

GREATER **LONDON** AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2169

Title: General consent for OPDC to provide financial assistance

Executive Summary:

This decision seeks approval for a general consent for the Old Oak Common and Park Royal Development Corporation (OPDC) to give financial assistance by way of grant under certain defined circumstances. Mayoral consent is required under the Localism Act 2011.

Decision:

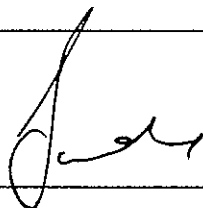
That the Mayor approves a general consent to OPDC, in accordance with sections 213 and 221 of the Localism Act 2011, for it to give financial assistance by way of grant in accordance with the attached General Consent and subject to review by September 2018.

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:

29/8/17

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

Decision required – supporting report

1. Introduction and background

- 1.1 The Localism Act provides, at section 213, that ‘an MDC [Mayoral Development Corporation] may, with the consent of the Mayor, give financial assistance to any person’. This means that the provision of any financial assistance from the OPDC – of whatever size and in whatever form (eg. by grants, loans, guarantees/ indemnities, investment or the incurring of expenditure on behalf of another person) – must be formally approved by the Mayor before being made. The Localism Act permits the Mayor to give a general consent, including unconditionally or subject to conditions.

2. Objectives and expected outcomes

- 2.1 To give the OPDC a degree of autonomy broadly consistent with its other powers and delegated spending limits – and that of the London Legacy Development Corporation – the OPDC’s Chief Executive Officer has requested that the GLA gives the OPDC a general consent to give financial assistance by way of grant.
- 2.2 Grant will be awarded only where:
- a) the total lifetime cost of the grant in question is of any value and –
 - I. the grant is in respect of a project where the grant is funded by monies paid in accordance with an agreement entered into under section 106 of the Town and Country Planning Act 1990; or
 - II. is paid from monies collected by the OPDC under the Community Infrastructure Levy Regulations 2010 (as amended) and where the project or type of infrastructure on which the grant is to be spent is contained in the list of projects or types of infrastructure which is published on OPDC’s website from time to time pursuant to regulation 123 of those Regulations; or
 - b) the grant in question does not fall under paragraph 2.2 (a) above and its total lifetime cost is between £1 and £150,000.
- 2.3 The nature of activity and organisations OPDC is considering supporting includes community groups within the OPDC boundary and grant funding as part of the Great Place Scheme. The latter is a Heritage Lottery Fund and Arts Council England funded programme which will focus on a participatory programme of activities that will uncover, connect and showcase the culture, creativity and heritage of Park Royal and help shape the future of Old Oak.
- 2.4 A copy of the 2017 General Grant Consent is at Appendix A to this report. Forms of financial assistance by the OPDC otherwise than by means of a grant will still require formal Mayoral consent under section 213, regardless of the value.
- 2.5 OPDC will be required to maintain an up-to-date list of all grants for financial assistance proposed, or made, and make this available to the GLA on request. It will also publish details of its grants in line with the Local Government Transparency Code. The consent sets out conditions as to compliance with the OPDC’s Grant Funding Guidance.
- 2.6 A comprehensive framework to govern the interaction of decision-making between the Mayor and OPDC is planned. It is likely at that point this consent will be merged into that framework. That will provide an opportunity to review the parameters of the consent. The decision does, however, provide for review not later than September 2018.

- 2.7 The outcome of the proposed 2017 General Grant Consent will be that grants are disbursed by OPDC in an efficient and effective manner that provide value for money, while the GLA has sufficient oversight.

3. Equality comments

- 3.1 As a GLA functional body, consideration of how OPDC meets the Mayor's objectives is embedded within the work programme and decision-making process; this includes 'The Mayor's vision for a diverse and inclusive city'.
- 3.2 The OPDC is responsible for long-term planning, development and management of the Mayoral Development area, developing a whole new centre and community for west London. The proposal will enable the OPDC to assist others, through provision of grant assistance, in helping to deliver this objective, with long-term benefits for the diverse communities in west London. OPDC will ensure that equalities considerations and particularly the public sector equality duty under section 149 of the Equality Act 2010 are embedded into all grant giving exercises.

4. Other considerations

Impact assessments and consultation

- 4.1 The proposal for the general consent for financial assistance by way of grant came from the OPDC itself. It is not considered that there any further requirements for consultation or impact assessment arising from these proposals.

Risk

- 4.2 The purpose of these proposals is to achieve an appropriate balance of risk and oversight in the GLA's relationship with the OPDC – ensuring on the one hand that appropriate decisions of the OPDC are visible to, and in some cases referred to, the Mayor for confirmation while ensuring on the other hand that the OPDC has the freedom and flexibility to act on other matters without being unnecessarily fettered. These measures are intended to manage risks to the Mayor associated with the work of the OPDC in light of that required balance.

5. Financial comments

- 5.1 There are no direct financial implications for the GLA arising from this proposal. Any grants OPDC makes will need to be contained within its existing budgets.

6. Legal comments

- 6.1 Under section 213 of the Localism Act 2011, the Mayor must consent to the LLDC giving financial assistance, whatever form that assistance takes. Under section 221 a consent under section 213 may be given generally or specifically, with or without conditions. Under section 213 (3), financial assistance can take a number of forms, including by grant, loan, guarantee or indemnity, investment, or incurring expenditure for the benefit of the body or person assisted. Under section 213(4), financial assistance may be given on such terms and conditions as LLDC considers appropriate (including provision for repayment, with or without interest).

7. Planned delivery approach and next steps

- 7.1 This general consent will come into effect at the point it is approved by the Mayor.

Appendices and supporting papers:

Appendix A – General Mayoral Consent to Financial Assistance by the OPDC by Grant

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) 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 approval or on the defer date.

Part 1 Deferral:

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

If YES, for what reason:

Until what date: (a date is required if deferring)

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be 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:

Tim Somerville has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Fiona Fletcher-Smith has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

David Bellamy 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 the 29 August 2017.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

M. D. Bellamy

Date

29.8.17

CHIEF OF STAFF:

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

Signature

D. Bellamy

Date

29/8/2017

Localism Act 2011

OLD OAK AND PARK ROYAL DEVELOPMENT CORPORATION

OPDC GENERAL FINANCIAL ASSISTANCE (GRANT) CONSENT 2017

1. In accordance with sections 213(1) and 221(1) of the Localism Act 2011, I hereby give Mayoral consent to the Old Oak and Park Royal Development Corporation ("OPDC") to provide financial assistance from time to time to any person by means of the making of grants where the conditions in paragraphs 2 to 3 below are fulfilled.

Consented grants

2. Consent is given in the following circumstances:

- (a) Where the total lifetime cost of the grant in question is of any value and –

- I. the grant is in respect of a project where the grant is funded by monies paid in accordance with an agreement entered into under section 106 of the Town and Country Planning Act 1990; or
- II. is paid from monies collected by the OPDC under the Community Infrastructure Levy Regulations 2010 (as amended) and where the project or type of infrastructure on which the grant is to be spent is contained in the list of projects or types of infrastructure which is published on OPDC's website from time to time pursuant to regulation 123 of those Regulations; or

- (b) Where the grant in question does not fall under paragraph 2 (a) above and its total lifetime cost is between one pound (£1) and one hundred and fifty thousand pounds (£150,000).

Conditions

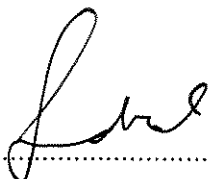
3. In respect of the grants for which consent is provided under this document:

- a) Where the total lifetime cost of the grant in question is between one pound (£1) and ten thousand pounds (£10,000) the OPDC's legal and financial advisors (internal or external) must confirm in an auditable form that the decision to provide the grant is made in a fair, open and transparent manner and (if it is the case) there are sound reasons to waive any requirement of the OPDC's Grant Funding Guidance (as approved from time to time).
- b) Where the total lifetime cost of the grant in question is over ten thousand pounds (£10,000) the OPDC's legal and financial advisors (internal or external) must confirm in an auditable form that the decision to provide the grant is in full accordance with the requirements of the OPDC's Grant Funding Guidance (as approved from time to time).
- c) In all cases the OPDC's legal and financial advisors (internal or external) must confirm in an auditable form that the decision to provide the grant in question is within the OPDC's legal powers and in line with its corporate objectives and approved business plan (as approved from time to time).

Other matters

4. OPDC shall maintain and make available to the Greater London Authority on request an up to date consolidated list giving appropriate details (including date or proposals date, recipient, amount, purpose, budgetary provision and whether it falls within paragraph 2(a)(i) or(ii) or (b) above) of all grants for financial assistance proposed or made by the OPDC.
5. The consent given by this document shall continue in force unless varied or revoked in accordance with section 221(3) of the Localism Act 2011, noting the consent is subject to review by not later than September 2018.
6. This document confers consent for the purposes of section 213(1) of the Localism Act 2011 only and only as regards the provision of financial assistance by means of a grant. It does not confer consent for any other type of financial assistance the OPDC may provide. Additionally, it does not confer any other consent required by or under either (a) the Localism Act 2011 or any other enactment or (b) or any other direction given to the OPDC from time to time under section 220 of that Act.

Signed:



Dated:

27/2/17