

Report for: Cabinet Member Signing

Report Title: Good Growth Fund: Enterprising Tottenham High Road Deed of Variation

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Ward(s) affected: Bruce Castle, Tottenham Central, Tottenham Hale

**Report for Key/
Non Key Decision:** Key

1. Describe the issue under consideration

- 1.1. The purpose of this report is to seek approval to vary the Greater London Authority (GLA) Good Growth Fund (GGF) Enterprising Tottenham High Road (ETHR) agreement to enable the receipt of an additional £2.3m grant from the GLA for the purpose of facilitating the delivery of the 639 Enterprise Centre Building Project (“The Project”) in Tottenham. The Deed of Variation (DoV) to the grant agreement is attached at Appendix 1.
- 1.2. The GGF ETHR Programme was approved at Cabinet in January 2019 to deliver a series of workspace and placemaking projects in Bruce Grove that respond to the aspirations for this town centre set out in the Strategy for Tottenham High Road (2019-29).
- 1.3. Following Cabinet approval of ETHR Programme, 639 Enterprise Centre received Planning Permission and Listed Building Consent in December 2021, however, works to the building have stalled as a result of delivery challenges and construction costs considerably exceeding the budget for the project.
- 1.4. The proposed additional funding will enable a much larger project to come forward, which will included a much needed refurbishment to the Grade II Listed Edwardian property and hence support the ongoing delivery of affordable workspace for entrepreneurs and creative businesses in Tottenham.
- 1.5. The GLA require that the additional funding is claimed by the end of March. The output against which this will be claimed, will be the council’s approval, through this report, of the Forward Strategy for the building as set out in Appendix 2.

2. Cabinet Member Introduction

- 2.1 The additional grant funding will bring about much needed physical improvements to the listed 639 Enterprise Centre building, is especially welcome given the present need for urgent works to the building. It is hoped that these works will result in the building continuing to be an anchor building for building an inclusive economy in Tottenham.

3. Recommendation

- 3.1 That the Cabinet Member for Council House Building, Placemaking and Development agrees:
- a.) To the receipt of £2.3m from the GLA for the purpose of facilitating the delivery of the 639 Enterprise Centre Building Project.
 - b.) To the Deed of Variation to the Good Growth Fund Enterprising Tottenham High Road Grant Agreement attached at Appendix 1.
 - c.) To the Forward Strategy for the delivery of the 639 Enterprise Centre Building Project as per Appendix 2 to enable the council to receive the £2.3m grant by March 2023.
 - d.) To entering into a funding agreement with the GLA for the purpose of delivering the 639 Enterprise Centre Building Project in conformity with the Forward Strategy set out at Appendix 2 and to grant delegated authority to the Director of Placemaking and Housing, after consultation with the Lead Member for Housing, Placemaking and Development and the Director of Finance to agree the final terms of the Agreement, and to any amendments subsequently required.

4. Reasons for Decision

- 4.1. The 639 Enterprise Centre is owned by the Greater London Authority. Located in Tottenham, it represents an important component of a wider strategy to improve the high street as set out in the Strategy for Tottenham High Road, through the provision of affordable workspace and the associated business support offer.
- 4.2. The original 639 project has become unviable due to significant increases in construction costs, and also an increase in the investment need in the building.
- 4.3. The additional £2.3m grant will enable the council to work with the GLA who will deliver the additional works to the building to support the building's longer-term future. The council itself will not be undertaking the £2.3m works but rather will enter into a separate funding agreement with GLA to enable to GLA to carry out the required works to the 639 Enterprise Centre.
- 4.4. The restoration of the building will make a significant contribution to the protection of Tottenham's built environment heritage.

5. Alternative Options Considered

Option 1 – Accept the £2.3m grant and enter into a funding agreement with the GLA to deliver the Forward Strategy for 639 Enterprise Centre

- 5.1. Option 1 is the recommended approach as it allows the council to vary the existing agreement with the GLA for the GGF ETHR programme to enable the receipt and claim of grant of the additional funding by March 2023.

Option 2 – Reject the grant offer from the GLA

- 5.2. Rejecting the grant from the GLA would miss an opportunity to draw in £2.3m of Government funding into the borough. The absence of this funding would create uncertainty around how the required improvements to the 639 Enterprise Centre would be funded.

6. Background

- 6.1. 639 Enterprise Centre is an existing locally listed asset owned by the Greater London Authority, who are consequentially responsible for the repair of the building. The building contains affordable office space, shared workspace, meeting spaces and a cafe.
- 6.2. The building constructed in 1901 as the headquarters of the Tottenham District Light, Heat & Power Co, sustained significant damage in 2011 to the ground floor and east elevation to the High Road.
- 6.3. The council sold the freehold to the GLA in 2012 who undertook a series of refurbishments in 2012 to provide an affordable local enterprise hub and the building was launched by the Mayor in 2013 with local charity, London Youth Support Trust (LYST), appointed by the GLA to operate the facility.
- 6.4. In 2018 the Trampery, a London-based social enterprise, specialising in shared workspace and support for entrepreneurs and creative businesses were appointed to oversee the facility and have spearheaded the discussion and need for improvements to the premises to better serve the local community.
- 6.5. As part of the original funding agreement for ETHR, the council had intended to fund an element of works to the building. Planning Permission and Listed Building Consent for these proposed works was granted in December 2021. However, construction costs inflation has resulted in the project cost plan exceeding remaining budget allocated for the original project. The council in discussion with the GLA had previously sought to address the gap through return of £146,500 ETHR funding to the GLA for the purpose of contributing to urgent works at 639 Enterprise Centre, as set out in the January 2023 Delegated Authority Report.
- 6.6. Since then, recent surveys from the GLA have confirmed there are ‘critical’ fabric and roof repairs works required, which take precedent over the originally proposed refurbishment.
- 6.7. The GLA now have a new opportunity with a £2.3m grant for a much larger injection of capital which would result in a better a larger project to address these wider concerns. This is set out in the Forward Strategy attached at Appendix 2 of this report.

GGF ETHR Programme Position

- 6.8. In January 2019, Cabinet agreed to receive £2m grant from GLA (£1.8m capital + £200k revenue) to deliver GGF ETHR Programme.
- 6.9. To date the council has claimed £951,076 from the GLA against the current GGF ETHR Programme with a remaining £1,048,924 left to claim.
- 6.10. In January 2023, the Director of Placemaking & Housing agreed, under delegated authority to an amended Deed of Variation. This DoV allowed for a reduction of £146,500 to the current programme leaving £902,424 left to claim. The GLA have since agreed that the Council can retain the £146,500 in the programme for spend in 22/23 and be allocated to the original 639 Enterprise Centre fit-out project. This is set out in the Deed of Variation at Appendix 2.
- 6.11. Overall, the addition of the new £2.3m grant for the 639 Enterprise Centre project means that the council has £1,048,924 + £2.3m = £3,348,924 left to claim this financial year. The council is in discussions with the GLA about a further Deed of Variation which would enable some of the historic grant programme to be extended into 2023/24.

	Total Claim 2019/20	Total Claim 2020/21	Total Claim 2021/22	Remaining Maximum Grant Claim 2022/23
GGF ETHR Grant Current Funding Position	£207,432	£303,644	£440,000	£1,048,923
GGF ETHR New Funding Position	£0	£0	£0	£2,300,000
TOTAL	£207,432	£303,644	£440,000	£3,348,923

7. Contribution to Strategic Outcomes

- 7.1. The project will support the council in delivering the following priorities in the council's Corporate Delivery Plan 22/23 and 23/24.

Placemaking and Economy – High Streets, Town Centres and Businesses – Workspace

- New workspaces are created in the borough, meeting the need for local, affordable places to work, increasing the local employment base and driving spend.
 - Increase the number of affordable workspaces for all sectors.
- 7.2. This project will seek to invest in existing local asset and support its use to better serve the Tottenham community.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance

- 8.1. The recommendation to accept the £2.3m grant from the GLA by way of varying the existing GGF ETHR grant agreement will ensure that there are additional resources available to undertake the works needed at the building.
- 8.2. The works will be undertaken by the GLA, and the Council will not have any liability for any overspending on the project.
- 8.3. It is anticipated that the Council will claim the current grant of £0.9025m to reflect expenditure defrayed in 2022/23, the £0.1465m and the new grant of £2.3m this financial year.

Procurement

- 8.4. Strategic Procurement note the content of the paper. There are no current procurement implications associated with the content of the report.

Legal

- 8.5. The Head of Legal and Governance (Monitoring Officer), has been consulted in the preparation of this report.
- 8.6. The Council is using general powers including general powers of competence (section 1 Localism Act 2011), in agreeing to the proposed variation of the GLA Good Growth Fund (GGF) Enterprising Tottenham High Road (ETHR) Agreement, to enable the receipt of an additional £2.3m grant from the GLA for the purpose of facilitating the delivery of the 639 Enterprise Centre workspace project (Tottenham).
- 8.7. Where the Council receives a grant from an external body, the process for approving or varying the agreement for the grant shall be the same as that set out in CSO 9.07 (i.e. the Director may approve receipt of a grant valued less than £500,000. For approval of receipt of grants valued at £500,000 or more, a Cabinet decision is required).
- 8.8. The Council may accept the grant funding set out in this report and must comply with the terms of the funding agreement. The Council has the power under section 1 of the Localism Act 2011 to provide the grant funding to third party organisations.

8.9. The Head of Legal and Governance (Monitoring Officer) confirms that there are no legal reasons preventing the Director from approving the recommendations in the report.

Equality

8.10. The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not

8.11. The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty. Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

8.12. Cabinet has already agreed the approach to delivering the Good Growth Fund Enterprising Tottenham High Road Programme and noted that:

An equalities impact assessment (“EqIA”) has been completed (appendix 4). Amongst the findings, it supports a focus on improved, safer, healthier access to town centres; enhanced spaces for people to address issues related to safety amongst some ethnicity and faith groups. The EqIA has also highlighted issues related to opportunities for social cohesion, health, need for measures for people with disabilities and access for young mothers to jobs.

As the individual projects are identified for progression and approval, the EqIA should be reviewed and updated, with individual EqIAs provided for the project where appropriate in order to satisfy the council’s Public Sector Equalities Duty.

8.13. This decision has therefore no specific equalities impact other than to support the overall delivery of the programme.

9. Use of Appendices

Appendix 1 – GLA Good Growth Fund Deed of Variation

Appendix 2 – GLA Forward Strategy for 639 Enterprise Centre Community Enterprise Centre

10. Local Government (Access to Information) Act 1985

N/A