

# GREATER LONDON AUTHORITY

**REQUEST FOR DIRECTOR DECISION – DD1497**

**Title: East London Fashion Cluster**

## **Executive Summary:**

In principle approval was obtained from IPB in the High Street Fund report to it in January 2015 for a £400,000 'Commissioning Fund' to develop a pipeline of projects in areas of London where there is strong growth potential.

This paper seeks approval to use £20,000 of the 'Commissioning Fund' for the purpose of developing an East London Fashion Cluster (ELFC). The funding will be used to commission consultants to audit the extent of the existing fashion industry in East London, define the vision for an ELFC, provide an evidence base for public sector intervention, and make investment propositions to enable a more supportive network for distinct aspects of the sector.

## **Decision:**

The Executive Director approves:

Expenditure of up to £20,000 of the Mayor's 'Commissioning Fund' to develop the East London Fashion Cluster (to match £10,000 from the London College of Fashion) and produce a baseline research and a feasibility report by August 2016

## **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. In principle approval was obtained from IPB following submission to it of a High Street Fund report in January 2015 for a £400,000 'Commissioning Fund' to develop a pipeline of projects in areas of London where there is strong growth potential.
- 1.2. The Mayor approved the proposals substantively and delegated authority to allocate the fund to the Executive Director of Development, Enterprise and Environment under cover of MD1469.
- 1.3. The project proposed in this decision is the 'East London Fashion Cluster'. The project will progress a sector led strategy that demonstrates strong growth potential and brings together four boroughs as well as a range of industry representatives into the East London Fashion Cluster Group.
- 1.4. The project will address the notion of 'cluster' on various scales, focussing on the opportunity of Olympicopolis and the London College of Fashion campus in Stratford, but also providing context of sector growth in East London and the impact on the supply chain dynamic, as well as London's role on a global stage.
- 1.5. The scope and justification for the project has been overseen by the East London Fashion Cluster Group and has been presented to and approved by the Chairman of the Mayor's Design Advisory Group.

#### **2. Objectives and expected outcomes**

##### **2.1. Commissioning Fund**

- 2.1.1. The general criteria for selecting projects for funding through the Mayor 'Commissioning Fund', in order to identify suitable areas of London in which to develop pipeline projects, follows that described in the *Accommodating Growth in Town Centres* report. The report identifies three characteristics for areas to receive regeneration funding. They should have the potential for intensification, be under threat of decline as a result of structural change and there should be a local commitment and capacity to deliver intensification.
- 2.1.2. The type of support that is proposed to be provided through the 'Commissioning Fund' varies depending on the degree to which development work has been developed by the borough, local business or community organisation, from town centre strategies to more focussed place specific development projects aimed at addressing the threats and opportunities outlined above.
- 2.1.3. 'Commissioning Fund' support for the development of an East London Fashion Cluster acknowledges the pipeline nature of projects and the role that the GLA can play in bringing together four boroughs and representatives from across the fashion sector. The rationale for furthering baseline understanding of East London's fashion sector and developing a vision for its growth is based both on the widely articulated potential for growth in the industry and intensification in East London, and the threat of loss of business and economic activity to other competitor cities like New York, Berlin, Paris and Milan.

## 2.2. East London Fashion Cluster

### 2.2.1. Background

In October 2015 representatives from London's leading fashion sector organisations and businesses came together in recognition of the potential for the fashion sector to catalyse economic growth and wider regenerative and social outcomes in East London. The group recognised the areas' status as a centre for fashion design, manufacture and retail and sought to maximise the catalytic potential of the clustering of academic institutions and critical industrial infrastructure for the creative economy.

East London now houses 30% of the Capital's fashion SMEs, which reflects the historic low cost of housing and office/studio space relative to the rest of London. This is under pressure, with evidence that soaring housing cost is driving talent to cheaper cities.

Forthcoming developments, supported by the Mayor, are set to further define East London's relationship with the fashion industry. The emerging Olympicopolis - the world class education and cultural district in the Queen Elizabeth Olympic Park - will see London College of Fashion, UAL and its 5,700 students will move to Stratford in 2021, creating a single campus for the first time. The soon-to-be launched Hackney Walk development in Hackney Central will see fashion retail and workspace leading ambitious mixed use development, providing over 450 new local jobs in parallel with training and apprenticeship opportunities in design, retail and manufacturing skills. Most recently, through the London Regeneration Fund, the Mayor committed c. £1.8m to progress the Poplar HARCA / UAL 'Fashioning Poplar' project, which will see a hub of fashion design, making, incubation space, training and development within a single site in Poplar.

These fashion sector-focused projects, supported by the Mayor, indicate the significance of the sector for employment and economic growth in East London. However, a more strategic approach is needed to fully capitalise on this growth. The GLA and the Commissioning Fund has an important role to play in bringing together the four local authorities (Hackney, Tower Hamlets, Newham and Waltham Forest) and the group partners.

### 2.2.2. East London Fashion Cluster group:

The group is overseen by the GLA and the London College of Fashion, and includes representative from the LLDC, London Boroughs of Hackney, Waltham Forest, Tower Hamlets and Newham and industry representatives from the retail, education, design, manufacture and workspace sectors.

The group's objectives are to:

- Enable London to be the global fashion capital, preeminent in design and high end manufacture, and catalyst for wider UK sector growth and investment
- Promote and nurture the fashion sector and recognise its relationship with wider creative industries
- Promote innovation and showcase technology
- Build on the existing and recognise the existing economy and infrastructure
- Retain and boost London's pipeline of creative talent
- Improve the provision of incubation and start-up space that is vital to growth in the sector
- Equip London to take advantage of new business models in the fashion sector
- Activate the catalytic potential of Olympicopolis across the East End of London
- Enable vertical integration and increase pathways to jobs and opportunity for East Londoners

- Provide supply chain benefits and promote wider regenerative outcomes

### 2.2.3. The study and its outputs:

The commission will provide an evidence base, vision and forward plan for public sector support of an ELFC.

The GLA will commission consultants to analyse the strategic case for intervention. Funding will enable the commissioning of consultants to develop and test the propositions in the draft vision and develop a strategic rationale and business case to further define its scope and assist its delivery, including a better understanding of the public sectors role in supporting the sector.

Consultants will:

- Define the scope and vision of the East London Fashion Cluster
- Understand the context of the fashion sector's supportive infrastructure providing entry into and expansion of the industry, and identify gaps in provision
- Undertake an audit of existing condition of fashion sector in East London
- Test appetite from business and industry
- Review relevant precedents for academic institution led regeneration
- Make recommendations regarding public sector intervention
- Develop policy positions, lobbying strategy and investment propositions

A working group will be formed that includes representatives from the GLA (Regeneration Team, Culture Team and GLA Economics), the London College of Fashion, the local authorities and industry representatives.

Outputs will include

- the production of a report summarising the findings of the research including a forward strategy and initial proposals
- a brief for the next stage of consultancy work

## 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 GLA will 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 following issues have been considered specifically:

3.2.1. Procurement: procurement process will be open and fair and transparent, allowing adequate time for turnover and ensuring procurement procedures are compliant with the Equality Act.

3.2.2. Documents and publications: all documents produced will 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.

3.2.3. Events: any 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.

3.2.4. Governance: the working group and steering group will be representative of the sector and its diversity.

#### **4. Other considerations**

##### 4.1. Key risks and issues:

4.1.1. Key risks and their control measures will be reported to BPR as part of the regular updates and performance management.

##### 4.2. Links to Mayoral strategies and priorities:

4.2.1. The Commissioning Fund has been developed to support London Plan policies with regard to Town Centres, Retail, Lifetime neighbourhoods, public realm and urban design. It also supports the ambition set out in *Action for High Streets* to make high streets better places to live in, work in, and do business in.

4.2.2. The development of an East London Fashion Cluster supports a number of Mayoral priorities particular with regard to the provision of regeneration, culture and economic growth in London. As such, the commission will be led by the Regeneration Team with support from the Culture Team and GLA Economics.

##### 4.3. Impact assessments and consultations:

4.3.1. As part of the tender process for consultants and contractors on the project, tenderers will be asked to provide details of their equality policy and environmental impact policy.

#### **5. Financial comments**

5.1 The estimated cost of this proposal is £30,000 and will be funded from the High Street 'Commissioning Fund' as approved by MD1469 (£20,000) and by income totalling £10,000 from the London College of Fashion.

5.2 As the proposal is consultancy based, officers are reminded to ensure that the procurement process takes into consideration the specific requirements of procuring consultancy services that are stipulated within the Authority's Financial Regulations, Contracts & Funding Code and Expenses & Benefits Framework.

5.3 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 GLA's statutory powers to do such things considered to further or which are facilitative of, 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 health of persons, health inequalities between persons and to contribute to the achievement of sustainable development in the United Kingdom; and

(c) consult with appropriate bodies.

6.2 The services required must be procured by Transport for London Procurement who will determine the detail of the procurement strategy to be adopted in accordance with the GLA's Contracts and Funding Code.

6.3 Officers must ensure that all relevant contract documentation is put in place and executed by the GLA and successful bidder(s) before the commencement of the services.

## 7. Planned delivery approach and next steps

7.1. The ELFC project will be a direct consultant commission by the GLA (Regeneration Team), with a steering group made up of the East London Fashion Cluster Group. This consultant commission will be procured (by TfL procurement) in line with GLA consultant procurement procedures.

7.2. How the project will be delivered, and the outline timetable is set out below:

Activity	Timeline
Release ITT to consultants	23 <sup>th</sup> May 2016
Tender returns received / interviews	w/c 6 <sup>th</sup> June
Appoint consultant	10 <sup>th</sup> June 2016
Draft report / ELFC Group review	w/c 11 <sup>th</sup> July 2016
Final report	w/c 1 <sup>st</sup> August 2016
Project Closure: [for project proposals]	w/c 22 <sup>nd</sup> August 2016

### 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: (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:**

Sarah E Considine 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. J. Blce*

Date

13.5.16

