undertaken. This oversight activity includes all stages of project delivery from concept to closure, through grant agreements and project monitoring; capturing project outputs and outcomes; and providing support to the wider team on programme and project management and strategy.

2.19. The expenditure breakdown per work strand in the CPP programme is as follows:

Budget (£000s)	2023-24		2024-25		2025-26		2026-27		Total	
	Cap	Rev	Cap	Rev	Cap	Rev	Cap	Rev	Cap	Rev
Strategy development	–	450	–	–	–	–	–	–	–	450
Exemplar projects	–	–	1,000	–	4,000	–	7,400	–	12,400	–
Programme-support	–	15	–	15	–	15	–	15	–	60
Total (£)	–	465	1,000	15	4,000	15	7,400	15	12,400	510

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 CPP prioritises communities that are particularly exposed to inequalities that have been exacerbated by COVID-19, 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, as set out in paragraphs 2.14 to 2.18 of this decision form.
- 3.6. The selection process for the CPP has made explicitly clear that selected projects should 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.
- 3.7. All projects 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. 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

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

Risk	Likelihood	Impact	Mitigation	RAG rating
Project costs increase impacting deliverability and outcomes.	High	High	Regeneration & Growth Strategies team experience will inform project scoping and contingency provision.	
Partners unable to secure match funding.	Low	High	The selected projects have been appraised to interrogate the quality and security of the match funding proposed.	
Partners unable to deliver high-quality projects.	Medium	High	The CPP will be complemented by London-wide and area-based support offers from the GLA.	
Lack of local support for proposed activities.	Medium	Medium	Evidence of local support through initial stakeholder engagement and ongoing plans.	
Projects do not deliver on objectives.	Low	High	Objectives have been informed by the evaluation of previous regeneration programmes and tested with GLA policy teams and boroughs.	
Failure to disseminate learning.	Low	High	The GLA will work with partners to capture and share learning with its networks.	

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 align with the emerging growth strategy for London – including through the proposed London Growth Plan and emerging 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. Strong engagement from 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.
- 4.3. 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

- 4.4. The outline for the CPP 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 London borough Executive Directors.
- 4.5. Impact assessments were undertaken for the above-mentioned relevant strategies. As this funding will help deliver the objectives of these strategies, the original impact assessments are still relevant to the programme.
- 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 process, 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 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.

Subsidy control

- 4.9. The Subsidy Control Act 2022 (SCA) has been considered and GLA officers have concluded that none of the proposed CPP grant awards constitutes a subsidy for the purpose of the SCA. All 4 limbs of the “subsidy test” set out in the SCA must be met to indicate the existence of a subsidy.
- 4.10. Here, however, the grant awards do not “confer an economic advantage on one or more enterprise”, which is one of the above mentioned 4 limbs. An “enterprise” under the SCA is an organisation (regardless of its legal status) engaging in economic activity which includes activity such as offering goods/services which are competing in a market with other organisations, as public assistance such as, for example, grant funding, can provide an unfair advantage to enterprises over their competitors.
- 4.11. Each of the local authorities to whom it is proposed funding be awarded will use the funding to meet costs of delivering their projects. The projects: are not being pursued for commercial gain; do not concern the offering of goods, works or services on a market, and their outputs will not result in any commercial gain or advantage accruing in favour of the local authorities or any “enterprise”.

5. Financial comments

- 5.1. Approval is requested for capital expenditure of up to £12.4m in to provide grant funding as a contribution to the delivery costs of the exemplar third-party projects set out at Appendix A to this report.
- 5.2. The CPP was previously approved under MD3094. As part of this there was an allocation of £12.4m capital funding, with delegated authority given to the Executive Director of Good Growth to agree the detailed funding allocations set out in the Appendix A to this report. The funding for the programme is from the repayment of loans from projects which were funded by LEAP GPF.
- 5.3. This expenditure has been budgeted for within the Regeneration team’s capital budget for 2024-25, and within the indicative plans for 2025-26 and 2026-27. The planned profile of spend overall is shown below:

Budget (£000s)	2024-25	2025-26	2026-27	Total
	Cap	Cap	Cap	Cap
Exemplar projects	1,000	4,000	7,400	12,400
Total (£)	1,000	4,000	7,400	12,400

6. Legal comments

- 6.1. The foregoing sections of this report indicate that the decisions requested of the Executive Director of Good Growth (the Director) concern the exercise of the GLA’s general powers, and fall within the GLA’s statutory power to do such things considered to further or that are facilitative of, or conducive or incidental to, the promotion of economic development and wealth creation, social development or the promotion of the improvement of the environment within Greater London. In formulating the

proposals in respect of which a decision is sought, officers have complied 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 the decisions requested of him, 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, sex, age, sexual orientation, religion or belief, pregnancy and maternity, and gender reassignment) and persons who do not share it (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. Officers have indicated that the expenditure proposed amounts to the provision of grant funding as a contribution to related third party project costs and not a payment for services to be provided. They must therefore ensure, that the proposed funding is disbursed in a fair and transparent manner in accordance with the GLA's Contracts and Funding Code and a funding agreement is put in place between and executed by the GLA and each of the proposed recipients before any commitment to provide the funding is made.
- 6.4. The Subsidy Control Act 2022 requires that grant funding be assessed in relation to its four-limbed test. Officers have made this assessment at sections 4.10 to 4.12 (inclusive) above, and have concluded that the proposed funding does not amount to an unlawful subsidy.

7. Planned delivery approach and next steps

- 7.1 The timetable for the delivery of the CPP Exemplar projects is shown below:

Activity	Timeline
Appraisal and investment decision complete	Q2 2024-25
Exemplar projects announced after all grant agreements have been signed	Q2 2024-25
Delivery of capital exemplar projects complete	Q4 2026-27
Programme closure and relevant evaluation complete	Q4 2026-27

Appendices and supporting papers

- Appendix A: Civic Partnership Programme Exemplar Stage Recommended Project List
- Appendix B: CPP Exemplar Appraisal Process

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 be published either 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? YES

If YES, for what reason: To avoid the pre-election period (election date 4 July 2024) and alignment to Mayoral announcement.

Until what date: 15 July 2024, subject to coincide with Mayoral announcement.

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under the 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:

Matt Ruddy has drafted this report in accordance with GLA procedures and confirms the following:

✓

Assistant Director/Head of Service:

Louise Duggan 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 24 June 2024.

✓

INTERIM CHIEF FINANCE OFFICER:

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

Signature:



Date:

24/06/2024