



**Haringey** Council

[No.]

Agenda item:

**Cabinet Report**

**On 22<sup>nd</sup> April 2008**

Report Title: **Upper Lea Valley Funding Arrangements**

Forward Plan reference number (if applicable): **33**

Report of: **Niall Bolger – Director of Urban Environment**

Wards(s) affected: **all**

Report for: **Key Decision**

**1. Purpose (That is, the decision required)**

- 1.1 The report sets out the external funding bids being made through Haringey Councils Economic Regeneration team to support our new regeneration strategy and Upper Lee Valley Vision. Haringey specific bids have a value of £1m and the bids being submitted for the Upper Lee Valley have a value of £7.366 m however, these bids will be covering a three borough area.
- 1.2 The report sets out that we have proposed that we will act as the accountable body for number of the programmes to improve the coordination of funding and to ensure projects effectively link to new strategic objectives.
- 1.3 The report also looks at changing relationship with Urban Futures who are now carrying out a review of board membership following LB Enfield's withdrawal and, as such, this report also proposes giving authority to the leader to withdraw from membership subject to the conclusions and progress of that review.

**2. Introduction by Cabinet Member**

- 2.1 "The level of funding the authority is bidding for demonstrates the impact of our new regeneration strategy and the councils work in developing the Upper Lee Valley Vision through our North London Strategic partnership. It is also clearly shows the council adopting a clear leadership position on the delivery and implementation of regeneration programmes.

Linked to this is the issue of Urban Futures board membership where we have moved into a new period of regeneration activity and now a different role is needed from them. Therefore achieving a more clear contractual relationship will be of benefit to the Council and Urban Futures"

### **3. Recommendations**

- 3.1 That members endorse the bids put forward for external funding to support employment and enterprise in Haringey and the Upper Lee Valley.
- 3.2 Agree that Haringey will act as accountable body for the LDA employment programme and the ERDF Capital projects (measure 3.2) programme (if successful).
- 3.3 That due to changes in funding arrangements and the changing relationship with Urban Futures that authority is delegated to the Lead Member for Regeneration and Enterprise to withdraw from membership of the board subject to the progress of the review of board membership

Report Authorised by: **Niall Bolger – Director of Urban Environment**

Contact Officer: **David Hennings Assistant Director Economic Regeneration**

### **4. Chief Financial Officer Comments**

- 4.1 The report outlines bids which have been submitted for external funding by Economic Regeneration business unit. The main sources of funding are from ESF, ERDF(3.2) and the LDA. One bid from the LDA, the North London Pledge an employment and skills programme has already been confirmed at £1.666m, of which £1m will be for Haringey. The ERDF capital bids may require match funding which is not currently approved. If the bids are successful, the Council will need to identify match funding before we could tap into the grant resources.

### **5. Head of Legal Services Comments**

- 5.1 The Council is taking on the role of accountable body. The Council will therefore be liable to the LDA for ensuring compliance with all the grants conditions including any clawback requirements and to ensure probity in the use of these grants.
- 5.2 Economic Regeneration must ensure that there is in place appropriate and robust mechanisms to monitor and account for all the grant funding that projects are delivered on time and within budget and if appropriate procurement procedures are adhered to.
- 5.3 Where necessary legal agreements must be entered into with grant recipients in order to safe guard the Council's position vis a vis the LDA.

### **6. Local Government (Access to Information) Act 1985**

- 6.1 LDA Area Programme project delivery proposal: North London Business & Enterprise Proposal
- 6.2 [Also list reasons for exemption or confidentiality (if applicable)]

## **7. Strategic Implications**

- 7.1 This cabinet report outlines the scale of ambition for employment and business support in North London and in particular the role Haringey Council will play in that. The bids have been made to the London Development Agency (LDA) as part of their Area Programme and also to the European Structural Funding, now managed by the LDA. Further details of these funds are attached in appendix A.
- 7.2 If the bids are successful it will enable us to maintain a high level of regeneration activity in Haringey. This will demonstrate our ability to deliver our new regeneration strategy.
- 7.3 The local authorities have stepped centre stage on both LDA funding and ERDF which increases our ability to ensure funding matches the objectives of the regeneration strategy and the Upper Lee Valley Vision.
- 7.4 The bids also develop and grow the concept of the Haringey Guarantee to cover a larger area (as the North London Pledge) and increase the scale of activity in Haringey.
- 7.5 The ERDF capital projects bid includes projects which would support the implementation of the greenest borough strategy by supporting space for green industries which would also help them relocate from bad neighbour locations.
- 7.6 Withdrawal from the Urban Futures board will not compromise their ability to operate but it will make much clearer their contractual relationship with us when we commission them to do projects. It will also resolve their role as it relates to strategy development which will then clearly lie either with local authority or the new partnership arrangements for the Upper Lee Valley.

## **8. Financial Implications**

- 8.1 Of the funds set out in the attached table (appendix B) only the LDA employment programme has been secured.
- 8.2 The bids will increase resources available for regeneration and any match funding requirements from Haringey council are either already contained in our existing budgets or in respect of capital projects, bids will need to be submitted and approved before final grant allocations are confirmed by the relevant bodies.
- 8.3 Acting as accountable body for some programmes does contain the risk that we will be accountable for non delivery by our partners. However, we have a track record in this role and that risk will be minimised by sound project management.

## **9. Legal Implications**

- 9.1 As accountable body for part of the overall funding package outlined in appendix B, there will be a requirement for Haringey Council to ensure probity in the use of public funding.
- 9.2 Economic Regeneration will take legal responsibility for the proper usage of the funding and will ensure that appropriate and robust mechanisms to monitor and account for all funding apportioned to agents within and without the Council to deliver actions towards the overall programme.

## **10. Equalities Implications**

- 10.1 A key element of the regeneration proposals includes encouraging the start-up and growth of SMEs by Black, Asian and other Ethnic Minority groups as well as women and people with disabilities.

## **11. Consultation**

- 11.1 The Cabinet Members for Regeneration and Enterprise and Leisure, Culture and Lifelong Learning and ward members for Noel Park, Northumberland Park and West Green have been briefed on delivering the vision for Upper Lea Valley.

## **12. Background**

- 12.1 Work on the ULV vision and more widely, place shaping in the 3 boroughs has developed a strong agenda for regeneration. The ERDF and Area Programme will provide funding opportunities to move this agenda forward. Therefore, it is important that we identify projects that will help to deliver the ULV vision within the context of the Mayor's London Plan. The ERDF and Area Programmes will be managed by the LDA and therefore we need to have embedded a structure that will allow us to draw down as much funding as possible to develop and deliver transformational projects.
- 12.2 The vision is designed to develop a longer term view of the area over a 20 to 30 year time horizon but capable of being implemented incrementally as opportunities present themselves. The purpose is to:
- halt the decline of the area
  - restructure the economic, transport, and housing infrastructure
  - establish a strong image for the promotion of the area
  - create a new solid platform for growth
  - create the framework within which public and private investment decision fit.
- 12.3 The vision does not duplicate any of the work currently being undertaken by the boroughs or regionally in the various planning frameworks. It instead provides a context and direction to guide and influence these statutory documents. Entitling the area North London's Waterside is part of that concept and leads to the following objectives being proposed:
- make better use of and access to the unique assets of the Upper Lee Valley improving biodiversity and promoting it as North London's Waterside;

- reverse economic decline and create a strong platform for economic growth using its strategic location as part of a world city;
- improve transport connections to the City, central London and Stratford and enhance internal connectivity;
- promote social inclusion, environmental and economic sustainability and an improved quality of life;
- make better use of urban land enabling more housing and business;
- create improved and sustainable housing environment and to support community facilities;
- promote good urban design;
- promote mixed use approach in the Central Leaside area making it the centre point and focus of the wider place.

### **13. Conclusion**

13.1 This report has introduced the funding bids that Economic Regeneration have made to support the delivery of the regeneration strategy and the Upper Lee Valley Vision.

13.2 The report seeks agreement for Haringey Council to become accountable body for the LDA Employment Programme and the ERDF Capital Projects programme (if successfully secured).

13.3 The report also seeks authority to be delegated to the leader to withdraw from membership of the Urban Futures board in light of changes to the funding arrangements and working relationships and subject to the progress of a review of board membership.

### **14. Use of Appendices / Tables / Photographs**

14.1 Appendix A – Summary of the funding programmes

Appendix B – Summary of Economic Development Funding Applications 2008

## **Appendix A**

### **Summary of the Funding Programmes**

#### **London Development Agency – Area Programme**

The area programme funding is the substantive pot of money given to the LDA by government to realise economic development in London. Tackling worklessness, creating a strong business and industrial base and engendering regional competitiveness.

#### **European Structural funds**

There are two principle funding regimes under the structural funds banner:

- European Social Fund (ESF) was set up to improve employment opportunities in the European Union, and it aims to help people fulfil their potential by giving them better skills and better jobs prospects.
- European Regional Development Fund (ERDF) is used to tackle regional disparities across Europe. ERDF supports regional development through actions such as business innovation and support and regeneration.

For the period of 2007 to 2013 London will receive under European Structural Funds worth £444 million. This comprises £120 million European Regional Development Fund (ERDF) and £324 million European Social Fund (ESF).

Working on behalf of the Mayor of London, the European Programmes Management Unit (EPMU) at the London Development Agency (LDA) will be responsible for the administration of European structural funds for the period of 2007 to 2013.