

Decision Maker: EXECUTIVE

Date: Wednesday 16 October 2019

Decision Type: Urgent Executive Non-Key

Title: STRATEGIC INVESTMENT POT

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Chief Officer: Director of Housing, Planning, Property and Regeneration

Ward: Crystal Palace;

1. Reason for report

The Council is required to endorse the recommendations of the Strategic Investment Pot evaluation panel, in relation to distribution of funding (including £2.34m to the London Borough of Bromley for the restoration of the Crystal Palace Subway) by the 7th November 2019.

2. RECOMMENDATION(S)

That Members –

2.1 Agree to support the recommendations of the Strategic Investment Pot evaluation panel as set out in the Consultation Report (Appendix 1).

Impact on Vulnerable Adults and Children

1. Summary of Impact: The Strategic Investment Pot (SIP) fund will invest in projects that support London's local economies. This will benefit a cross-section of residents.
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Corporate Policy

1. Policy Status: Not Applicable
 2. BBB Priority: Children and Young People Quality Environment Supporting Independence Vibrant, Thriving Town Centres Regeneration
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Financial

1. Cost of proposal: No Cost
 2. Ongoing costs: Non-Recurring Cost
 3. Budget head/performance centre:
 4. Total current budget for this head: £
 5. Source of funding:
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Personnel

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours:
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Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Applicable
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Procurement

1. Summary of Procurement Implications: N/A
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): c.£8.5m (population of Greater London)
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 During 2019/20, the GLA and the 33 London billing authorities are continuing to pilot 75% business rates retention. This allows London to retain an estimated £181m of extra funding. Of this, 15% goes in to the Strategic Investment Pot (SIP), along with £12.8m unallocated funding from the 2018-19 SIP. The total value of the SIP fund for 2019/20 is therefore £39.9m. Further details can be found in the Consultation Report (appendix 1).
- 3.2 This summer all the London authorities were invited to bid for monies from the SIP fund for projects that achieved the fund's aims:
- To contribute to the sustainable growth of London's economy
 - To leverage additional investment funding
 - To have broad support across London government
- 3.3 The fund's preference is for collaborative bids over broader areas than just a single borough. Consequently the restoration of the Crystal Palace Subway was identified as a project that matched the funding criteria. The Subway is partly owned by Southwark Council, which meant there was a clear partner, additionally the location of the Subway meant the project was likely to get support from the other four boroughs whose boundaries meet at Crystal Palace Park.
- 3.4 The Subway is a Grade II* listed building located under Crystal Palace Parade. It is in extensive disrepair and is on Historic England's 'At Risk' register. It has a dedicated Friends group and is one of the most popular Open House sites in London - in 2017 the Subway hosted 3,507 visitors as part of Open House London, making it the 6th most visited venue out of the 838 sites that took part.
- 3.5 In 2014 Bromley Council and Historic England match funded a condition survey and costed options appraisal for the site. This meant that for the purposes of submitting the SIP grant application, officers had access to clear costings for the Subway's restoration, albeit inflation at 48.5% was applied on Historic England's advice.
- 3.6 The restoration of the Subway is estimated to cost £3.84m in total. Some of the works have however already been undertaken. Due to its location under Crystal Palace Parade its structural integrity is of great importance. Consequently in 2018 Bromley Council's Highways team undertook extensive stabilisation works on site. This work was funded by Transport for London. Additionally Southwark Council previously funded the restoration of the terrace to improve access to the Subway. These works totalled £699k. Therefore a further £3.141m is required to complete the restoration of the Subway.
- 3.7 The SIP fund Consultation Report recommends that £2.34m, the total amount applied for, is awarded to the restoration of the Subway. The remaining match funding required is anticipated to come from Historic England, the Friends of Crystal Palace Subway, and Transport for London.
- 3.8 Discussions have already taken place with Historic England in relation to a grant of £500k towards the Subway's restoration. Their grant is expected to be confirmed fairly quickly and officers are currently producing the formal application. The Friends of Crystal Palace Subway have committed £5k to the scheme.
- 3.9 The remaining £296k is expected to be funded by Transport for London on the advice of LoBEG. The stability of the Subway and therefore Crystal Palace Parade, a key London route, relies on the structure being waterproof. Therefore the waterproofing is not an option and will have to be undertaken in the near future to manage the risks of people driving on

this section of road. Highways officers have been asked by LoBEG to generate an Exception Report to be able to utilise funds for the waterproofing works.

- 3.10 The waterproofing works could potentially be undertaken separately from the wider restoration, under their own timescales, as these works will uniquely need to be undertaken from above (by digging up the road), rather than underneath the road.
- 3.11 Alongside the Crystal Palace Subway project the Consultation Report details eight other projects which are recommended for funding:
- Inclusive Growth
 - London Cancer Hub
 - Supporting Sustainable Growth with 5G
 - West London Orbital and Strategic Growth
 - Croydon Creative Campus Phase 1
 - South London Knowledge Exchange
 - Local London e-Business for Growth
 - Lower Lea Valley Bridge Enabling
- 3.12 Bromley Council, alongside all London authorities, is required to confirm their support for funding each of these projects by the 7th November.
- 3.13 As laid out in the Memorandum of Understanding, subject to agreement of two-thirds of the authorities and the Mayor of London, and in the absence of any sub-regional veto, the formal funding decision will be taken shortly after the 7th November by the Lead Authority (City of London). In the event that any of the recommended projects are not supported, the terms of the Memorandum of Understanding stipulate that the resources will be rolled forward for future consideration until the resources are spent.
- 3.14 Therefore Bromley will not receive final confirmation of the SIP funding for the Crystal Palace Subway until mid-November 2019.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 4.1 The Strategic Investment Pot (SIP) fund will invest in projects that support London’s local economies. This will benefit a cross-section of residents.

5. FINANCIAL IMPLICATIONS

- 5.1 If the recommendations of the SIP evaluation panel are confirmed, through the process detailed above, Bromley Council will receive a grant of £2.34m towards the restoration of the Crystal Palace Subway.

6. LEGAL IMPLICATIONS

- 6.1 In advance of the SIP funding bid being submitted the Council’s legal department reviewed the contract in relation to any receipt of funding and were satisfied with the contractual terms.

Non-Applicable Sections:	Policy Implications; Personnel Implications; Procurement Implications.
Background Documents: (Access via Contact Officer)	[Title of document and date]