

GREATER LONDON AUTHORITY

REQUEST FOR DIRECTOR DECISION – DD1474

Title: Meanwhile Use Activation, Croydon (MRF)

Executive Summary:

This decision seeks approval to award up to £500,924, from the London Enterprise Fund (LEF), toward setting up meanwhile use projects in in Croydon town centre.

The project objectives are to create training opportunities and jobs; help community cohesion; change perception and; support and complement other on-going regeneration projects in the areas that were most significantly impacted by the riots in Croydon during August 2011.

The Mayor (under cover of MD895) delegated authority to the Executive Director Development, Enterprise and Environment following advice from Investment and Performance Board (IPB). Stage 1 approval for this package was provided by the Regeneration Investment Group (RIG) on 6 June 2012. Stage 2 approval for the High Streets Programme Retail Support Package (that included this project) was received from the Investment and Performance Board (IPB) on 25 September 2012. Further approval was gained at IPB on 10 December 2015 for additional budget from underspend elsewhere in the Croydon Mayor's Regeneration Fund (MRF) Programme.

Decision:

That the Executive Director approves expenditure of up to £385,774 capital and £115,150 revenue, by way of grant from the London Enterprise Fund (LEF), to the London Borough of Croydon as a contribution to its costs of developing meanwhile use activation projects in Croydon Town Centre.

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: Fiona Fletcher-Smith

Position: Executive Director Development, Enterprise and Environment

Signature:



Date:

13.5.2016

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1. Following the public order disturbances in August 2011, the Mayor announced a fund of £70m to invest in the long term regeneration of some of the worst affected boroughs. The Mayor approved, under cover of MD895 and MD1092, the overall Mayor's Regeneration Fund/London Enterprise Fund (MRF/LEF) programme budget of £70m and delegated authority on the detailed allocation of the programme budget, individual project budgets and any further resources required to the Executive Director for Development, Enterprise and Environment.
- 1.2. The London Borough of Croydon was identified as a recipient of MRF/LEF funding on the basis of the impact on businesses in the local area and potential for growth, and were invited alongside the other boroughs to submit a proposal which would be prioritised on the basis of deliverability, value for money and contribution to economic growth.
- 1.3. The resulting £28.8m Croydon MRF/LEF Programme comprises £13.1m from the Mayor's Regeneration Fund, £9.6m government funding from the London Enterprise Fund and £6.1m match funding from LB Croydon. There are currently seven funding agreements in place.
- 1.4. A 'Meanwhile Use Activation' project was originally proposed as part of the LEF allocation for the High Streets Improvement Programme approved under cover of DD1103 within the Croydon MRF programme. Stage 1 approval for the High Streets Improvement Programme was provided by the Regeneration Investment Group (RIG) on 6 June 2012. Stage 2 approval was gained from the Investment and Performance Board on 25 September 2012.
- 1.5. At Stage 2, the Meanwhile Use Activation Project (this project) was included as part of the High Streets Improvement Programme Retail Support Package. £780,000 funding to deliver the High Streets Improvement Programme Retail Support Package was approved including provision to deliver a meanwhile use in North End. The approval was made subject to LB Croydon presenting a delivery strategy for this no later than 31 March 2013. In January 2013 a proposed £1bn retail development was announced for North End. At this time it was agreed that Croydon should be allowed further time to develop a revised strategy for delivering the meanwhile use element of the Retail Support Package in an alternative location. On this basis, it was agreed £275,000 of the capital funding and £115,150 of the revenue funding approved at Stage 2 for the North End meanwhile use was to be the subject of a future Director's Decision (this decision) when a suitable strategy was agreed.
- 1.6. Croydon Council spent considerable time and efforts in the assessment of a number of site options to identify the preferred locations to deliver the Meanwhile Use Activation project, taking into account ownership and lease issues, location in relation to footfall as well as physical constraints that may impact the delivery. A number of projects were worked up in some detail only to prove undeliverable due to last minute changes of heart by building owners and through a permanent use for the site becoming viable.
- 1.7. A further £57,864 LEF capital funds were requested by the London Borough of Croydon for the delivery of landscaping improvements at Reeves Corner. This was approved at Investment and Performance Board on 20 November 2014, to be reallocated from underspends elsewhere in the Croydon MRF Programme. The Reeves Corner site occupies a prominent location on the edge of the Old Town area of Croydon's town centre. The site was occupied by the Reeves furniture store, which was destroyed during the riots of August 2011.

- 1.8. GLA Regeneration Team officers recently approved a detailed business plan and delivery strategy that demonstrates the deliverability of the Meanwhile Use Activation Project. This proposes a further £52,910 capital funding be allocated from underspend elsewhere in the Croydon MRF Programme toward an additional meanwhile activity that will deliver extra outputs and outcomes.
- 1.9. The London Borough of Croydon is now committed to deliver three projects as part of this funding allocation: 1. Reeves Corner/Church Road meanwhile use and landscape improvements; 2. Jubilee Bridge Car Park meanwhile use; 3. The Croydon Creative Hub.
- 1.10. 1. Reeves Corner/Church Road meanwhile use and landscape improvements
A temporary (minimum two years) retail, production, and event space on a council owned site at the junction of Church Road and Church Street/Reeves Corner. The building will consist of two operations: a charitable bicycle repair shop (that receives second hand and broken bikes from private donators and businesses, these are repaired and released: 75% of them for sale to the general public, 25% gifted to low income families) and a mushroom farm (utilising used coffee grounds from local cafes; supplying local restaurants with mushrooms). Local young people and work experience trainees from Lives not Knives are to be involved during construction for a period of at least two months. There is also an ongoing programme of events and cookery, carpentry and bike maintenance workshops planned for the life of the project.

Works to landscape Reeves Corner have already been implemented by the Council at risk. The outcome of the work has been well received.

	Capital	Revenue	Total
Reeves Corner/Church Road meanwhile use	£183,079	£ 71,981	£255,060
Landscape improvements	£57,864		£57,864

- 1.11. 2. Jubilee Bridge Car Park meanwhile use
A Community Wood Recycling social enterprise that will use a Council owned car park as a storage and sales point. The Social Enterprise recycles waste timber from local development sites that would otherwise be landfill. This will provide volunteering, training and employment opportunities for marginalised young people.

	Capital	Revenue	Total
Jubilee Bridge Car Park meanwhile use	£82,000	£6,000	£88,000

- 1.12. 3. The Croydon Creative Hub
Local company, The Croydon Creative, will deliver a new destination (minimum one year) for creative talent to use as a dedicated workspace, and to receive industry inspired talks and foster ideas. The hub will utilise a vacant unit in Croydon town Centre. At least five desk spaces will be awarded free to selected new start-ups. These five businesses will also receive free business support to assist with early stage development.

The proposal will also create a meanwhile use (rooftop cinema and entertainment space) of the top floor of the NCP Fairfield Car Park, which is currently in a state of disrepair and unutilised. The aim of this is to improve the perception of Croydon town centre and encourage residents and businesses to increase dwell time in the area so as to increase direct benefits to the local economy.

	Capital	Revenue	Total
The Croydon Creative Hub	£62,831	£ 37,169	£100,000

- 1.13. GLA funding is to deliver all phases of meanwhile use projects across identified sites from implementation through to delivery. This includes design development, the implementation of

physical works, the setting up/enabling of the meanwhile activities including events and the provision of specialist business support.

2. Objectives and expected outcomes

- 2.1. The Meanwhile Use Activation project aims to set up meanwhile use projects in Croydon town centre. The overall objectives are to:
- Create training opportunities and jobs
 - Help community cohesion
 - Change perception
 - Support and complement other ongoing regeneration projects in the area.
- 2.2. The three Meanwhile Use Activation projects form part of a coordinated set of projects to regenerate Croydon's high streets aimed at improving the quality and function of each of the different high streets in central Croydon (including Church Street, which ends at Reeves' Corner and London Road).
- 2.3. A series of outputs had been agreed for the previous iteration of this project (meanwhile use in North End). New outcomes are proposed that have been defined and agreed in detail through the business plan and a delivery strategy.
- 2.4. These are now confirmed as:
- 10 FTE jobs created
 - At least 650m2 of improved public realm
 - 20 volunteer placements
 - 1000 days of work experience
 - 24 traineeships or internships
 - At least 30 events or workshops
 - 120 bikes recycled per annum and 60 free bikes distributed to low income families
 - 3 metric tonnes of coffee grounds recycled per annum
 - 200 tonnes of timber rescued from waste stream per annum
 - 1 refurbished vacant shop unit.

Reeves Corner/Church Road meanwhile use and landscape improvements	
New jobs created (ex-offenders and hard to reach)	1.5
Volunteer placements	20
Construction traineeship	4
Events and workshops	10
Bikes recycled per annum	120
Free bikes distributed to low income families	60
Tonnes of coffee grounds recycled per annum	3
Square meters of improved public realm	650

Jubilee Bridge Car Park meanwhile use	
New jobs created (hard to reach/unemployed)	1.5
Days of work experience	1000
Traineeships or internships (Accredited CSCS construction industry training for local people)	10
Events and workshops	10
Tonnes of timber rescued from waste	200

The Croydon Creative Hub	
New jobs created	7

Traineeships or internships	10
Events and workshops	10
Vacant shop unit activated and refurbished	1

3. Equality comments

- 3.1. Through their existing public sector duties and via the requirements which will be set out in the funding agreement, the Council must ensure that they give due regard to the requirements of the Public Sector Equality Duty: eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out this project.
- 3.2. The above outlined projects will take place in a location that is accessible and can be used by a diverse representation of local residents and Londoners. Access requirements will be incorporated in the detailed proposals for each project and in relevant planning applications. The Council will be required to monitor the project against the equality duty.
- 3.3. All design proposals will be assessed in terms of accessibility to ensure minimised disadvantages suffered by people who share a protected characteristic: age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation.
- 3.4. All documents and publication produced will comply with Mayor of London branding guidelines, which is based on guidance from the Royal National Institute of Blind People.
- 3.5. All events will be open to all and, where possible, we will encourage people who share a protected characteristic to participate in any activity in which their participation is disproportionately low.

4. Other considerations

- 4.1. The GLA may at its absolute discretion suspend or delay payment of or require all or part of the GLA funding to be repaid if the delivery of the project objectives is reasonably adjudged by the GLA to be unsatisfactory. The project will be closed down once all milestones have been achieved and an evaluation has been completed.
- 4.2. The main risks to the project are:
 - Site preparations/suitability held up by unforeseen issues such as utilities or structural issues
 - Reeves Corner site is listed as a development site in the Old Town Masterplan so there is a chance this is brought forward earlier than planned (although there are currently no plans in development)
 - Contractor fails to deliver quality of works that is acceptable to LBC or GLA
 - Planning permissions not gained
 - Appointed operators fail to perform as expected.

	Risk description	Mitigation / Risk response	Current probability (1-4)	Current impact (1-4)	RAG rating
1	Delays due to unforeseen issues on site.	Structural and underground surveys to be undertaken on all sites. Establishing work to be undertaken without utilities in place. Close communication with contractor to provide as much notice as possible should issues arise. 10% contingency applied to project budget.	2	2	A
2	Sites become unavailable due to	Minimum lifetimes have been agreed and all sites are owned by the London Borough of	1	4	A

	development plans being progressed earlier than expected.	Croydon so risk of alternative plans coming forward before the agreed lifetime is complete is small.			
3	Contractor fails to deliver quality of works that is acceptable to LBC or GLA.	LBC Technical Project Manager appointed to oversee construction phase. Health and Safety consultant appointed to review competency and ensure requirements are met.	1	3	G
4	Project fails to gain planning permission.	Pre-app process to be followed to allow dialogue with planning authority and designers. Appointed consultants have considerable experience of delivering similar projects.	1	4	A
5	Appointed operators fail to perform as expected.	Business support and consultancy provided to develop robust business plan for each operator at earliest opportunity. On-going support will be provided by consultant and LBC.	2	2	A

- 4.3. The projects will need to be progressed through the standard planning process, which is contained within the current timetable.
- 4.4. This programme is designed as meanwhile uses, so operators may seek to vacate the sites once its objectives are achieved. Minimum lifetimes have been agreed and all sites are owned by the London Borough of Croydon so risk of alternative plans coming forward before the agreed lifetime is complete is small.
- 4.5. The projects will support the Mayor's manifesto commitment to regenerate town centres and drive investment. The project will also support the objectives set out in the Mayor's 2020 Vision and the Mayor's Economic Development Strategy to create new jobs in the Croydon Opportunity Area.

5. Financial comments

- 5.1 The proposed grant of up to £500,924 (£385,774 capital; £115,150 revenue) to the London Borough of Croydon as a contribution to its costs of developing meanwhile use activation projects in Croydon Town Centre will be contained within the overall LEF and MRF Croydon Programme allocation approved by MD895 and MD1092 (with the original proposal for this specific initiative approved by DD1103).
- 5.2 Any changes to this proposal, including budgetary implications will be subject to further approval via the Authority's decision-making process. All appropriate budget adjustments will be made.

6. Legal comments

- 6.1 The foregoing sections of this report indicate that:
- 6.1.1 the decisions requested of the director fall within the statutory powers, acting on behalf of the GLA, to do anything which is facilitative of or conducive or incidental to the promotion of economic development and wealth creation in Greater London; and
- 6.1.2 in formulating the proposals in respect of which a decision is sought officers have complied with the GLA's related statutory duties to:

- (a) pay due regard to the principle that there should be equality of opportunity for all people;
- (b) 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; and
- (c) consult with appropriate bodies.

- 6.2 In taking the decisions requested, 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 between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it and foster good relations between persons who share a relevant protected characteristic 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 report that the contribution of funding to the London Borough of Croydon will amount to the provision of funding and not a payment for services to be provided and must 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 grant funding agreement is put in place between and executed by the GLA and London Borough of Croydon before any commitment to the funding is made.

7. Planned delivery approach and next steps

- 7.1 The project will be managed by the South Area Team within the GLA's Regeneration Team and it will be delivered by the London Borough of Croydon.
- 7.2 London Borough of Croydon will enter into a grant funding agreement with the GLA for the full amount and will be responsible for ensuring compliance with the terms of the agreement.
- 7.3 It is intended that the project is managed through the Development team at London Borough of Croydon and monitored through existing reporting and governance arrangements reporting into the MRF Programme Board. The MRF Programme is also subject to rigorous programme assurance and additional management oversight.
- 7.4 London Borough of Croydon's Development Team has provided a cost schedule for key activities including construction, refurbishment and fit out, marketing and evaluation. Funds will be transferred on the basis of delivery against key milestones, to be agreed in the grant agreement drawn up with the London Borough of Croydon. The London Borough of Croydon will be responsible for any project overspend and for identifying any necessary project contingency within the overall agreed funding amount. Any unspent grant, or project under spend will be retained by the GLA.
- 7.5 London Borough of Croydon will be required to provide monthly updates on performance and delivery which will be monitored by the GLA Regeneration Team. Project progress will be reported to IPB through the completed dashboard and project progress, issues and risks will be reviewed by the Regeneration Programme Board on a quarterly basis.
- 7.6 There will be an obligation on London Borough of Croydon to undertake a self-evaluation at project closure. In addition, the project will be evaluated as part of the Regeneration Team's on-going programme for evaluation, for which modest provision has been made within the MRF Programme Budget.

Activity	Timeline
Feasibility and business planning complete and approach agreed by GLA	Nov 2015
Designs agreed and submitted for Planning Approval	Dec 2015
Planning granted, contracts and agreements signed for Reeves Corner/Church Road and Jubilee Bridge Car Park	Jan 2016
Reeves Corner/Church Road starts on site	Feb 2016
Jubilee Bridge Car Park starts on site	Mar 2016
The Croydon Creative Hub designs agreed and planning permission (if necessary) sought	Mar 2016
Croydon Creative Hub starts on site	Apr 2016
Launch event – all operations open for business	Jun 2016
Revenue funded elements – events and business support	Jan 2016-Apr 2017
Project closure (operations remain open)	Apr 2017

Appendices and supporting papers: None

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: NA

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:

Adam Towle has drafted this report in accordance with GLA procedures and confirms that:

✓

Assistant Director/Head of Service:

Debbie Jackson 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.

✓

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

M. D. BCG

Date

13.5.16

