

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2065

Title: 639 Enterprise and Community Centre – appointment of new operator

Executive Summary:

This decision paper sets out the outcome of the recent competitive application exercise to identify an organisation to operate out of the 639 Community Enterprise Hub in Tottenham on a peppercorn rent basis and seeks approval to the award of “in-kind” funding and a lease of the premises from 08 March 2017 for a 7 year (less a day) period.

The exercise noted above has been utilised as an opportunity to review and redefine the Centre, and its existing partnerships and occupants. The procurement has yielded improved arrangements and additional outcomes for the Centre at nil cost to the GLA (notwithstanding a peppercorn rent).

Revised management specifications will ensure the continued delivery of the primary ambition for 639. That is to establish a thriving, financially self-sufficient enterprise centre, social hub and invaluable neighbourhood resource which reflects the character and social fabric of Tottenham, and cultivates an environment that is inviting, creative and inspiring to a wide range of users, with a specific emphasis on improving life opportunities for young people in Tottenham.

Decision:

The Mayor hereby:

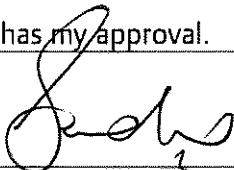
1. approves the grant to the London Youth Support Trust from 08 March 2017 of:
 - (a) in-kind funding equating to charging a peppercorn rent only for the use and operation of a Community Enterprise Hub from the 639 Community Enterprise Hub in Tottenham (“Centre”); and
 - (b) a new lease of the Centre for a term of 7 years less a day.

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:

22/2/17

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

Decision required – supporting report

1. Introduction and background

- 1.1 The 639 project has been funded as part of the Mayor's Regeneration Fund (MRF), which was established following the disturbances of 2011. The 639 building was one of the key sites in Tottenham that experienced the worst effects of the disturbances. Subsequently the GLA purchased the building from LB Haringey, to establish an enterprise centre for the Tottenham Community. The building was sold with a covenant that allows only enterprise type uses on the site. In 2012 The London Youth Support Trust (LYST) were identified through a competitive exercise as the recipient of funding (in the form of the letting of the centre at a peppercorn rent and tapering revenue funding) to operate the enterprise centre over an initial 3 year period, which was subsequently extended by a further 12 months to March 2017. The GLA funded the capital costs of the refurbishment and a tapering revenue budget to support the running costs, which has enabled the project to become self-sustaining within its first 3 years notwithstanding an ongoing peppercorn rent arrangement.
- 1.2 The previous Mayor endorsed a forward strategy which would see continued delivery of enterprise support from the 639 building over the longer term. In line with this strategy (and mayoral approval) the GLA invited suitable organisations with the relevant skills and expertise to submit proposals (including a business case) for the renewed operation of the youth-focused Enterprise Centre at 639 Tottenham High Road from March 2017 onwards. However the decision to make any award was deferred prior to the Mayoral elections 2016 and until a preferred operator could be identified.

Approval history

- 1.3 The GLA purchased the building, which was formerly council offices, from the London Borough of Haringey at a cost of £0.553m, (approved under cover of DD791) including the relevant legal fees and stamp duty. An overage clause was agreed at the time of acquisition requiring the GLA to invest future sales receipts over and above £2m in enterprise and employability projects in Tottenham.
- 1.4 The GLA initially allocated £1.5m (DD790) capital for the re-design and refurbishment of the building. In turn to ensure the building was fit for its new purpose an additional £128K was made available (via DD 1112) and more recently a further £165K was approved (via DD1263), to deliver the Employability Lab.
- 1.5 The GLA also awarded £100k (MD1170) revenue funding to LYST, following a competitive exercise, to develop a business plan and then a further £500k revenue (MD1170) to support the operation of the centre over the three year period March 2013 to March 2016. It was intended that by the fourth year of operation, the project would be financially sustainable and no further public subsidy would be required beyond the continued peppercorn rent.
- 1.6 The previous Mayor under MD 1584 approved an extension of the lease to the London Youth Support Trust (LYST) for the duration of 12 months to March 2017, and permitted the GLA to undertake a competitive exercise to identify a new tenant/operator and grant a 7 year lease (at a continued peppercorn rent). The appointment was at that time to be subject to a further approval once a preferred operator was identified.

- 1.7 Under the current contract, the 639 Centre promotes small and emerging businesses bringing together all strands of support to develop and sustain careers, from school leavers support and training, to subsidised premises, business mentoring and career development initiatives. A range of space is provided:
- Affordable office space (incubator space)
 - Shared Workspace
 - Conference and Board rooms
 - Exhibition Gallery
 - Cafe
 - Tottenham's Living Room: a free-to-hire space for local business, community groups and organisations
 - Pop-up shops.
- 1.8 Through partners who are based in the building, employment and training opportunities are provided including work experience, mentoring, volunteering (through Team London) and free business advice.

Brief for 639: from March 2017 onwards

- 1.9 The exercise to establish the grant of a new lease for 639 was seen by the GLA as an opportunity to review and redefine the Centre, and its existing partnerships and occupants. The primary ambition for 639 is to establish a thriving, financially self-sufficient enterprise centre, social hub and invaluable neighbourhood resource which reflects the character and social fabric of Tottenham.
- 1.10 Vital to the brief was that the Centre continues to deliver on its youth and locally focused enterprise aims. Organisations were invited to submit proposals in line with these stated aims, and supported by the GLA in the delivery of these plans and in attempts to raise any additional funds necessary to achieve this. The GLA will continue to require clear, demonstrable outcomes for young local people from disadvantaged backgrounds. The GLA is not directly funding the operation of the Centre beyond the continued offer of a 7 year (less a day) internal repairing lease, at a peppercorn rent. In an attempt to reduce the GLA's future exposure to ongoing maintenance costs the lease sets out an arrangement whereby 50% of any surplus income generated (with a minimum guaranteed payment of £25K pa) are to be re-invested into a maintenance reserve fund .

The GLA initiated a two stage competitive application exercise managed by the TfL procurement team, inviting submissions from interested workspace operators to undertake the operation of 639. The opportunity was advertised by TfL's procurement portal and via the GLA's Open Workspace Provider Group (accessible to 300+ workspace providers).

- 1.11 This was initiated (Part 1 – PQQ) with a pre-qualification questionnaire assessing baseline suitability of applicants. The GLA received four PQQs which met the criteria, and requested full tender documents (Part 2 – ITT) from all four prospective operators, inviting them to submit a business plan for the centre.
- 1.12 Scoring and evaluation criteria for judging the submissions included:

1) vision and approach to 639	(50%)
2) experience of the proposed team, expertise, and comparable projects	(30%)
3) financial plan	(20%)
4) supporting documentation	(pass/fail)

Four submissions were received by the deadline and along with additional clarification material were assessed by an evaluation team comprised of GLA regeneration and finance staff, together with LB Haringey, with further input from TfL Procurement and GLA Property.

Preferred Bidder

- 1.13 The evaluation panel selected the London Youth Support Trust (LYST) as the preferred bidder, its bid having scored highest by reference to the evaluation criteria set out at section 1.13 above. LYST, the current operator of the building, is a youth enterprise charity that provides young people with the space and support they need to start a business. They support young people aged 18-30, particularly those who are economically disadvantaged to achieve financial independence through entrepreneurship. They provide across 4 centres nationally (2 in London) affordable premises for young business owners to work out of, alongside business advice and support.
- 1.14 LYST who are the current operators of the building, set out an intention to build on the work that had been undertaken over the last 4 years to deliver a steady stream of locally based business start-ups and offer enterprise support to the wider community and in particular applicants from disadvantaged backgrounds. LYST proposed changes to the ground floor space including co-working space along with hosting pre start support and early stage business support; better integration of café and workspace, with the utilisation of the kitchen for food entrepreneurs.
- 1.15 Unlike the other applicants LYST's enterprise and employability efforts were targeted at the local community (100% local Tottenham) with business and individuals from one of following; long term unemployed, educational under achiever, ex offender, disabled people.
- 1.16 More so than other applicants, LYST's projected targets against KPIs were well defined and realistic, with 20 start ups per annum being double the requested target for the centre. Furthermore this was supplemented by a wider enterprise programme which would support up to 350 individuals per annum.
- 1.17 Of particular interest to the GLA and LBH, was that LYST would continue their well established partnerships with coaching and mentoring organisations alongside significant new partnerships, as set out below.

Table 1

Partner	Experience
MLB Learning Solutions	Proven track record of delivering business start-up and employability support to all age groups. Also deliver personal development courses.
Open Door	Offers free confidential counselling and psychotherapy to young people aged 12-24 living in Haringey. With 30 years' experience they are able to support young people in the community to overcome various personal barriers. Previously 3,000 appointments have been offered to young people and

	800 to parents per year from 639.
Teach Tapin	Providing support for people who are struggling with Dyslexia or another specific learning disability – 20 years of experience teaching in further and higher education to support people get through education or obtain employment.
Haringey Association of Voluntary and Community Organisation (HAVCO)	HAVCO is the umbrella organisation (or Council for Voluntary Service) for the voluntary and community sector in Haringey. HAVCO also have an in house volunteer centre which supports people who are interested in volunteering.
Tottenham Hotspur Foundation	THF deliver various employability courses, workshops and work placements for Haringey residents. They have worked with Premier Inn, William Hill and other organisations to provide early employability support and ensure candidates are ready for work.
Prince's Trust	Since 1976 the Prince's Trust has supported young people to move into enterprise and strengthen their employability skills. They run a variety of courses that deliver positive outcomes.
A New Direction	Currently they deliver their Create Jobs work in East London but are interested in expanding into Haringey and ensuring that as the creative industries grow in the borough young local residents can benefit. They deliver pre-employability training, boot camps and masterclasses as well as job fairs and mentoring.
Birkbeck University of London	Birkbeck will be running a series of workshops designed to inspire, engage and challenge participants to give them an idea of what higher education is like and how it can play a critical role in supporting people to achieve their career ambitions.
Fashion Works	Fashion Works will run an ERDF programme helping young people into the fashion sector.

- 1.18 It is proposed that these partners would operate from an enhanced ground floor public facing space – which would help build the impression of a welcoming and busy centre. Existing links with the Spurs Foundation with regard to supply chain development work were seen as particularly positive.
- 1.19 LYST's other delivery partners will begin to deliver training and support on the ground floor and ensure it is taking place regularly. The ground floor space will be converted to focus on pre-start support and early stage business growth and at the same time made visible to the outside community.

Table 1 Example of Ground Floor Space Usage

	Week 1	Week 2	Week 3	Week 4
Presentation space	MLB Business Start Up (2 days) LYST Step Into Enterprise (1 day) HAVCO/ Volunteer centre–	Princes Trust Explore Enterprise (4 days) LYST Step Into Enterprise (1 day) Available for 639	MLB Personal Development (3 days) LYST Step Into Enterprise (1 day) Available for 639	LYST Step Into Enterprise (1 day) A New Direction – Create Jobs programme (1 day)

	introduction to volunteering (1 day)	business use	business use	Available for 639 business use
Hot-desking	Available 9am-5:30pm – with LYST support available.			
Evenings from 6pm	Birkbeck Networking, Workshops, Exhibitions, Launch Events			

- 1.20 LYST proposed an enhanced governance structure setting out an approach that supports the local business community to engage in key service delivery decisions.
- 1.21 Whilst comprehensive and robust financial information was provided; financial income targets were the most modest of the three potential operators. However this was mitigated by an offer to reinvest a significant share of any residual income associated with the building back into the building and or service delivery; with a minimum of £12.7K to be invested per annum (£89K over 7 years). This offer has in subsequent discussions been improved significantly with an offer of a minimum of £25K per annum being invested into the 639 building maintenance reserve escrow account. In addition, the assessment panel were not convinced by how achievable the other tenders' financial targets were.
- 1.22 The lease will oblige LYST to pay £25,000 per annum (reduced to £10,000 per annum in the first year) plus 50 per cent of net income (gross income less reasonable running and staff costs for the property) into an escrow account to be used for building maintenance, repairs, improvements and capital works. Any excess funds held in the escrow account at the end of the term of the lease will belong to the landlord absolutely and may be used by the landlord to repair the building and or promote enterprise in the Tottenham Area. The £25,000 sum will be paid annually in advance on completion of the lease and on each anniversary of the term. The additional payment will be paid annually in arrears within one month of each anniversary of the term and within one month of the last day of the term in respect of the preceding 12 months.
- 1.23 More so than other applicants LYST presented sound contingency arrangements with at least 6 months revenue in place, and plans to expand the number of corporate sponsors who have over the last years been beneficial to the project. Taken together this demonstrates a sound understanding of financial management.
- 1.24 Strong efforts to access additional external funding were evidenced in the form of Big Lottery Fund application to fund wider programmes and additional programming/ coordination of activity within building and through enhanced partnerships.
- 1.25 In addition LYST have explored other areas of potential funding, which includes seeking corporate funders for specific projects and activities; the rental of meeting halls for events & parking fees; which should increase income streams.
- 1.26 In comparison to other applicants LYST made a significant attempt to address the issues raised within their presentation/ clarification interview. LYST's Business Plan / Funding proposal was also

considered more realistic, achievable and clearly benchmarked against current performance and activity.

- 1.27 In summary LYST scored highest as a result of the evaluation process and were awarded preferred bidder status. This is largely due to two factors: firstly, LYST provided the only submission that convincingly demonstrated an ability to orientate their enterprise support toward young people in the local community from disadvantaged backgrounds, and secondly, LYST were the only organisation that could convincingly provide a track record of delivering in this manner i.e. according to the requirements of the GLA specification.
- 1.28 In addition the quality and robustness of LYST's financial submission whilst not the most financially advantageous to the GLA, was viewed as a more realistic and achievable proposal, supported by good accountancy capacity.

Enhancements

- 1.29 As part of further discussions with the LYST (as envisaged by the documentation provided to applicants as part of the competitive exercise) the business plan proposal for the next 7 years, less a day has been further enhanced.
- 1.30 Most notably LYST have made a partnership with the Tramperry albeit a not for profit organisation which the GLA considers will greatly strengthen LYST's ability to deliver its well proven business support model to young people from disadvantaged backgrounds. The Tramperry is a social enterprise specialised in fitting out and managing buildings for small businesses. Since its formation in 2009 The Tramperry has opened eight acclaimed sites in London including specialist facilities for software, fashion, travel and digital arts.
- 1.31 Under a Management Agreement with LYST, The Tramperry will take responsibility for day-to-day operation of 639 Tottenham High Road, enabling LYST to focus 100% of its efforts on the primary business support role.
- 1.32 In addition to the work with the Tramperry LYST will continue to work with existing partners as set out in table 2.
- 1.33 Of equal significance LYST's financial offer has greatly improved with additional income profiled across the 7 year lease term. This year on year increase in rental income represents a growing surplus from the building. And as such LYST's proposal to guarantee £25K per annum and to otherwise pay 50% of the surplus income (see 1.23) into a building maintenance reserve fund (to be held in an escrow account and administered jointly by GLA and LYST) is an increasingly attractive proposal.
- 1.34 The café will now be an integral part of the development and animation of the ground floor area with additional funding to develop the café into an incubation facility for fledgling food and beverage companies.

Next steps

- 1.35 GLA Regeneration are satisfied with the business case proposal and are preparing a grant award outlining the requirements of the business case. GLA Officers are also now working with TfL Commercial to prepare a new lease.

2. Objectives and expected outcomes

- 2.1 **The LYST Operating Model.** LYST support their clients for two years. The level of support varies depending on the individual's skill set. Normally a client needs more support in the first year, which then tapers off but increases again as a client comes to the end of their time. Additionally if the business experiences problems then there will be an intensive period of support.

- 2.2 **Services** – LYST will offer subsidised studios/workshops (rising to commercial rates over two years) alongside intensive business advice and support to clients, provided by a Centre Manager. The subsidised rent they will pay will be as follows:

- 0-12months clients will have a 50% rent subsidy
- 12-18 months clients will have a 25% subsidy
- 18-24 months clients will pay a commercial rent

- 2.3 **Core Activities** LYST aim to inspire and engage young people through outreach activities, providing affordable business space in enterprise centres, as well as advice, support and mentoring so developing the abilities of the young entrepreneurs to run a business. LYST's primary services are:

- Subsidised workspace
- Extensive one-to-one support to aid personal development and prepare clients for self-employment or employment
- Outreach activities including pre-start enterprise training
- Development of business plan
- Business advice and personal support
- Support to clients to access the required financial support to enable them to get started
- Hot desking
- Specialist business training and mentor programme
- Networking and event opportunities
- Development of "what next" strategy if the business isn't sustainable

- 2.4 **LYST Partners will provide:**

- Employability support for those seeking employment
- Guidance to those seeking to move into education or training

- 2.5 **Performance Measures and KPIs**

LYST have agreed the following measures to gauge progress, surpassing the GLA's brief requesting 10 local business start ups per year.

	Annually	7 year period
• Numbers of businesses started	15 (20)	105 (140)
• Numbers of jobs created	12 (16)	84 (112)
• People assisted	350	2450
• Businesses assisted	50	350
• People moving into education or employment	15 (20)	105 (140)
• Business survival rates	100% year one,	

The bracketed figures are stretch targets over and above the otherwise agreed targets.

3. Equality comments

- 3.1 The 639 tenant/operator (LYST) is supported to ensure development and delivery of service provision is in compliance with relevant Codes of Practice and in line with the requirements of the public sector equality duty to ensure that the following issues have been considered.
- i) Operational Policies: the operation of the building has been assessed in terms of accessibility to ensure the minimisation of disadvantages suffered by people who share a protected characteristic. age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation
 - ii) Documents and publications: all documents produced have been encouraged to comply with Mayor of London branding guidelines, it being based on guidance from the Royal National Institute of Blind People. Where possible accessible formats will be available.
 - iii) Events: all events have been strongly encouraged to 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.
- 3.2 The 639 Tenant/operator (LYST) liaises with all sub-tenants and support recipients to ensure they share the public sector equality duty. This will be re-confirmed in future grant award arrangements to ensure delegation is clear.
- 3.3 The procurement process and documentation has followed best practice guidelines to ensure equality impact monitoring and equal opportunities are achieved.
- 3.4 The evaluation included a broad range of officers across the GLA group and included Borough representatives to ensure inclusive views.
- 3.5 The GLA utilised TfL's online portal and the Works Space Providers network to advertise the opportunity and to ensure the widest range of potential operators were able to access details about the tender opportunity.
- 3.6 The ITT specification made very clear the need for an operator to work closely with a diverse community and to in particular support young people aged 18-30, particularly those who are economically disadvantaged to achieve financial independence through entrepreneurship. The operator will monitor inclusiveness with respect to target BAME and youth inclusion along with LYST's stated target groups; the long term unemployed, educational under achiever, ex offender, disabled people.

4. Other considerations

a) key risks and issues

- Despite the project's current promising financial trajectory, there is of course a risk that the current and future tenant/operators are unable to operate a sustainable financial model. To mitigate against this the tenant/operator will operate an open book accounting whereby the GLA project manager will be able to keep abreast of financial performance alongside operational performance on a monthly basis. The GLA and the enhanced board will advise on changes to scope, and on possible funding opportunities to keep operations within budget. A related risk would be around the

identification of additional funding to subsidise the business support activity. The current tenant/operator has already successfully commenced fund raising to insulate the project from this.

- Further risk remains regarding the potential for costs associated with building repairs. This is somewhat mitigated by the significant recent investment in the building with very recent repairs to the building's flats roofs and the new proposal for a building maintenance reserve fund. Over the last 3 years of the project maintenance costs have been minimal, and routine preventative checks and maintenance operations will continue.
- There is a risk that the new lease will not be in place once the current lease expires. Good project management systems are in place to mitigate against this

b) links to Mayoral strategies and priorities

- This proposal supports the Mayor's attempts to be the most pro-business Mayor of London yet and his ambition to make sure that the good work that is done across the city on skills and economic development is properly joined up. The 639 project will nurture small independents and start-ups, and will build stronger partnerships between the private sector, public and voluntary agencies and the community.
- In line with manifesto pledges and emerging policy the project will support small business and protect business space. Proposals outlined here directly support the pledge to put London's small businesses, start-ups and entrepreneurs at the heart of the London economy and London's communities, and to support them to grow, innovate and create wealth and jobs.

c) Impact assessments and consultation;

We know from a previous interim evaluation that the 639 Centre has been established successfully, supporting new business creation in line with anticipated outputs, and has become financial sustainable.

- Occupancy rates have been high, averaging 84% over the first two years of operation
- Engagement with the community has been strong with the Tottenham Living Room attracting over 100 different user groups in the first two years, many using the space on a regular basis.
- The business support provided for entrepreneurs was highly rated by beneficiaries, reflecting the capability of LYST officers in providing support, and the economic impact assessment suggests approximately £1.40 GVA has already been created to date for every £1 of public funding invested, with potential for greater future impacts estimated to be around £4.50 for every £1 when incorporating expected impacts over the next three years. On this basis a future 10 year lease period would generate additional GVA in excess of £9.5m.
- The project is on a trajectory to meet most, if not all, of its stated targets.

The evaluation also recognises that the socio-economic and investment context in Tottenham has changed significantly since the outset of the project and that the future strategic direction for the centre needs to respond to the fact that:

- Unemployment has reduced, enterprise rates have risen, and a great deal of investment is taking place in Tottenham. This points to new opportunities for business start-ups and for local people accessing new employment, which the 639 Centre can support.
- Analysis of the riots published since the development of the 639 Centre project highlights the continued importance of supporting economic opportunities for local young people.

Having established a strong financial and economic argument and in view of the overwhelming support for an enterprise project to continue in this location from all consultees including importantly LB Haringey, the Sep 2015 IPB endorsed the retention of 639 for the ongoing provision of a Community and Enterprise

5. Financial comments

- 5.1 There are no direct costs to the GLA arising from the proposal to appoint the London Youth Support Trust (LYST) as the operator of the 639 Community Enterprise Hub in Tottenham for a 7-year lease/ grant period from March 2017 (notwithstanding the peppercorn rent arrangement). All costs associated with the proposed agreement will be borne by LYST.
- 5.2 As part of the original project specification, one of the major scoring points was the demonstration of being able to reinvest funds generated back into the Hub and/ or able to offer the GLA a profit share arrangement, which would help mitigate any potential risk of the GLA having to fund building maintenance costs during the 7-year lease period. The post tender negotiations have resulted in the LYST's Business Plan proposal over the 7-year period being further enhanced, resulting in additional income and hence growing surpluses from the building. As a consequence of the increased income, LYST are proposing a guaranteed payment of £25,000 a minimum and to otherwise split the profit as detailed within 1.23 / 1.34 of this report).
- 5.3 Whilst the financial projections submitted in the Business Plan are favourable, there is the risk that they do not come to fruition and where the proposed self-financing model does not transpire. As identified within the risk section of this report, in order to help mitigate this risk, monthly finance performance monitoring will take place alongside the operational performance to review income streams and where required mitigating action can be advised and taken. It is also recommended that break clauses are included in the grant agreement / lease paper work in the event that GLA officers deem the project no longer viable. The proposed £25,000 payment to the GLA, any profit share arrangement and the monitoring arrangements will need to be formalised within the legal paper work (grant / lease agreement).

6. Legal comments

- 6.1 Section 30 of the Greater London Authority Act 1999 (as amended) (GLA Act) gives the Mayor a general power to do anything which he considers will further one or more of the principal purposes of the GLA as set out in section 30(2) which are:
- (a) Promoting economic development and wealth creation in Greater London;
 - (b) Promoting social development in Greater London; and
 - (c) Promoting the improvement of the environment in Greater London
- 6.2 Section 333ZC of the GLA Act provides that the GLA may not dispose of land held by it for the purposes of housing and regeneration for less than the best consideration which can reasonably be obtained unless the Secretary of State consents. This does not apply to the grant of a lease for a term of not more than 7 years. If the term of the lease is more than 7 years, the GLA will need to ensure that it received best consideration for the grant of the lease or the consent of the Secretary of State is obtained.
- 6.3 In taking the decisions requested, 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 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 Mayor should have particular regard to section 3 (above) of this report.

- 6.4 Officers have indicated that that the contribution of in-kind funding to LYST amount to the award of funding and not a payment for services to be provided and must ensure that:
- 6.4.1 the proposed in-kind funding is disbursed in a fair and transparent manner in accordance with the GLA's Contracts and Funding Code;
- 6.4.2 an appropriate funding agreement and lease is put in place between and executed by the GLA and LYST contemporaneously and before any commitment to the grant of the in-kind funding or lease is made.
- 6.5 It should also be noted that as GLA Land and Property Limited (GLAP) will be a party to the legal documentation, GLAP will also need to approve the proposed lease and award of in-kind funding (the letting of the premises at a peppercorn rent) in accordance with its constitution.

7. Planned delivery approach and next steps

Activity	Timeline
Prepare / enter into Grant agreement by	February 2017
Prepare / enter into lease by	February 2017

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? YES

If YES, for what reason:

This will be commercially sensitive until 8 March 2017 or such earlier date on which the lease and funding agreement are executed.

Until what date: 8 March 2017

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:

Jamie Dean NE Area Manager Regeneration 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:

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 20 February 2017.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

M. D. Bille

Date

20.2.17

CHIEF OF STAFF:

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

Signature

D. Bellamy

Date

20/2/2017

