

	<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CABINET</p> <p align="center">30 MARCH 2015</p>
<p>LONDON ENTERPRISE PANEL - NEW HOMES BONUS TOPSLICE PROGRAMME</p>	
<p>Report of the Cabinet Member for Economic Development and Regeneration : Councillor Andrew Jones</p>	
<p>Open Report</p>	
<p>Classification - For Decision</p> <p>Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p>Accountable Executive Director: Melbourne Barrett, Housing and Regeneration</p>	
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1. EXECUTIVE SUMMARY

- 1.1. The Council's Economic Development Learning & Skills (EDLS) service alongside Planning (ENV) have secured circa £1.6m for LBHF to fund apprenticeships, business sector support, and regeneration planning guidance. This has been secured from the Growth Fund held by the London Enterprise Panel (LEP).
- 1.2. This decision paper covers the contents of the bid submitted via London Councils, to the LEP. Bids were submitted on the 29 August 2014, final confirmation of Hammersmith & Fulham's bid along with a re-balancing of the budget was received on Wednesday 4 February 2015. The bid was signed off by Councillor Jones and the Leader prior to submission.
- 1.3. The source of the Growth Fund is the New Home Bonus (NHB). The Growth Fund is a result of a Government decision to top slice £70 million of the 2015/16 London allocation of the NHB, to meet the financial demands created by the Government's promise to provide a local growth fund to all Local Enterprise Partnerships. Importantly the Government

wished to see NHB money being used to support existing communities impacted by new housing developments

- 1.4. Each London Council has been required to bid to the LEP for return of this top-sliced amount, demonstrating how they will meet the LEP priorities.

2. RECOMMENDATIONS

- 2.1. To enter into an agreement with London Councils and the Greater London Authority (GLA) for New Homes Bonus Funding (NHB) and accept NHB funding of £1,617,842 as set out in this report.
- 2.2. That authority be delegated to the Cabinet Member for Economic Development and Regeneration, in conjunction with the interim Chief Executive and the Director for Planning, to agree and sign off the agreement with the GLA and any commissioning processes to secure employment, contracts and business support using this funding from 1 April 2015 to 31 March 2017.

3. REASONS FOR DECISION

- 3.1. LBHF will gain £1.6 million from the NHB top slice which will deliver targeted employment business support to residents and local businesses. We will also have the opportunity to work on a practical project with neighbouring boroughs and deliver on manifesto commitments.

4. INTRODUCTION AND BACKGROUND

- 4.1. London Councils was tasked with taking the lead role in developing themed criteria for the NHB bidding round, assessing bids with Councils and agreeing themes and funding allocations with the Greater London Authority (GLA).
- 4.2. Subsequently seven themes for the NHB LEP programme were developed which are based on the LEP's Jobs and Growth Plan. They cover key economic growth areas such as high streets, apprenticeships, unlocking development and business support.
- 4.3. London Councils engaged with London Local Authority Directors of Regeneration who were asked in June 2014 to nominate lead officers from within the boroughs to be part of working groups for each of the seven themes.
- 4.4. Following LBHF senior officer and Council Member discussion, and debate with London Councils, the National Apprenticeship Service and the GLA, the overall theme of "Building Resilience" was agreed for the LBHF bid

and the following three priorities were favoured: Apprenticeships, skills and training, Business Support and Unlocking development.

5. PROPOSAL AND ISSUES

5.1. Details of LBHF's approved programmes under the GLA themes including the GLA LEP approved outputs and fund amount, are shown in the table below.

PROJECT OVERVIEW			
LEP priority theme	Project summary	Time frame	Amount
Unlocking development	BUILDING RESILIENCE - UNLOCKING DEVELOPMENT: This proposal seeks to develop, consult on, adopt and publish a Supplementary Planning Document (SPD) for Hammersmith fly-under Phase 1. This document would supplement the Council's Development Plan Document (DPD) policies and would relate closely to the 2nd stage fly-under feasibility study. Output: Hammersmith Town Centre SPD	Nov 2014 - May 2016	£235,842
Apprenticeships, skills and training	BUILDING COMMUNITY RESILIENCE - APPRENTICESHIPS & SKILLS: Building resilience through a combination of apprenticeships, skills and training opportunities in the boroughs most disadvantaged communities and individuals including Looked After Children, ex-offenders and those supported through Adult Social Care and Mental Ill Health services. Output; a Multi Borough Apprenticeship programme, construction skills programme, skills maximisation programme, pre-employment training.	April 2015 - March 2017	£688,716
Business Support	BUILDING RESILIENCE - BUSINESS: This SME business support programme tackles; high rates of business deaths in a borough with high business births; very low 1 – 5 year survival rate; poor cash flow performance, and low levels of business that are able to respond to market changes. This programme will aid the take up of trading opportunities, add value to existing business support programmes, deliver intelligence on business failure, and address gaps in provision; whilst ensuring support is interconnected and inclusive. Output: Supply chain programme, bespoke face to face support, digital media training, intelligence checking monitoring and distribution.	April 2015 - March 2017	£693,284
	Projects total		£1,617,842

- 5.2. Programmes and project details were scrutinised and challenged in-house by the Cabinet Member for Economic Development and Regeneration, the Chair of the Economic Regeneration Housing and Arts Policy and Accountability Committee and with senior officers from Housing and Regeneration Department
- 5.3. All programmes have management time and resources built into them.

6. OPTIONS AND ANALYSIS OF OPTIONS

- 6.1. LBHF will gain additional investment in targeted employment business support to residents and local businesses. We will also have the opportunity to work on a practical project with neighbouring boroughs and deliver on manifesto commitments.
- 6.2. LBHF can potentially bid for European Social Funding using the NHB programmes as a lever for match and future local, pan-London, UK and European funding.

7. CONSULTATION

- 7.1. The bid was developed through a series of meetings involving a wide range of stakeholders, including the voluntary sector, Jobcentre Plus, Work Programme providers, local Business Forums and the Federation of Small Businesses. It also takes on board the findings from the papers and meetings of the Procurement and Social Value Taskforce, the EHRA PAC, the North End Road Action Group and the Business Rates Scrutiny Task Group.
- 7.2. Colleagues have been consulted within Planning, Housing and Regeneration, Finance, Adult Learning and Adult Social Services.

8. EQUALITY IMPLICATIONS

- 8.1. This initiative seeks to address disaffection, disadvantage and unemployment among residents across the borough. It will have high positive impacts for unemployed residents who are not supported through current provision such as the Single Work Programme. Two recent reports, **The Labour Market Status of Ethnicity by the Office of National Statistics and Unemployment by Ethnic Background** present data that clearly shows that BME groups and women are over-represented in terms of likelihood of being unemployed. The data in these reports is also presented by age so will also help in the planning stages of the projects (see below).
- 8.2. This paper is a request to proceed to the next stages of the project.

“enter into an agreement with London Councils and the Greater London Authority (GLA) for New Homes Bonus Funding (NHB) and accept NHB funding of £1,617,842...”

The project has three strands;

- Building Resilience – Unlocking Development
- Building Community Resilience – Apprenticeships and Skills
- Building Resilience – Business

It is recommended that full Equality Impacts Assessments (EIA) are carried out as an integral part of the subsequent planning process for the above project strands but at this stage a full EIA is not required.

- 8.3. Implications verified/completed by: David Bennett, Head of Change Delivery (Acting) and 0208 753 1628

9. LEGAL IMPLICATIONS

- 9.1 The Council should comply with any conditions attached to the New Homes Bonus Funding when expending the fund. In addition, the procurement of any services should be carried out in compliance with the Council's Contract Standing Orders and the requirements under public procurement legislation if costs exceed the relevant thresholds.

- 9.2 Legal Services will be available to assist throughout the Programme.

- 9.3 Implications verified/completed by: Kar-Yee Chan, Solicitor (Contracts), Bi-borough Legal Services, 020 8753 2772

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1 There are no requirements to match fund the £1,617,842. The fund will be administered by EDLS. Management time and resources for the programme are included in the funding. EDLS will administrate the GLA's requirement to provide quarterly monitoring returns on projects related to the drawdown of funding.

- 10.2 Finance officers will review the terms and conditions of the agreement to ensure that financial and other risks are assessed and mitigated, and that monitoring / auditing / performance arrangements are set up in accordance with Council policy.

- 10.3 Implications verified/completed by: Kathleen Corbett, Director of Finance & Resources, Housing and Regeneration Department, Tel: 020 8753 3031

11. RISK MANAGEMENT

- 11.1 Additional funding streams contribute positively, 'opportunity risks', to the management of key strategic risks on the Council's risk register, risks

number 1 and 2, managing budgets and Government grants. The most significant benefits are those outcomes targeted for delivery to the community and local businesses. These have direct benefits aligned with risk 12, maintaining the reputation of the Council and meeting the public's needs and expectations. Resilient businesses in the Borough contribute to securer employment, opportunities for young people entering the employment market, developing local skills and strengthening the local supply chain.

- 11.2 The key operational risk surrounds the availability of staff resources to support the programme and whether the existing team resources will be able to meet the requirements of project development, delivery and liaison.
- 11.3 Implications verified by: Michael Sloniowski Tri-borough Risk Manager, telephone 020 8753 2587.

12 PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 12.1 If the £1.6m programme is wholly implemented using in-house resources there no procurement implications arising from this report.
- 12.2 If external expertise and support is required, the sourcing of this expertise will need to be carried out in accordance with the Council's Contracts Standing Orders and, where they apply, the Public Contracts Regulations 2015 which come into force on 23rd February 2015.
- 12.3 If the contract value of any external support required is estimated to be at or above £172,514, the contract opportunity will need to be the subject of a mandatory advertisement in the Official Journal of the EU. Contracts below this value will not be subject to a regulated competition, but will still need to comply with the Council's Contracts Standing Orders (CSOs) and demonstrate best value through a fair and transparent competition. Delegation of contract awards below £1m to the relevant Cabinet Member is permitted by CSOs where Cabinet has given its prior approval, which this report seeks to gain.
- 12.4 Paragraph 7.1 of this Cabinet Decision reports that a number of stakeholders were involved in developing the successful bid to the London Enterprise Board. Should the delivery plan submitted as part of the winning bid, and/or the terms of the grant award made by the LEP, include specific service delivery by any of these stakeholders, a prior waiver to Contracts Standing Orders requiring a competitive exercise may be agreed under section 3.1 of CSOs if the appropriate persons believe a waiver is justified and it is not above the EU threshold mentioned earlier.
- 12.5 If external expertise does need to be sourced, the Corporate Procurement team will be available to advise EDLS.
- 12.6 The H&F Social Value and Procurement Task Force referred to in paragraph 7.1 is expected to deliver its recommendations to Cabinet in the

spring-time. If the Task Force's recommendations are agreed, the LEP-funded programme will help give practical effect to their implementation.

- 12.7 Implications completed by John Francis, Principal Consultant, H&F Corporate Procurement Team, FCS 020-8753-2582

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	NHB papers and background documents (published)	Antonia Hollingsworth x 1698	HRD, EDLS