

Royal Docks Enterprise Zone Programme Board

Date of meeting: **18 September 2019**

Title of report: **Royal Docks Enterprise Zone Funding Decisions**

To be presented by: **Daniel Bridge, Royal Docks Programme Director**

Cleared by: **Simon Powell, Assistant Director – Strategic Projects and Property, GLA; and
Jane Sherwood, Head of Economic Development, LBN**

Classification: **Public (with reserved appendix)**

1 Executive Summary

- 1.1 This report outlines Royal Docks Enterprise Zone (EZ) funding decisions made since the inaugural meeting of the EZ Programme Board in May 2017. Going forward, a standing item will be brought to each meeting outlining funding decisions made since the previous meeting.

2 Recommendation

- 2.1 The EZ Programme Board to note that no further funding decisions have been made since the last board meeting.

3 Introduction and Background

- 3.1 As the local enterprise partnership for London, LEAP is responsible for the setting and delivery of the EZ economic priorities and for the allocation of the retained business rate uplift income. All decisions to allocate LEAP funds to specific projects are made in line with the GLA's scheme of delegations. This means that following LEAP consideration, a final decision form is signed by the Mayor or GLA officers as delegated.
- 3.2 For the EZ Programme Board, these include the following decisions when in relation to Royal Docks Enterprise Zone retained business rates:
- Project expenditure over £500,000 and up to £5m;
 - Increase in project expenditure of 5% or more and/or a revised budget over £500,000 and up to £5m; and
 - Value for money decrease through reduction in number of primary outputs/outcomes of 10% or more.

3.3 In addition, as agreed at the 19 September 2017 EZ Programme Board meeting, certain project-level funding decisions can be considered at regular meetings between the Royal Docks Team Programme Director, the Assistant Director – Strategic Projects and Property, GLA, and the Director of Regeneration and Planning, LBN (or their nominee in extenuating circumstances). Decisions made at these meetings are reported to the LEAP Secretariat and reported to each meeting of the Programme Board for noting. These decisions include:

- Project expenditure up to £500,000;
- Increases in project expenditure of less than 5% (only where increased the expenditure can be funded within the overall programme and remains a revised budget less than £500,000); and
- Value for money decrease through reduction in number of primary outputs/outcomes of less than 10%.

4 Issues for consideration

4.1 A summary of the Royal Docks budget and decisions made to date is attached at reserved Appendix A.

4.2 Decisions made to date are attached at private Appendix A.

5 Equality comments

5.1 Equality comments are provided on each published decision form.

6 Risks arising / mitigation

6.1 Project risks are provided on each published decision form.

7 Financial Comments

7.1 Appendix A sets out financial commitments and progress against both the initial two-year budget and the five-year delivery plan. The surplus income against the initial two-year budget is available to fund delivery plan expenditure. Although expenditure of £23.3 million has been committed against the delivery plan, so far only c£1.69 million has been spent to date, including the c£226,000 in 2018-19 shown in the table in Appendix A.

7.2 The GLA has previously approved funding of £13.7 million from its Strategic Investment Fund (SIF) towards early delivery plan costs. SIF and forecast business rate income will be sufficient to fund projected expenditure in 2019-20 without recourse to GLA borrowing based on current spending commitments.

8 Next steps

8.1 Next steps are provided on each published decision form.

Appendices

Appendix A – Royal Docks Budget Summary (RESERVED)

Background Documents:

All final decision forms referred to above are published on the GLA website at:
<https://www.london.gov.uk/about-us/governance-and-spending/good-governance>