

Notice of KEY Executive Decision

Subject Heading:	Contract with the GLA to deliver projects funded through the United Kingdom Shared Prosperity Fund (UKSPF).
Decision Maker:	Dave McNamara Section 151 Officer & Director of Finance
Cabinet Member:	Cllr Graham Williamson, Cabinet Member for Development and Regeneration
SLT Lead:	Neil Stubbings, Regeneration Programme Director
Report Author and contact details:	Daniel Moore Tel: 01708 432 761 E: daniel.moore@havering.gov.uk
Policy context:	Havering Corporate Plan
Financial summary:	<p>The total funding that will be allocated to Havering through UKSPF will be £2.24m.</p> <p>This funding is divided into three categories,</p> <p>Community and Places (£1.15m), Supporting Local Businesses (£0.372m) and People and Skills (£0.72m).</p> <p>Project(s) to be funded through the Communities and Places strand and Business Support will be funded in this financial year and will cost £1.5m.</p> <p>The funding under the People and Skills strand will be drawn down from the GLA at a later date.</p>

Key Executive Decision

Reason decision is Key	Expenditure or saving (including anticipated income) of £500,000 or more
Date notice given of intended decision:	6 th February 2023
Relevant OSC:	Places
Is it an urgent decision?	No
Is this decision exempt from being called-in?	No

The subject matter of this report deals with the following Council Objectives

People - Things that matter for residents

Place - A great place to live, work and enjoy - x

Resources - A well run Council that delivers for People and Place.

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

The Leader of the Council is requested to approve:

1. Agreeing and accepting a grant funding agreement (GFA) with the Greater London Authority (GLA) to deliver 5 projects funded through UK Shared Prosperity Fund (UKSPF) at a cost of £1.5m. The contract is for a total of 3 years from April 2022 until 2025.

AUTHORITY UNDER WHICH DECISION IS MADE

1) Part 3 of the Constitution; Section 3.10.3

S151 Officer Functions

(m) To accept grants and the terms and conditions thereof for and on behalf of the Council.

STATEMENT OF THE REASONS FOR THE DECISION

The UKSPF is part of the government Levelling Up agenda and provides £2.6 billion of funding for local investment across the UK to be spent by March 2025. The government's stated aim of UKSPF is to:

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging
- Spread opportunities and improve public services, especially in those places where they are weakest
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost
- Empower local leaders and communities, especially in those places lacking local agency

The Greater London Authority was designated the lead authority to manage UKSPF in London and was allocated £144,444,970 to be spent over a three-year period from 2022 to 2025. The GLA have experienced some slippage with the programme, though the contract will still be for three years from 2022, which will allow for any activities relating to the programme undertaken by the other local authorities within GLA in 2022 to be backdated.

The funding is divided between three different categories, £62m towards supporting local businesses, £40m for Communities and Places and £38m for People and Skills. Projects that will be funded through the People and Skills category of UKSPF will not begin until 2024 and activities to be funded through this category will not be considered until next year.

The funding will be allocated directly to Havering and did not involve a bidding process. The GLA divided the funding between the different local authorities using a formula that was agreed between each individual borough leader and London Councils. The formula that was used to agree the division of the funding allocations was stipulated as 50% need and 50% population. The criteria that was used to define the level of need includes the general

Key Executive Decision

deprivation of an area, the GVA per resident, household income, proportion of the working age with qualifications at NVQ level 2 or below and the average unemployment rate over the last four quarters.

Havering's allocation of UKSPF funding under the Community and Places and Business Support categories was £1.5m which will be spent over the three year period from April 2022 to March 2025.. Havering will be eligible for a further allocation of £0.72m through the People and Skills category of UKSPF in 2024/2025. The collective allocation of UKSPF over the three years is £2.24m. The funding is split over a three-year period:

Year	Funding
2022/2023	£337,244
2023/2024	£573,988
2024/2025	£1,329,716
Total	£2,240,948

Havering had to submit prospective proposals to the GLA which deliver outcome and outputs which are defined as UKSPF interventions. The proposals that were submitted were deemed to meet these outputs and outcomes and the GLA agreed to contract with Havering to deliver the programme. The outcomes and outputs are stipulated in the contract and the Havering quarterly review, which are attached as appendices to this document.

Of the five projects that have been approved by the GLA, three will be funded through the Communities and Places category and two will be funded through the Business Support category. Following internal meetings and consultation five schemes were selected from a list of potential projects that would be submitted to the GLA for approval. The five projects that will be funded are:

Communities and Places

1. Greening the Borough
2. Zero Carbon Demonstrator
3. Rom Valley and Romford Ring Road Public Realm Improvements

Business Support

4. Green Economy Support
5. Innovation Supply Chain

The GFA signed with the GLA stipulates the funding breakdown of the five projects and the outputs and outcomes that the overall programme will have to achieve. The five projects include measures to improve the public realm environment incorporating the creation of new green spaces and the planting of trees.

It will also inform residents and businesses about carbon reduction and offer businesses the opportunity to exploit the growing green agenda and improve their supply chain capabilities. The 'Greening the Borough' project will contribute towards the Havering climate change action plan through the introduction of green spaces within urban environments and interventions to improve sustainable drainage and initiatives to improve air quality. The Eco Home Demonstrator will act as a show case to widen community and business understanding of

Key Executive Decision

energy saving, low-carbon and clean tech developments and methodologies. It will improve an existing community asset in terms of energy efficiency, reduced running costs and improved accessibility. The project will provide a focal point for businesses to see opportunities for investment in the green sector and to understand the potential growth from that investment. The public realm improvements in the Rom Valley way build upon the Liveable Neighbourhoods proposal to green the Romford ring road. The Rom Valley is an important route linking Romford Town Centre to Queens Hospital and surrounding communities and is currently inhospitable to pedestrians and cyclists. The funding through UKSPF will mean further public realm improvements can be undertaken including the planting of trees.

As stipulated in the UKSPF investment plan, SMEs are critical in driving the innovations that are needed to grow the green economy and help respond to climate change. London has set a target to double the green economy by 2030 and through the creation of a programme to develop a local green skills ecosystem will ensure Havering responds to this prospect. The green economy support project will assist in realising the benefits of the substantial national green investment for local residents, businesses, transport and housing. The ambition to grow the green economy represents an opportunity for Havering considering the local skills base and industries. Programmes around supply chains and the use of new technologies to improve processes and efficiencies are already running in Havering alongside support and advice for businesses to access supply chain opportunities. The funding through UKSPF will allow Havering to work with providers within the borough to deliver a further bespoke supply chain initiative.

OTHER OPTIONS CONSIDERED AND REJECTED

Havering received an allocation of funding through the UKSPF which will be used to finance five projects which will be monitored by the GLA. Through a selection process a number of potential projects were rejected in favour of projects that closely aligned to the outcomes and outputs of UKSPF.

PRE-DECISION CONSULTATION

Meetings and workshops with the GLA and London Councils took place to inform local authorities of the type of proposals that should be submitted to the GLA that would meet governmental outputs as stipulated through the UKSPF.

Internal departmental meetings were held to assess the projects most suited towards the funding requirements. Officers submitted a number of potential projects to the Inclusive Growth Team which were evaluated on different criteria which met UKSPF outputs and outcomes. Following this evaluation five projects were submitted to the GLA and were formally approved by them.

The prospective projects were presented to the Senior Leadership Team meeting on 29th November 2022 and to the theme board on 5th December 2022. Members have been updated and consulted on the projects that were submitted to the GLA for approval. A formal meeting

Key Executive Decision

between the project managers who will deliver the programme and the Cabinet Member for climate agenda took place on 7th December 2022.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Daniel Moore, Special Projects Officer

Designation: Regeneration

Signature:

A rectangular box containing a handwritten signature in cursive script that reads "Daniel Moore".

Date:

IPart B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council has the power to accept the grant under s111 of the Local Government Act 1972 which permits the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Council also has a general power of competence under Section 1 of the Localism Act 2011 to do anything an individual can do, subject to any statutory constraints on the Council's powers. None of the constraints on the Council's s.1 power are engaged by this decision.

Any dealings which the Council has with the grant will need to be in compliance with the Council's Contract Procedure Rules, in particular Rule 25.1, 25.2 and 25.4

The grant agreement sets out certain conditions which officers will ensure to adhere to in order to achieve full utilisation of the funding arrangements and prevent recovery of sums. Subject to the officers having an understanding the terms and conditions of the grant funding, the Council may accept the grant funding and enter into the grant agreement.

FINANCIAL IMPLICATIONS AND RISKS

The projects will all be funded through UKSPF and will not require Council funding. If the council does not manage and deliver the programme then the risk will be that the funding is withdrawn. The grant agreement with the GLA stipulates that the GLA would have the authority to suspend payments, claw back funding or reduce the level of funding if the council defaults on the contract. Expenditure will be monitored internally by Havering and claims submitted to the GLA.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

The project to undertake project realm improvements will require input from external consultants to design and develop the proposals. Following the design stages there will be a construction phase and contractors would be required to deliver the proposals. Internally the Council does not have the resources or the officers with the requisite skill set to deliver detailed information (in areas such as traffic modelling and underground utilities). The procurement of any external consultations to deliver these proposals will follow the usual Council procurement process.

Other projects may recruit staff as the schemes develop and additional staff is required. Initially managers will assess if there is capacity within existing roles to undertake the work. If the programme requires further project support then recruitment of additional staff will be undertaken ensuring adherence to the Councils HR protocols. All recruitment of additional staff will be funded through UKSPF and not funded through the Councils core budget.

Key Executive Decision

Suppliers will be required to complete EDI procurement and commission questionnaire to ensure they adhere to Havering's corporate equality objectives and follow best practice.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The grant agreement with the GLA is to agree the delivery of five projects funded through UKSPF which will improve the economic prospects of residents within the borough. The outputs and outcomes of the project(s) include support and assistance to entrepreneurs and businesses which will improve the economic well-being of residents within Havering.

The projects will support businesses in the local economy to maximise the advantages of the growing green agenda. Through the adoption of energy saving practices and exploitation of the green agenda it will grow businesses and have a climatic and economic benefit for Havering. The programme has ambitions to provide a focal point for business to see opportunities for investment in the green sector and support London's target to double the green economy by 2030.

The programme will aim to bring communities together, including residents new to Havering and engage with people of all ages and backgrounds. Regular volunteering and social activities will be coordinated to harness the skills and abilities of residents and encourage people to play a positive role in their community. The programme will be expected to deliver outputs that include running events and activities that will be aimed at engaging the community to volunteer and contribute in activities to combat climate change. The monitoring and oversight of the programme will allow Havering the opportunity to measure how effectively the programme is delivering in its commitment to engage with all sectors of the community. Through oversight and the evaluation of the programme it will offer Havering the opportunity to influence policy around community engagement.

Key Executive Decision

HEALTH AND WELLBEING IMPLICATIONS AND RISKS

The programme will develop the public realm in the borough and this will improve resident's wellbeing through the enhancement of civic space(s). The amount of green space will also be increased and the programme incorporates environmental improvements including tree planting which will improve the air quality within the borough. The measures to improve the physical environment and air quality within the borough will contribute towards residents well-being and facilities will be created that reflect lifetime physical environments for aging and diversifying populations. The improvement(s) around heritage sites, public realm and greening the borough will encourage greater use of community assets and contribute towards health and well-being.

The programme will widen community and business understanding of energy saving, local – carbon clean tech methodologies and developments. This will have a beneficial economic effect through the exposure of new technologies and understanding to businesses within the borough. The business support initiatives that will be undertaken through this programme will have a beneficial impact on the local economy and improve the performance of local businesses. These interventions will grow the local economy, generate employment opportunities and contribute towards improved pay and living standards for residents. The programme incorporates a communication budget to promote the business support scheme to businesses and residents within the borough. This will mitigate any risk that residents and businesses will not engage with the business support initiatives that are part of this scheme.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

The projects that will be funded through UKSPF and delivered by the Council will include measures and outputs that mitigate and improve environmental and climatic change. The adoption of energy saving practices and exploitation of the green agenda will grow businesses and have a climatic and economic benefit for Havering. The projects also include an exhibition of retro fitting which will act as an illustration to visitors on how to reduce carbon emissions. As mentioned elsewhere in this document four of the five projects have a strong environmental emphasis and the programme will contribute towards the Havering Climate Change Action Plan.

The projects will also provide resilience to drainage network, by providing solutions to water surface capture and offer opportunities for social value/volunteering to maintain areas. It will contribute towards fighting climate change and improve air quality including the planting of trees and the creation of new green spaces. It will widen community and business understanding of energy saving, local – carbon clean tech methodologies and developments. The programme has ambitions to provide a focal point for business to see opportunities for investment in the green sector and support London's target to double the green economy by 2030. It will create new local partnerships with established national green networks. Through the development of the eco homes project it will create a regional and London learning asset which will provide opportunities to communicate the Councils sustainability ambitions and participate in associated regional investments. The programme incorporates a communication budget to promote the initiatives to businesses and residents within the borough. This will mitigate any risk that residents and businesses will not engage with the programme.

BACKGROUND PAPERS

Key Executive Decision

APPENDICIES

Appendix A - UKSPF Project Details

Appendix B - The Contract between the GLA and Havering

Key Executive Decision

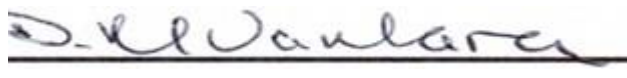
Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Details of decision maker

Signed 

Name: Dave McNamara, Director of Finance & Section 151 Officer

Date: 29th March 2023

Lodging this notice

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____