

MAYOR & CABINET			
Report Title	Good Growth Fund Bid – Re-imagining New Cross		
Key Decision	Yes	Item No.	
Ward	New Cross and Brockley		
Contributors	Executive Director for Regeneration and Resources		
Class	Open	Date:	4 October 2017

1. Summary

- 1.1. The Mayor of London's £66m Good Growth Fund (GGF) is a new 3-year rolling regeneration programme from 2017/18 to 2020/21, which may be used to match fund up to 50% of the total project value. Project ideas should be place-based regeneration that supports their three strategic themes - Empowering People, Making Better Places and Growing Prosperity; with actions around regenerating buildings, civic infrastructure and public spaces; and includes economic, community-led and cultural growth across London.
- 1.2. Officers are aware from engagement with other departments that there are no other applications being submitted from LB Lewisham as part of the first round of the Good Growth Fund, but other proposals may be submitted from LB Lewisham at later rounds from Planning and Regeneration teams; e.g. for New Cross Gate infrastructure and Catford. However, the Greater London Authority (GLA) has indicated that there may be first mover advantage in submitting a proposal early to the fund i.e. there will be less funding available in the later years as applications are awarded GGF.
- 1.3. An opportunity has arisen for the Council to work with the Council's strategic and co-delivery partner Goldsmith, University of London (UoL) to seek substantial financial support from the GGF towards a new Centre for Contemporary Arts Gallery and a new Enterprise and Business Incubation Hub in New Cross (bordering Brockley); that will strongly support Lewisham's regeneration strategy – investing in people, place and the prosperity of Lewisham as a whole.
- 1.4. The purpose of this report is to inform the Mayor and Cabinet of this opportunity, and to seek approval to submit a full proposal for the project for consideration by the GLA and London Enterprise Action Partnership (LEAP) in December 2017.

2. Recommendation

The Mayor is recommended to:

- 2.1. approve the submission of a full proposal to the GGF to support the development of the new Goldsmiths Centre of Contemporary Arts Gallery and a new Enterprise and Business Incubation Centre on New Cross High Street.

3. Policy Context

3.1. 'Shaping our future', Lewisham's Sustainable Community Strategy 2008-2020, 'Dynamic and Prosperous' theme - where people are part of vibrant communities and town centres, well connected to London and beyond; sets out the Local Strategic Partnership's commitment to 'improving the quality and vitality of Lewisham's town centres and localities', and aspirations to 'support the growth and development of our town centres by working with commercial partners and developers', and 'maximise the use of our town centres as places to engage the local community'.

3.2. This proposed project supports three of the ten Council's corporate priorities which are :

- Strengthening the local economy
- Young people's achievement and involvement
- Active, healthy citizens

3.3. It also supports four of the six aims of the Work and Skills Strategy 2016-18 which are to:

- Develop strong partnerships across all sectors
- Improving local skills training to equip adults for work opportunities and self-employment
- Deliver employment support for those with the most complex needs
- Maximise social value opportunities with employers and enterprise

3.4. 'People, prosperity, place', Lewisham's Regeneration Strategy 2008-2020, sets out the Council's aspiration for a vibrant, dynamic Lewisham focused around the themes of:

- People- Investing in the individuals and communities which are Lewisham's greatest asset,
- Prosperity- Fostering the skills and economic opportunities for Lewisham to flourish and thrive,
- Place- Developing high quality public spaces, sustainable buildings and protecting the areas which are sensitive to change.

The strategy identifies New Cross and Deptford Town Centres as strategic sites within the borough. The strategy is also placed within the framework of the key national and regional policies which affect the Councils work around regeneration in the borough, including the London Plan.

3.5. The Council's Local Development Framework sets out the Council's vision, objectives, strategy and policies to guide public and private sector investment in order to manage development and regeneration in the borough over the next 15 years. Which, together with the Mayor of London's 'London Plan' forms the statutory development plan for the borough.

3.6. 'Lewisham's Business Growth Strategy 2013-2023' aims to determine Lewisham's unique characteristics and strengths, identify opportunities for business growth, and set out the activities that will bring this into reality. Lewisham is an integral part of a dynamic world city and global economic powerhouse. The Business Growth Strategy 2013-2023 vision is that in ten years' time Lewisham will be one of the fastest growing parts of the London economy. This is underpin by 3 aims:

- Aim 1: To boost Lewisham's contribution to the London economy by enhancing the ability of new and existing businesses to thrive and grow.
- Aim 2: To accelerate the expansion of the Lewisham economy by capitalising on major physical regeneration in the borough to create the right environment for business growth.
- Aim 3: To diversify and expand the Lewisham economy by inspiring, nurturing and promoting the creativity and entrepreneurship of Lewisham residents.

4. Background

4.1. In June 2017 the Greater London Authority (GLA) launched the first round of the Good Growth Fund (GGF), the Mayor of London's new regeneration funding programme from 2017-18 to 2020-21, delivered through the London Economic Action Partnership (LEAP).

4.2. The GGF will provide over £66m capital funding from sources including the Local Growth Fund and European Social Fund, as well as, expert regeneration advice, design support and knowledge sharing opportunities. It will augment and complement other GLA and Transport for London (TfL) programmes investing in London, as well as, regeneration activities by local authorities, the private and third sectors.

4.3. The GGF expects to fund up to 50% of the total project value, with the remainder covered by match funding. As the majority of GGF is capital funding, the GLA would be encouraged by projects that have elements of revenue match funding to undertake activities.

- 4.4. It is designed to support three strategic themes: Empowering People, Making Better Places, and Growing Prosperity; with actions around regenerating buildings, civic infrastructure and public spaces; and includes inclusive economic, community-led and cultural growth across London.
- 4.5. The GGF is a rolling fund with new timelines for deadline released for application after the Expression of Interest (EoI) decisions are made from the previous round.
- 4.6. The Council intends to work with its major strategic and co-delivery partner Goldsmiths (UoL) to deliver the project.
- 4.7. The Council will act as the lead partner and accountable body working directly with GLA/LEAP as the Council has financial systems in place to administer the grant agreement and it would put the Council in a strong position to influence and monitor expenditure in order to achieve the wider social value and economic benefits for the borough of Lewisham.
- 4.8. While Goldsmiths (UoL) would be primarily responsible for the on-site building works, the civic infrastructure and shops development; and actively encouraging and supporting local residents, visitors, artists and businesses to make full use of the facilities, skills training and business support services of the new gallery and the new Enterprise and Business Incubation Hub in New Cross.
- 4.9. The consortium will include Goldsmith's third sector subsidiaries STACS, ICCE and Open Book; and CEN8 to deliver the GGF funded project. These third sector organisations bring local expertise in working with marginalised groups such as the elderly, teenagers/NEETs, ex-offenders, ex-addicts; to help strengthen the employability skills provision within the project, allowing for stronger social inclusion and support for the more vulnerable community groups in Lewisham. This employability skills provision will be joined up to the Gallery's community arts outreach programme, to open up access to contemporary arts and creative-thinking skills to a diverse group of residents in Lewisham. In doing so, the consortium aims to ensure that Lewisham's residents have an opportunity to be part of LB Lewisham's good growth and wider cultural activities; and also be more included in London's wider prosperity.
- 4.10. This fits in line with many of the Council's strategic aims – New Cross is a Lewisham strategic opportunity area within our Local Plan; sits within the context of the New Cross Gate Master Planning and Station Opportunity Study, giving us an opportunity to collaborate with Goldsmiths (UoL) to achieve a boost to the local economy and regeneration. It's also positioned well within our TfL-funded A2 Corridor Study, and major housing zone opportunities of mixed-use developments in New Cross and neighbouring Deptford. Over time this

project will support enterprise growth in Deptford Creekside and Market Square, which are emerging as a fast growing cluster within the pan-London creative and digital industry (CDI) market. It will complement LB Lewisham's intention to bid for the Borough of Culture Award 2019. If successful in both bids, the gallery would provide a perfect platform for the activities planned during 2019.

- 4.11. The Council aims to support the transformation of two buildings that are owned by Goldsmiths (UoL) with capital funding from the GGF, in order for Goldsmith (UoL) to reallocate some of their match funding towards delivery of socio-economic benefits for the residents and businesses of Lewisham.
- 4.12. Building 1 – Goldsmith Centre for Contemporary Art Gallery has an anticipated opening in May 2018. The Goldsmith Centre for Contemporary Art Gallery will provide a civic infrastructure and create work spaces – 981 m² of new gallery, exhibition spaces, studios, a cafe, and retail. Goldsmith (UoL) has fundraised £1.9m to date with an ongoing active campaign for a further £0.6m (£2.2m will be used towards the gallery build). There is an additional £60k expected funding from Chartwells towards the café build within the gallery.
- 4.13. An additional £1.35m capital funding will be sought from the GGF to elevate the gallery from a “good to great” design standard completion to the restoration of the former Laurie Grove Baths; a Grade II listed Victorian heritage building. This will help it to become a world class contemporary art gallery that will showcase international artworks and have access from the High Street through a renovated historic courtyard. It will run an artist in residence programme; community arts outreach and skills training programme; talks, films and performances that will be open to the public.
- 4.14. It will incorporate social value opportunities for residents with 1000 people expected to be supported through apprenticeships, volunteering opportunities, work placements, outreach skills training, participation in events, etc...and local supply chain contracts. It aims to deliver support towards the growth of 25 businesses through access to studio (work) spaces and exhibition spaces in prime location.
- 4.15. This will also boost the evening and night time economy of the borough of Lewisham, in particular within New Cross, with the arts and culture at its core. With an expected uplift of 10% in footfall and visitor satisfaction. It will align with the promotion of Goldsmiths (UoL) underutilised cinema, theatre and student union (live music) offer. It will seek partnerships with The Albany, Barbican, South London Gallery, and others, and links strongly to the Council's intention to apply for the Borough of Culture Award in 2019 for Lewisham.
- 4.16. Building 2 – A new enterprise and business incubation hub with 479.4 m² floor space. A further c. £1.75m capital funding will be sought from the GGF to match with Goldsmith funding towards

regenerating two adjacent empty shop units on the High Street to bring them back into use as a new Enterprise and Business Incubation Hub primarily focused on supporting the creative and digital industry market. A manager will be recruited by Goldsmiths (UoL) to manage the hub space, oversee delivery of the project and joined-up promotion of the evening and night time economy offers.

- 4.17. For the borough of Lewisham, this will provide additional creative workspaces, drive innovation through knowledge-transfer initiatives and provide social value opportunities. Support services will be on offer to help deliver 245 business start-ups and 375 business supported towards growth through peer to peer mentoring, 1:1s, courses and workshops. This would effectively result in an extension to the Council's Dek-branded workspace into the north of the borough for the duration of the project lifetime (we currently have Dek-branded workspaces in Catford and Place/Ladywell). It will complement the Council's existing ERDF Dek Business Growth Programme; and the space design will be informed by the Council's CDI study currently commissioned with Regeneris/We Made That to provide a Growth Strategy and space design guidance to support economic development and inward investment in Lewisham.
- 4.18. The combined project offer from the Gallery (international artist in residence and community arts outreach programmes) and the Enterprise and Business Incubation Hub (business start-up and incubation support) is opened to all residents who have a talent, knowledge and/or interest primarily in the contemporary arts, creative and/or digital sector. This includes graduates through to residents from the more vulnerable and less educational groups.
- 4.19. If we are successful at receiving capital funding from the GGF, Goldsmiths (UoL) will be in a position to reallocate some of their overall match funding to use £0.9m towards revenue funding for the partnership to deliver socio-economic benefits for the borough once the buildings works are completed. The Council intends to allocate £25k towards the delivery of skills training and business support. The Council £25k will not be contributing towards the build cost of Goldsmith's Gallery or Enterprise and Business Incubation Hub.
- 4.20. Overall, the project is expected to deliver 350 new jobs created; 378 business supported, of which 203 businesses will have increased business turnover; 64 NEETs entry into employment; 1980 people supported with skills training, volunteering, participation, etc.; 10% increase in visitor satisfaction and 10% increase in footfall for the borough of Lewisham. This would not be possible without Goldsmiths (UoL) considerable match funding and additional capital funding from the GGF.
- 4.21. An Expression of Interest (Eoi) was sent to the GLA on 4th September on behalf of the Council to express its strong interest in putting forward a full proposal application. Expressions of Interest will

be assessed on the basis of deliverability, value for money and overall strategic fit in delivering the objectives of Good Growth. If successful, on 29th October 2017 the GLA may invite the Council to submit a second full proposal application by 2nd December 2017.

4.22. If the Council gets through to stage two, further details will need to be provided about the project and will need to agree with the GLA the most appropriate GGF funding model for the project. At stage two, the GLA's Regeneration team will provide considerable development support in preparing the full proposal application. An announcement of successful projects will be on 13th January 2018.

4.23. Although Goldsmiths (UoL) and the GLA will provide the majority of funding for the project, if successful the Council's role would be as lead partner and accountable body; providing project management office support for the project finances and delivery in partnership with the GLA and the Mayor of London's Regeneration Team.

5. Finance

5.1. Mayor and Cabinet approval is required to submit a full proposal application to the GGF because the potential funding award will be £3.1m, this which will be match funded from the following sources:

Source of Funding	(£,000)	Status
Goldsmiths - Capital	1,900	Committed
Goldsmiths - Capital	283	Estimated
Goldsmiths - Revenue	515	Estimated (Enterprise & Shops)
Goldsmiths - Revenue	317	Estimated (GCCA)
Chartwells - Revenue	60	Estimated (Café)
Lewisham - Revenue	25	Committed (Workspaces Fund)
Total	3,100	

6. Legal

6.1. Under S1 of the Localism Act 2011 the Council has a general power of competence to do anything which an individual may do unless it is expressly prohibited.

6.2. In accordance with the Mayoral Scheme of Delegation, approval of any application for external funding exceeding £1 million is reserved to the Mayor.

6.3. At this stage, the Council is simply submitting a bid. The details of any award of funding and any terms attached to the funding will be reported back to Mayor & Cabinet for approval.

6.4. The Equality Act 2012 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

6.5. In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

6.6. The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.

6.7. The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at: <http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-actcodes-of-practice-and-technical-guidance/>

6.8. The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

- The essential guide to the public sector equality duty
- Meeting the equality duty in policy and decision-making
- Engagement and the equality duty
- Equality objectives and the equality duty
- Equality information and the equality duty

6.9. The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further

information and resources are available at <http://www.equalityhumanrights.com/advice-and-guidance/public-sectorequality-duty/guidance-on-the-equality-duty/>

7. Risk Assessment

7.1. If successful the Council will be required to enter into funding agreements with the GLA or its representative body in respect of any funding award. The details of any terms offered including risk and reward to the scheme will be considered and reported to Mayor and Cabinet for approval prior to entering into any funding agreement.

7.2. If successful the Council will continue with a Memorandum of Understanding or have a service level agreement with Goldsmith (UoL) in terms of project delivery in respect of any funding award. This will be reported to Mayor and Cabinet for approval of the delivery model prior to entering into any funding agreement.

8. Equalities Implications

8.1. There are no immediate equality implications associated with the recommendations of this report.

9. Environmental Implications

9.1. There are no immediate environmental implications associated with the recommendations of this report.

10. Conclusion

10.1. Mayor and Cabinet are recommended to consider the current opportunity to secure £3.1m external funding from the Good Growth Fund to support the delivery of a strategic regeneration project in New Cross.

10.2. Officers will continue to develop and explore other opportunities including future rounds of GGF application(s) to help support the project. External support in the form of grant funding would give a substantial benefit to the deliverability of this project and to the outcomes which the project can achieve.

Background Documents

Expression of interest in pdf format included as an Appendix.

If you would like further information on this report please contact Karen Fiagbe, Business Partnership & Engagement Manager on **0208 3147090**