



Havering
LONDON BOROUGH

Notice of Non-Key Executive Decision

Subject Heading:	Approval to appoint Locus Management Solutions to deliver a development programme for the establishment of a Hornchurch Business Improvement District.
Decision Maker:	Neil Stubbings – Strategic Director of Place.
Cabinet Member:	Councillor Graham Williamson Cabinet Member for Development & Regeneration.
ELT Lead:	Neil Stubbings – Strategic Director of Place.
Report Author and contact details:	Perry Brooker Town Centres Manager Perry.brooker@havering.gov.uk 01708 432577
Policy context:	Havering Corporate Plan: <u>A great place to live, work and enjoy.</u> Aim: To attract and deliver investment and regeneration opportunities, whilst protecting the character of the borough.
Financial summary:	The appointment of Locus Management Solutions to deliver an established Hornchurch Business Improvement District will be funded via the Havering's UK Shared Prosperity Fund at a cost of £0.044462 m.
Relevant Overview & Scrutiny Sub Committee:	Places Overview & Scrutiny Sub Committee.

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Is this decision exempt from being called-in?

The decision will be exempt from call in as it is a Non Key Decision.

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

People - Supporting our residents to stay safe and well

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

Resources - Enabling a resident-focused and resilient Council

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

This decision seeks authority to:

Direct award a contract to Locus Management Solutions via the Council's approved consultancy framework Matrix MM to deliver a development programme for the establishment of a Hornchurch Business Improvement District at a cost £0.044462 m.

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3 of the Council's Constitution

Scheme 3.3.3 - Powers common to all Strategic Directors

1. General

1.1 To take any steps, and take any decisions, necessary for the proper management and administration of their allocated directorate

4. Contracts

4.2 To award all contracts with a total contract value of below £1,000,000 other than contracts covered by Contract Procedure Rule 16.3.

STATEMENT OF THE REASONS FOR THE DECISION

Background

The Council commissioned a company called 'Locus Management Solution' to carry out a Business Improvement District (BID) feasibility study for Hornchurch town centre last year to establish whether a BID is a viable option for Hornchurch town centre and to ascertain if there

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was the business will / interest in pursuing a BID for Hornchurch town centre. The BID feasibility study involved:

- research and consultation with the local businesses (25%) of Hornchurch town centre, key stakeholders and potential levy-payers as well as engagement with the Council.
- viability tests using rateable value ratings data to explore technical and financial feasibility of establishing a BID, highlighting and identifying a potential BID boundary, levy and threshold options.
- Compiling a BID feasibility study report of findings with recommendations.

For the BID feasibility study commission two quotes were obtained whereby Locus Management Solutions were the cheaper of the two quotes and awarded a contract to undertake the feasibility study.

After reviewing all findings from the BID feasibility report the Council along with the business community wish to proceed to the development stage of setting up a BID for Hornchurch town centre.

Funding Award

In April 2025 Havering Council was awarded £856,358 UK Shared Prosperity Fund (UKSPF) for 2025/2026, this is divided into Capital funds (£571,807) and Revenue funds (£284,551). Projects and initiatives that are to be delivered as part of the UKSPF programme throughout 2025/2026 are categorised within three sub themes; Communities and Places, Supporting Local Businesses and People and Skills have been agreed with the GLA. The development of a Business Improvement District for Hornchurch Town Centre is one of the project deliverables within the Supporting Local Business sub theme with assigned output targets to be funded via the Revenue UKSPF allocation.

The UKSPF has to be spent and associated projects delivered by 31st March 2026.

Project Overview

It is therefore the intention to commission Locus Management Solutions via the Council's approved consultancy framework Matrix MM to deliver a development programme through to the ballot process for the establishment of Hornchurch Business Improvement District. This will be achieved over two milestones as detailed below.

Milestone one

- Commencement of further BID development utilising previous BID feasibility study, finalisation of area/ BID boundary, detailed financial modelling, governance, creation of consultation exercises.
- Business consultations (responses from 50% or more) workshops, design and promotion, analysis and report of consultation results.
- Research / consultation workshops with key stakeholders to include analysis of workshop feedback to the Hornchurch business community and the Council.
- Finalisation of a report for milestone one which will determine whether to move to milestone two of the BID development process.

Milestone two

- Notification to the Secretary of State.

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- Final BID Proposal and request for ballot, includes a developed and published 5 year business plan that will incorporate hereditaments, levy, thresholds and caps, governance arrangements, finalised BID levy area/boundary, operating agreements, baseline agreements, and service level agreements all in compliance with the 2004 BID regulations.
- Marketing and notice of ballot, a proactive and inclusive communications programme aimed at maximising turnout in the ballot.
- Ballot process including managing challenge period of 28 days from announcement.

Local Management Solutions have supplied a quotation of £19,750 to achieve Milestone one and £24,712 to achieve Milestone 2 resulting in a total cost £44,462.

Procurement Process

The justification for a direct award commission to Locus Management Solutions (LMS) via the Council's approved Matrix MM framework to deliver a development programme for the establishment of a Hornchurch Business Improvement District is detailed below;

- For the previous Hornchurch BID feasibility study, two quotations were obtained and LMS was the cheaper of the two quotes.
- The Hornchurch BID feasibility study delivered by LMS will need to be used as an overriding documentation to progress to the development stage of establishing a BID within Hornchurch town centre. Using LMS will ensure consistency and continuity with previous data analysis / data sets and findings.
- LMS have a track record in successfully completing comparable established BID's, as well as the consultant skills, knowledge and capacity to deliver within the tight time constraints of the UKSPF external funding source that will be funding this commission. The work will need to be completed by the 31st March 2026 while ensuring adherence to the 2004 BID regulations.
- LMS have built up a good rapport with the Hornchurch business community during the consultation stages of the previous commissioned BID feasibility study and feedback from the Hornchurch business community confirmed they were impressed with LMS approach and delivery of the BID feasibility study. It is paramount to ensure the business community are the driving force behind the BID to ensure the success and longevity of an established BID. LMS are therefore in the position to be able to move swiftly to the development stages of establishing a BID for Hornchurch town centre due to the knowledge and understanding of the area, trust and communication they have with the Hornchurch business community.
- LMS have demonstrated an efficient and reliable service in meeting deadlines and deliverability of the previous commissioned BID feasibility study.

This commission will be at no cost to the Council corporate revenue budgets due to the cost being met by the GLA UKSPF external fund allocation for 2025/2026.

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OTHER OPTIONS CONSIDERED AND REJECTED

The option of undertaking a competitive tender process was rejected on the basis of the time constraints being dependent on the UK Shared Prosperity Fund (UKSPF) external funding allocation 25/26 and as itemised within the procurement process above.

The Council also has an obligation to fulfil spend of the UKSPF 25/26 allocation and deliver the agreed outcome and output targets as part of the overall UKSPF programme by the end of March 2026. If the UKSPF programme is not delivered by the end of March 2026, there may be the possibility of the GLA requesting elements of the funds/allocation to be reimbursed.

The Council would also miss the opportunity to support the Hornchurch business community in providing additional services and improvements to Hornchurch town centre.

PRE-DECISION CONSULTATION

None required.

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

Name: Perry Brooker

Designation: Town Centres Manager

Signature: *P Brooker*

Date: 21/05/25

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council has the power to award the contract 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 may generally do subject to any statutory limitations. The recommendation sought within this report is in accordance with this power.

The estimated contract value is £44,462, which is below the threshold for services under the Procurement Act 2023. However, any award must comply with the Council's Contract Procedure Rules (CPR).

The framework has been set up in accordance with the Public Contracts Regulations 2015 and therefore is live and valid framework that is available for the Council to access and utilise in compliance with CPR 20.4.

For the reasons set out above, the Council may award the contracts.

FINANCIAL IMPLICATIONS AND RISKS

The total cost of this contract award is £44,462 which will be funded via the GLA UKSPF allocation. This means that there is no overall impact to the revenue budget.

There is a risk of no comparative cost for equivalent work to show value for money, due to no tender process for this specific work. However, there are the following reasons as to why it is recommended that we proceed. Firstly, LMS won the feasibility study contract through being the best value for money in a competitive tendering process, and the nature of this work means that we would require the continuity of LMS due to the continuing work based on their feasibility study. They also have a good track record and experience working with our community. Finally, UKSPF is time limited to 2025/26.

The development programme for the establishment of a Hornchurch Business Improvement District must be delivered by the end of March 2026 in order to adhere to the UKSPF funding allocation.

Regular monitoring meetings will be carried out with the supplier by officers throughout the delivery programme to ensure the project is completed within the approved grant programme window 2025/2026.

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

The recommendations made in this report do not appear to give rise to any identifiable HR risks or implications that would impact on either the Council or its workforce.

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EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have 'due regard' to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

An EqHIA (Equality and Health Impact Assessment) is usually carried out when a proposed or planned activity is likely to affect staff, service users, or other residents.

The Council seeks to ensure equality, inclusion, and dignity for all in every situation.

There are no equalities and social inclusion implications and risks associated with this decision.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

There are no direct implications relating to the environment or climate change.

BACKGROUND PAPERS

None

APPENDICES

N/A

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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



Neil Stubbings
Strategic Director of Place

Date: 2nd June 2025

Lodging this notice

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

For use by Committee Administration

This notice was lodged with me on _____

Signed _____