

GREATER LONDON AUTHORITY

REQUEST FOR DIRECTOR DECISION – DD2317

Title: Royal Docks Economy Strategy

Executive Summary:

MD2338 approved expenditure of up to £212.5m for the Royal Docks Enterprise Zone Delivery Plan (Delivery Plan) to deliver an integrated and catalytic package of projects that are identified under the five strategic objectives of Place, Connectivity, Economy, Activation and Promotion. The MD delegates authority to the Executive Director of Housing and Land, to approve through Director Decision forms, the income and detailed spending proposals for each project that is to be funded within the initial £212.5m expenditure budget envelope.

This Director's Decision (DD) provides more detail for a project under the Economy strategic objective of the Delivery Plan and requests approval to commission an Economy Strategy in partnership with London Borough of Newham (LBN). The commission will be part-funded by LBN up to a maximum of £40,000 and will be subject to a separate decision as receipt of contribution towards the development of the Economy Strategy by LBN to the GLA.

In addition to providing the baseline data and overall direction for Royal Docks programme development, the Economy Strategy will kick-start the renewal of LBN's own Economic Development Strategy thereby ensuring that the initiatives undertaken by the Royal Docks Team and by LBN align. This project was endorsed by the Royal Docks Officer Level Programme Board on 19 December 2018.

Decision:

That the Executive Director of Housing and Land approves:

1. Revenue expenditure of up to £100,000 to pay for external services to undertake research for a Royal Docks Economy Strategy (£60k net cost to the GLA); and
2. Receipt of £40,000 from LBN as a contribution to the cost of the above.

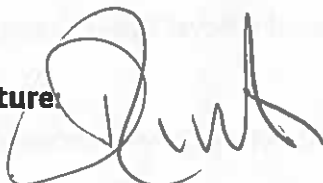
AUTHORISING DIRECTOR

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: David Lunts

Position: Executive Director Housing and Land

Signature:



Date: 12/02/2019

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 MD2338 approved expenditure of up to £212.5m for the Royal Docks Enterprise Zone (EZ) Delivery Plan to deliver an integrated and catalytic package of projects that are identified under the five strategic objectives of Place, Connectivity, Economy, Activation and Promotion. The MD delegates authority to the Executive Director of Housing and Land, to approve through Director Decision forms, the income and detailed spending proposals for each project that is to be funded within the initial £212.5m expenditure budget envelope.
- 1.2 The Delivery Plan sets out a number of projects across the Economy strategic objective on which progress is required in 2019 to achieve the desired step-change in the Enterprise Zone. This DD sets out a request for a total of up to £100,000 to fund an Economy Strategy. Business Support is designed to encourage entrepreneurial and growing small and medium sized enterprises (SMEs) firms, and, in later years, emerging industry. Initiatives under this project strand will be predominantly revenue but may include capital spend, e.g., small grants to assist SMEs with premises fit-out. The Economy Strategy is the first project within the Business Support programme of the Economy work stream under the Delivery Plan.
- 1.3 The Economy Strategy will provide a baseline of current economic condition for the Royal Docks and broader LBN, identify key external factors, provide an assessment of opportunities and challenges, articulate the economic purpose of the Royal Docks, and signpost potentially transformative initiatives. The information from the Economy Strategy work will underpin the subsequent development and delivery of programmes under the approved Royal Docks delivery strand and provide valuable baseline information to LBN to refresh their Economic Development Strategy.
- 1.4 To ensure that the investment of £56m in Economy programmes is proportionate, appropriate and delivers value for money, it is essential to undertake the Economy Strategy to baseline current conditions, identify potential opportunities and challenges, and articulate the overall purpose of the Royal Docks.
- 1.5 The development of the Economy Strategy will take approximately six months and will be led by a consultancy able to conduct desk research, engage stakeholders, identify challenges and opportunities and synthesise all the finding to articulate the economic purpose of the Royal Docks and signpost transformation programmes. The economic baseline work will also serve as the underpinning for LBN's emerging Economic Development Strategy and the other Royal Docks Strategies around Activation, Promotion and Place.
- 1.6 The Royal Docks Team has prepared a brief and agreed the commissioning approach with TfL. This expenditure will be subject to procurement of services via a formal tender process, due to the absence of a relevant framework agreement and as agreed with TfL procurement.

2. Objectives and expected outcomes

- 2.1 The objectives of the commission(s) are to:
 - Develop an economic baseline of the Borough, encompassing the Royal Docks Enterprise Zone area, the Stratford area and Urban Newham;
 - Assess London, national and international considerations, e.g., competitive business districts, industrial sector growth, inward investment trends, etc.

- Articulate the economic opportunities (including global gateway status, seeds of opportunities, youth and diversity dividends, etc.) and challenges of LBN and the Royal Docks Enterprise Zone;
- Articulate the economic purpose of the Royal Docks Enterprise Zone;
- Signpost transformative initiatives that could enable LBN and the Royal Docks team to create significant transformation over the next five years. (As previously stated, detailed project identification and scoping will be done in a subsequent phase of work);
- Support SME and growth sectors prioritised in the London Mayor's Economic Strategy (creative industries, tech and digital, tourism, among others);
- Deliver catalytic initiatives under the Good Growth Fund, a regeneration initiative of the Mayor of London, to support economic growth and community development in London. This programme will be used to help realise the economic and placemaking potential of the Royal Docks and Beckton Opportunity Area; and
- Support LBN's residents and in particular youth to acquire skills and access opportunities that translate to career-level jobs, as highlighted in LBN community wealth building priorities.

3. Equality comments

- 3.1 Under Section 149 of the Equality Act 2010, as a public authority, the GLA must have 'due regard' of the need to:
- Eliminate unlawful discrimination, harassment and victimisation;
 - Advance equality of opportunity and foster good relations between people who have a protected characteristic and those who do not; and
 - Foster good relations between people who share a relevant protected characteristic and those who do not. Protected characteristics under section 149 of the Equality Act are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status.
- 3.2 The Royal Docks EZ Delivery Plan projects are aimed at implementing a number of the Mayor's policies such as the London Plan, A City for All Londoners, Healthy Streets Approach, draft Culture Strategy, London Housing Strategy, Transport Strategy and is aligned with the Mayor's Equalities Framework to consider the requirements of relevant equalities groups.
- 3.3 LBN is developing a Community Wealth Building strategy, for which this work will serve as background economic mapping, to ensure that growth in the borough:
- Is shared locally and held democratically;
 - Builds on internal strengths and opportunities; and
 - Realises the potential of Newham's community, residents, businesses, and voluntary sector.

4. Other considerations

- 4.1 Risks: limited engagement and buy-in from stakeholders and development partners leading to inconsistent economic development and business support activity across the Royal Docks. This will be mitigated by establishing a quarterly economy forum and identifying joined up working opportunities with key stakeholders.
- 4.2 Key stakeholders including relevant economic development and regeneration teams at both the London Borough of Newham and GLA have been consulted on the Economy Strategy specifications and outputs required through this DD.

5. Financial comments

- 5.1 This decision requests approval for funding of up to a total of £100,000 revenue expenditure to commission an Economic Strategy. The commission will be part-funded by LBN up to a maximum of £40,000 and will be subject to a separate decision as receipt of contribution towards the development of the Economy Strategy by LBN to the GLA.
- 5.2 £20,000 to be incurred in 2018-19 and £80,000 in 2019-20.
- 5.3 LBN are a delivery partner with the GLA in the Royal Docks EZ which is a joint initiative between the Mayor of London and Mayor of Newham.
- 5.4 This expenditure will be funded from within the £212.5 million approved delivery plan budget confirmed in MD2338.

6. Legal comments

- 6.1 This report requests approval of expenditure already authorised via MD2338. The foregoing sections of this report indicate that the decisions requested of the Executive Director concern the exercise of the GLA's general powers, falling 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, social development or the promotion of the improvement of the environment, in Greater London.
- 6.2 In implementing the proposals in respect of which a decision is sought, officers should comply with the GLA's related statutory duties to:
- Pay due regard to the principle that there should be equality of opportunity for all people;
 - 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
 - Consult with appropriate bodies.
- 6.3 In taking the decisions requested, the Executive Director must have due regard to the Public Sector Equality Duty under section 149 of the Equality Act 2010, namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, to advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation) and to foster good relations between persons who share a relevant protected characteristic and persons who do not share it. To this end, the Executive Director should have particular regard to section 3 (above) of this report.

- 6.4 Section 1 of this report indicates that the GLA intends to procure services. Section 9 of the GLA Contracts & Funding Code requires the GLA to engage with TfL Procurement, develop a procurement strategy with TfL Commercial and seek a call-off from a suitable framework where possible or, if not, undertake a formal tender process to procure such services in relation to all contracts for services with a value of more than £25,000 and up to £150,000 before the commencement of the services.

6. Planned delivery approach and next steps

Activity	Timeline
DD Approved	February 2019
Consultant appointments	February 2019
Project complete	Mid 2019

Appendices and supporting papers:

Appendix 1: Royal Docks Officer Level Programme Board – Meeting Minutes (December 2018)

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

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:

Jody Tableporter has drafted this report in accordance with GLA procedures and confirms that:

✓

Assistant Director/Head of Service:

Simon Powell 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.

✓

Corporate Investment Board:

The Corporate Investment Board reviewed this proposal on 11 February 2019.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

M. J. Olla

Date

12-2-19