

Decision Maker: EXECUTIVE

For Pre-Decision Scrutiny by the Renewal, Recreation and Housing Policy Development and Scrutiny Committee on 16 November 2022

Date: 30 November 2022

Decision Type: Non-Urgent Executive Key

Title: UK SHARED PROSPERITY FUND (UKSPF) – BOROUGH ALLOCATION

Contact Officer: Lydia Lee, AD Culture and Regeneration
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Chief Officer: Sara Bowrey, Director of Housing, Planning, Property and Regeneration

Ward: All wards

1. Reason for decision/report and options

- 1.1 This report seeks authority to accept the UKSPF borough allocation grant and delegated authority for agreeing allocation of the monies with GLA.
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2. RECOMMENDATION(S)

2.1. The Renewal, Recreation and Housing PDS Committee is asked to note the report and provide comments for consideration by the Executive.

2.2 The Executive is asked to:

- 1) Approve the acceptance of the in-principle allocation of UKSPF grant funding totalling £1.63M, and approve for the capital programme and revenue budgets to be adjusted accordingly;
- 2) Approve delegated authority to the Director of Housing, Planning and Regeneration in consultation with the Portfolio Holder for Renewal and Recreation to determine interventions agreed with GLA through a grant agreement and any variations to the grant;

- 3) Note the proposed interventions submitted to GLA set out in paragraphs 3.6-3.29; and,**
- 4) Note the scope of this decision does not include the in-principle allocation of 760K for 2024-2025 for People and Skills which is only accessible through Local London and determined through subregional decision-making.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: The funding supports vulnerable adults and children through improvements to public service provision at West Wickham library and provides support to household incomes through increased business support.
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Transformation Policy

1. Policy Status: Existing Policy:
 2. Making Bromley Even Better Priority:
 - (1) For children and young People to grow up, thrive and have the best life chances in families who flourish and are happy to call Bromley home.
 - (2) For adults and older people to enjoy fulfilled and successful lives in Bromley, ageing well, retaining independence and making choices.
 - (3) For people to make their homes in Bromley and for business, enterprise and the third sector to prosper.
 - (4) For residents to live responsibly and prosper in a safe, clean and green environment great for today and a sustainable future.
 - (5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
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Financial

1. Cost of proposal: £1.63M
 2. Ongoing costs: No new ongoing costs from the funding
 3. Budget head/performance centre: Culture and Regeneration
 4. Total current budget for this head: £6.1m
 5. Source of funding: Greater London Authority, devolved from Department for Levelling Up, Housing and Communities
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Personnel

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

1. Legal Requirement: Statutory Requirement:
. Call-in: Applicable: Executive decision.
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Procurement

1. Summary of Procurement Implications: Procurement action is required to deliver the proposals within this report.
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Property

1. Summary of Property Implications: n/a
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Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications: n/a
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Customer Impact

1. Estimated number of users or customers (current and projected): Residents and businesses in West Wickham and businesses across the borough
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: Cllr Nicholas Bennett and Cllr Mark Brock are both supportive of the Council accepting the funds.

3. COMMENTARY

Background

- 3.1. The UKSPF supersedes EU Structural and Investment funds (ESIF) in the UK. The UKSPF plans to scale up over the next three years, and is expected to be worth £2.6 billion nationally by 2025/26. London will receive £185.4m between 2022/23 and 2024/25. This includes £41m to deliver the Multiply programme, which aims to improve adult numeracy.
- 3.2. The GLA is the 'lead local authority' for UKSPF in London. It has developed and submitted an investment plan to DHULC - [UKSPF Investment Plan for London](#), setting out how it intends to use the funding. The investment plan sets out the local context, the interventions and outcomes to be delivered, and the approach to delivery and governance.
- 3.3. £78.13M of the London funding will be distributed directly to Boroughs. LB Bromley has been allocated in principle 2.39M as part of the direct allocation. Of this, 1.63M is to be determined by Bromley under the two priority areas; Community and place (1.23M) and Supporting local businesses (400K). The 760K allocation for People and skills is to be determined by and accessed through Local London.
- 3.4. The Leader and the Chief Executive provided approval to submit the proposed use to GLA, submitted on 7 October 2022. The proposals meet the guidelines and restrictions set by the funder, and build from existing workstreams, those that were successful in previously funded programmes, and workstreams that address current local needs.
- 3.5. The payment model is still to be decided by GLA. This will be lighter-touch than EU funding, but will retain an element of performance management. The two possible payment models are: (1) starts with a milestone payment (upon signing the funding agreement) and moves to actual defrayed costs. (2) starts with a milestone payment and then moves to milestone payments based on output performance.

Proposal

Communities and place (1.23M)

- 3.6. The Council is proposing to use the 1.23M of UKSPF funding for Communities and place towards the development of the new library in West Wickham, to improve access and the range of services available. This scheme is already underway and on the capital programme. With the requirement to spend £290K of UKSPF funding by March 2023, only existing schemes could be considered for this funding.
- 3.7. West Wickham library has been selected as it is a development already in progress, with planning consent and ability to meet the targets set by the funder for spend in this financial year. Risk is therefore minimised although the scheme has not yet been successfully tendered for construction works. The wider development also includes new affordable housing, making use of an underutilised Council-owned car park, and improvements to the public realm; providing substantial wider impact desirable to the funder.
- 3.8. The Council has already committed to fund a modern library development, building on the existing well used library, and retaining parts of the existing fabric. The additional UKSPF monies will enhance the scheme's socio-economic impact in line with the UKSPF outcomes. The new facilities will provide an outdoor classroom, exhibition space, business activity space, maker space, improved facilities for children and teenagers, as well as a community café for residents and businesses at the West end of the High Street.

3.9. The scheme has strong alignment to several UKSPF interventions. As a library development in a town centre, the project aligns with the priorities E1 – Improvements to town centres and high streets and E6 - Local arts, cultural, heritage & creative activities. The development site is positioned at the crossroads of the High Street, the road to the West Wickham train station and a TFL Red Route (Glebe Way), so it is a highly prominent site with transformative potential for residents and businesses.

3.10. The proposed works will significantly improve access to the library, which is currently not fully accessible for disabled people and has no public toilets. The current library also lacks acoustically separated spaces for activities and studying, and it has limited flexibility for a more expansive service offer. These issues and constraints have been addressed in the proposals. The feedback from the public consultation which covered the priorities for improvements has been incorporated into the design of the architecture and interiors.

3.11. The anticipated impact of the proposal includes the following:

- Creating a civic landmark and increasing footfall to the town centre (the consultation surveys showed that most library users made secondary visits to the High Street).
- Expanding early years learning and activities.
- Making the library more appealing and useful to older children and young adults (in response to consultation feedback).
- Creating new flexible and bookable community facilities.
- Delivering technology outreach in the library.
- Addressing loneliness in the elderly population.
- Supporting skills and economic development.
- Improving the accessibility of the library building.
- Reducing the environmental impact of the building.
- Futureproofing the library service.

3.12. A breakdown of costs is provided in Table 1:

Workstream	Period	Cost	UKSPF Interventions (Appendix A)
Provision of temporary library to allow capital programme improvements at West Wickham Library.	Jan 23 - March 2024	£150,000	E1
Allocate funding towards feasibility and planning of West Wickham Library and affordable housing scheme (to cover for increase feasibility to meet with UKSPF expectations).	Sep 22 - Feb 23	£180,000	E1
Architects fees, survey fees and other consultancy fees.	Sep 22 - Mar 23	£600,000	E1,E6
Provision of outdoor classroom, improved public realm and making the library fully accessible for wheelchair users.	Feb 23 - Mar 24	£1,800,000	E1, E6
Support of display areas for artefacts from the Bromley Historic Collections, and provision of a flexible events and exhibition space.	Feb 23 - Mar 24	£72,000	E6

Provision of a makerspace for hands on learning and creativity, along with improved digital provision throughout the library.	Feb 23 - Mar 24	£110,000	E6
Improved Library and Community space at West Wickham, including community café and business area.	Feb 23 - Mar 24	£1,132,000	E1, E6
Staffing @4%.	Sep 22 - Mar 24	£16,000	E1, E6

Supporting local business

3.13. The GLA is using approximately 30M of UKSPF funding (from amount not directly allocated to boroughs) to fund new pan-London business support initiatives across a wide variety of areas. This includes the following open tenders:

- Low Carbon (£6.9m, E29)
- Supplier Readiness (£3m, E23)
- SME digital divide (£6m, E23),
- Growing the local, social economy (£3m, E23),
- Innovation (£6m, E19),
- Property advice service for SMEs (£0.75m, E23),
- Support for fast growing diverse founders (£3m, E30),
- Investment readiness support for diverse SMEs (£1.5m, E30)

It will also extend the existing programmes:

- Support for the London Business Hub (£2.5m, E23)
- Rolling out to all boroughs the pilot 'Wayfinder' programme (£4.5m, E23)

In addition, the UKSPF funding under Supporting local business will include the Mayor's International Business Programme (£4.6m, E23), and an integrated programme for high-growth companies and priority sectors (£7.4m, E24) will be managed by London and Partners.

3.14. As the GLA is already using a large amount of UKSPF funding to address most of the interventions under Supporting local business, it has restricted the borough allocation use to one intervention only. All of the borough allocation must be used only to deliver E23 - *Strengthening local entrepreneurial ecosystem, and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks.*

3.15. Guidance from GLA instructs borough allocations to meet the gap in the provision outlined above, namely 1-1 advisor support with an element of outreach, and to ensure provision is suitably general so as not to duplicate the services on offer to businesses through the large programmes.

3.16. Bromley's proposal therefore is aligned to achieving the above limited framework, seeking to increase the elements that worked under ARG funding and to address challenges shared by businesses through ongoing engagement.

Programmes previously run under ARG to be reinstated:

Start-up Bromley Business Advisor (80K)

3.17. Funding for a two-year Business Advisor to be based in the Central Library Bromley as part of Start Up Bromley. Bespoke start up 1-1 advice in both the planning stage (taking ideas and translating to a business idea), and in the starting stage (e.g. trading legally, marketing, insurance, intellectual property). This advice was provided as part of the original programme for Start Up Bromley, but came to an end in March 2022. The advisor will work with the existing Start Up Bromley team and contribute to existing networking and showcase events.

3.18. Bromley Business Hub (80K)

3.19. The Bromley Business Hub is a one stop shop for all businesses in the borough to access guidance and find relevant support programmes and local businesses. Established during the pandemic, following the end of ARG funding, it was reduced to basic functions only. The website is well used and increasing its usage, and will be beneficial for linking businesses to the programmes proposed for UKSPF across London. This initiative would reinstate greater functionality to the website and renew the ongoing support & maintenance provided by SOS Creativity as well as marketing and promotion for additional reach.

Evidence and data to support business aims:

3.20. Employment Land and Space Study (£45K)

3.21. An evidence review, as part of the Local Plan process, to assess the demand and supply of land for employment uses. This will be supplemented by finer grain evidence on how changing businesses practices affect space utilisation and land use efficiency, and a deep dive into capacity, opportunities and vision for key employment sites.

Business engagement has repeatedly shown lack of employment space, both quantity and the right types of space hinder businesses locally from growing at every stage of their development. Our Employment Land and Space Study will provide the basis, with detailed business engagement, to analyse need and demand as well as deep dives into the typologies required by our sector base. This forms the evidence base for determining employment space related requirements in the new Local Plan.

3.22. Economic data (50K)

3.23. Access for two years to detailed data on footfall, spend and vacancy rates including footfall counts based on 02 mobile data, covering more than MSOA level, the number of premises vacant in the borough, and rates by local town centres. Access to this data allows us to baseline and evaluate the success of our projects and programmes, and to prioritise specific areas for support.

New programmes, time-limited without future revenue implications:

3.24. Bromley Business Advisors (75K)

3.25. With existing pan-London business advisor programmes coming to an end, dedicated business advisers that are free for businesses at the point of use, are no longer available to signpost Bromley businesses to. This 18-month programme seeks to commission experienced and knowledgeable business advisors, focussing on supporting businesses to grow and to troubleshoot business inhibitors. The support will only be open to eligible businesses, who must be Bromley based and be small and medium-sized enterprises. The programme will support businesses at stages of their growth cycle predominantly after the planning/set up stage

(addressed by start-up advisor). It will focus on supporting businesses to grow and to troubleshoot business inhibitors. The support will only be open to eligible businesses, who must be Bromley based and be small and medium-sized enterprises.

3.26. Support for High Streets/Local Parades (60K)

3.27. A business engagement team will be commissioned for an 18-month programme to provide ‘on the ground’ support to businesses based in specific High Streets/Local Parades within the borough, excluding BID areas (as BIDs provide this). The consultant will engage with the businesses in priority areas to identify and deliver support requirements. Support will be tailored to individual businesses, but generally will cover: increasing profits, reducing costs, pricing strategies, visual merchandising, product/service development, attracting customers, identifying opportunities for growth, marketing, raising finance, increasing sales, developing financial strategies, forecasting, pricing and cost analysis and finance and accounting system and design.

3.28. Outreach will be provided for all programmes (£10K) by the economic development service.

3.29. The following overall outcomes will be the minimum achieved:

- 120 businesses receiving nonfinancial support
- 200 potential entrepreneurs provided assistance to be business ready
- 3 Jobs created
- 37 Jobs safeguarded
- 6 Number of new business created

Key Milestones	2022/2023		2023/2024				2024/2025				2025/2026	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Grant agreement with GLA												
Economic Data												
Business Hub												
Bromley Business Advice												
High Streets/Local Parades Advice												
<u>Start up</u> Bromley Advice												
Employment Land and Space Study												
Reporting and Evaluation							Formative eval					Summative eval

Blue – delivery
Pink – decision/tender/contract

Options

3.30. Option 1 – accept the funding to deliver the projects and programmes outlined in this report.

3.31. Option 2 – refuse the UKSPF grant funding. In this situation, the funds would return to the London pot to be distributed as GLA decide, either directly to other boroughs or through a competitive bidding process.

With the timeframe for the GLA agreement to be signed by December and spend requirements in 2022/2023, there is not enough time in the funder’s decision making to draft new ideas with UKSPF alignment. Therefore, the funding is either accepted to deliver the project and programmes outlined in this report or the funds are declined and returned to GLA for redistribution.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

The aim of the UKSPF is to deliver the growth ambitions in the Levelling Up agenda. All projects together seek to achieve the following economic priorities, which have household impact on vulnerable adults and children:

- 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

5. TRANSFORMATION/POLICY IMPLICATIONS

5.1. The UKSPF projects will contribute to the Corporate Strategy to Make Bromley Even Better. It will meet the following objectives:

- For children and young People to grow up, thrive and have the best life chances in families who flourish and are happy to call Bromley home.
- For people to make their homes in Bromley and for business, enterprise and the third sector to prosper.
- For residents to live responsibly and prosper in a safe, clean and green environment great for today and a sustainable future.
- To manage our resources well, providing value for money and efficient and effective services for Bromley's residents.

5.2. They also contribute to delivery of both the Regeneration Strategy and the Economic Development Strategy.

6. FINANCIAL IMPLICATIONS

6.1 This report recommends that the Executive approves the acceptance of the in-principle allocation of UKSPF grant funding totalling £1.63M, approves for the capital programme and revenue budgets to be adjusted accordingly, and approves for this funding to be used for the interventions set out in paragraphs 3.5-3.29. This will entail applying £1.23M of Communities and Place UKSPF funding towards the West Wickham Library capital programme budget, and applying £0.4M of Supporting Local Business UKSPF funding towards the revenue budget initiatives described in paragraphs 3.17-3.29. The funding will not have any adverse impact on the revenue budget, and opportunities will be sought to achieve efficiencies where possible.

6.2 It should be noted the payment model for receiving grant monies has not been decided by the GLA, and it is likely that the Council will have to incur some costs ahead of grant monies being reclaimed, in which case expenditure will be at risk if any cost items are not subsequently approved by the GLA.

6.3 It should also be noted that the scope of this decision does not include the in-principle allocation of £760K for 2024-2025 for People and Skills which is only accessible through Local London and determined through subregional decision-making.

7. PERSONNEL IMPLICATIONS

- 7.1 The fund pays for 4% of staff time which will be used to cover a contribution towards salaries of existing staff.

8. LEGAL IMPLICATIONS

- 8.1 In the event that the GLA receives the UK Shared Prosperity Fund (UKSPF) Grant from the Department for Levelling Up, Housing and Communities and distribute those funds as anticipated and confirmed to the Council by the London Councils Leaders Committee, this report is seeking authority from the Executive to approve acceptance of the grant from the GLA and to agree the application of the grant funds within the parameters set by the GLA. . In terms of powers to award the grant, the GLA have previously used their powers under sections 30-34 of the Greater London Act 1999, and it is anticipated that the same powers will be used in this instance . The Council has the power to receive the grant and use the grant as set out in this report in pursuance of its general regeneration policies and in particular by using its general power of competence under section 1 of the Localism Act 2011.
- 8.2 All Council decision-making must be made rationally in accordance with administrative law principles, by taking proper account of all relevant considerations and disregarding those that are irrelevant. Furthermore, the Council must comply with its Fiduciary duty towards taxpayers and ensure resources are used prudently. It would appear from the content of the report that these duties have been complied with. In terms of any decisions made to procure services and works these will need to comply with the Council's Contract Procedure Rules as described in the Procurement comments to this report
- 8.3 Clearly it will be necessary for the Council to be satisfied on the the final award and terms of the grant funding agreement which has not been seen yet. On that basis this report is also seeking delegated authority to the Chief officer in consultation with the portfolio holder to make the final decision to agree and sign the Funding Agreement and any other ancillary legal documentation relating thereto

9. PROCUREMENT IMPLICATIONS

Communities and place (1.23M) (West Wickham)

- 9.1 This report seeks to use the sums referred to in 3.12, Table 1 to contribute towards already existing procurement projects.

Supporting local business

- 9.2 Several procurement actions are required to allocate the UKSPF funding to project supporting local businesses, which are;
- Three requests for quotations processes; Employment Land and Space Study (£45K), Bromley Business Advisors (75K), Support for High Streets/Local Parades (60K).
 - The provision of Start-up Bromley Business Advisor (80K) via the Council's wider contract with GLL for library provision, requirement a contract change process to be followed.
 - The further provision of Bromley Business Hub (80K) via a variation to the Council's existing contract with Creativity SOS.

9.3 The Council's specific requirements for authorising these procurement actions are covered in; CPR 1.3, CPR 23.7 and 13.1 and can be Approved by the Chief Officer, with the Agreement of the Assistant Director Governance & Contracts, the Director of Corporate Services and the Director of Finance.

9.4 The actions identified in this report are provided for within the Council's Contract Procedure Rules, and the proposed actions can be completed in compliance with their content.

10. CARBON REDUCTION/SOCIAL VALUE IMPLICATIONS

10.1 The sustainability and energy efficiency of the West Wickham library will be improved by the proposals, retaining the existing façade and superstructure. All business support programmes generate social value in the borough.

11 CUSTOMER IMPACT

11.1 The UKSPF projects will benefit all users and visitors of West Wickham library and a minimum of 350 businesses through support programmes.

12 WARD COUNCILLOR VIEWS

12.1 Cllr Nicholas Bennett and Cllr Mark Brock are both supportive of the Council accepting the funds.

Non-Applicable Headings:	Procurement implications
Background Documents: (Access via Contact Officer)	UKSPF Investment Plan for London – includes details of all interventions