

LONDON BOROUGH OF EALING



The West London Economic Prosperity Board

Venue: Westminster University Boardroom, 309 Regents Street, London, W1B 2HW

Date and Time: Thursday, 21 June 2018 at 10:00

Membership

Councillor Cornelius (Barnet), Councillor Butt (Brent), Councillor Bell - Chair (Ealing) Councillor Henson (Harrow), Councillor Curran (Hounslow and Councillor Cowan (Hammersmith & Fulham)

AGENDA

Open to the Public and Press

- 1 Apologies for Absence** -
- 2 Urgent Matters** -
Any urgent matters that the Chair has agreed should be considered at the meeting.
- 3 Declarations of Interest** -
To note any declarations of interest made by members

4	Minutes To approve as a correct record the minutes of the meeting held on 21 February 2018.	-
5	WLEPB DRAFT minutes - 21 Feb 18	3 - 10
6	WLO update and next steps	11 - 22
7	Professor Tony Travers discussion	23 - 26
8	Business Rates Devolution - Strategic Investment Pool briefing	27 - 40
9	Inward Investment and small business Trade	41 - 44
10	Housing Targets and the London Plan	45 - 50
11	EPB Work Programme 2018	51 - 54
12	Date of Next Meeting The next meeting will be held on 19 September 2018.	-

MINUTES OF THE WEST LONDON ECONOMIC PROSPERITY BOARD
Wednesday 21 February 2018 at 10.00 am

PRESENT: Councillors Butt (Chair, London Borough of Brent), Bell (London Borough of Ealing), Dennison (London Borough of Hounslow), Fennimore (London Borough of Hammersmith & Fulham) and Shah (London Borough of Harrow). ⁵

Also Present: James Murray (Deputy Mayor for Housing), Amar Dave (Strategic Director Regeneration & Environment, London Borough of Brent), Cath Shaw (Deputy Chief Executive, London Borough of Barnet), Lucy Taylor (Director of Regeneration – London Borough of Ealing), Mary Harpley (Chief Executive, London Borough of Hounslow), Jo Rowlands (Director of Regeneration, Planning & Housing Services – London Borough of Hammersmith & Fulham) and David Burns (Head of Housing Strategy – London Borough of Hammersmith & Fulham), James Kinsella & Nikolay Manov (London Borough of Brent – Governance Team) and Keith Fraser (London Borough of Ealing – Governance Team).

Dan Gascoyne and Luke Ward (West London Alliance).

1. **Minutes of the Previous Meeting**

RESOLVED that subject to the following amendments, the minutes of the previous meeting held on Tuesday 21 November 2017 be approved as a correct record:

Minute 4. Public Participation – Point 2 be amended as follows (changes are highlighted in ***bold & italics***):

Specific sites identified ***by Mr Cox*** as presenting potential options in terms of station development, were as follows:

- South Acton & Lionel Road;
- Bollo Road – with accompanying track adjustments
- Acton Central;
- Extension of proposed site at Old Oak Common Lane;
- Site between Neasden and Harlesden located within close proximity to the Neasden Temple; ***as part of the development of the Dudding Hill line and between Neasden, Cricklewood and West Hampstead providing the option for an interchange with the Metropolitan Line***
- ***Gladstone Park;***
- North Hendon, providing potential access to the RAF museum ***and Colindale redevelopment;***
- Brent Cross – with the London Borough of Barnet due to consider a progress update on the Brent Cross Cricklewood Programme at their Asset Regeneration and Growth Committee on 27 November 17 including proposals for design of a new station as part of the Thameslink development linked to the scheme;
- ***Mill Hill Broadway - with a new fifth track north from Hendon on the western side;***

- ~~Willesden Green – to provide the maximum potential for links to additional services;~~
- **Mill Lane (off Shoot Up Hill);**
- **Edgware Road (near the Metropolitan Line station).**

2. **Apologies for Absence**

Apologies for absence were received from Councillor Richard Cornelius (London Borough of Barnet), Councillor Stephen Cowan (London Borough of Hammersmith & Fulham), Councillor Stephen Curran (London Borough of Hounslow) and Kim Dero (Chief Executive – London Borough of Hammersmith & Fulham).

The Chair welcomed Councillor Sue Fennimore, Jo Rowlands (Director of Regeneration, Planning & Housing Services) and David Burns (Head of Housing Strategy) who were attending to represent the London Borough of Hammersmith & Fulham along with Councillor Theo Dennison who was attending to represent the London Borough of Hounslow.

3. **Declarations of Interest**

There were no declaration of interests from Members.

4. **Public Participation**

The Chair advised that he had received a request to speak from a member of the public (Mr John Cox) in relation to Agenda Item 6 -West London Orbital Rail, which he agreed to take prior to consideration of the item.

5. **Presentation by Deputy Mayor for Housing**

The Chair welcomed James Murray (Deputy Mayor for Housing) to the meeting, who he advised had been invited to attend in order to outline the key housing priorities and targets within the draft London Plan and Housing Strategy.

James Murray thanked Members for the invite and opportunity to address the Board and then outlined the following points as key issues for consideration in relation to the housing targets contained within the draft London Plan:

- The inclusion of an annual housing growth target of 65,000 with a large percentage focussed across delivery in Outer London.
- Green Belt protection status confirmed with 7 “growth corridors” identified for new developments to be accommodated also aligned with specific infrastructure expansion.
- It had been recognised that achievement of the housing targets would require the ability to deliver developments of an increased density resulting in the recommended removal of the Density Matrix and a focus instead on good design which would also require the development of appropriate design codes. The targets would also include a focus on development of small sites with the Draft Plan aiming for 38% of the overall annual housing target to be delivered on small sites. This would involve a considerable role for Outer London boroughs where 68% of the total number of these sites were located.

- The introduction of a Fast track route approach whereby planning applications that meet a proportion of affordable housing (35%) will not have to submit viability assessments.

Issues highlighted by Members of the Board in response to issues identified by James Murray were as follows:

- Concern was highlighted regarding the significant contribution required from Outer London boroughs towards delivering the growth targets identified, especially in relation to percentage of small site developments; increase in density and impact on associated infrastructure including health provision.
- Concerns were also raised in relation to the funding challenge faced by local authorities with a request for support in seeking greater flexibility on use and retention of Right to Buy sales locally and for the HRA borrowing cap to be lifted particularly in relation to addressing fire safety and in delivering the level of housing development required. The Board noted the work being undertaken by the GLA to profile and co-ordinate additional resources identified as required to address fire safety works across London and also the ongoing lobbying with DCLG on the HRA cap.
- The need identified to consider issues of affordability and also the impact of land price inflation on land assembly in terms of community support and ability to deliver development schemes.
- The potential presented by the West London Orbital rail scheme to unlock housing development. In response, James Murray was keen to highlight his support for the principle that transport investment was linked with housing development and advised he was already aware of the Deputy Mayor for Transport's interest in the scheme.
- In response to concerns raised, James Murray clarified that the proposals for Estate Regeneration Ballots would only need to involve social tenants, leaseholders and those on the housing waiting list that lived on estate the ballot related to.
- The Board were keen to ensure ongoing discussion in relation to housing targets and on how best to achieve these in West London, taking account of future household projections and advised they would welcome support from the GLA in the form of capital funding to assist in providing accommodation for single homeless people.

As an outcome to the discussion, it was **AGREED** that the Board should:

- (1) continue to develop a collaborative approach with the Deputy Mayor in terms of addressing the funding issues identified and delivery of the targets for housing development; and
- (2) request that the West London Alliance consider and co-ordinate work across the West London Region on the development of design codes.

As no further issues were raised Councillor Butt (as Chair) thanked James Murray for his presentation.

6. **West London Orbital Rail**

Prior to considering this report the Chair reminded Members that he had received a request to speak from Mr John Cox on this item. In accordance with the Rules of Procedure for the Board he had agreed to the request and he welcomed Mr Cox to the meeting.

Mr Cox thanked the Chair for agreeing to his request to speak and highlighted the following comments:

- His longstanding and ongoing support for an orbital rail scheme in West London, which he had been lobbying in support of for a number of years together with an expansion further east towards the Lee Valley. The progress being made in relation to the West London Orbital rail project was therefore welcomed and he highlighted had also been recently featured in an article in a Modern Railways publication under the title “Capital Connection: Dudding Hill Revival” which he tabled for Members of the Board at the meeting.
- The need to consider, as the scheme progressed, the potential benefits and disadvantages from both a financial and operational perspective of both a phased and full delivery of the Orbital rail line. Whilst keen to see the project implemented and completed as soon as possible Mr Cox highlighted, as an example, the disruption now being experienced on the Gospel Oak line as a result of upgrade works not undertaken prior to the line initially being opened.
- Concern at the current position which the London Borough of Barnet and Capita appeared to be taking with regard to the location of the platforms within the proposed new Brent Cross station for accessing the West London Orbital rail. Under the current proposals, these platforms would be located separately to the main station development which it was felt was not in the best interests of the scheme. The Board were therefore urged to raise this matter direct with representatives from Barnet Council and Capita in order to try and find a way forward.

The Chair thanked Mr Cox for his continued interest and support for the project and the comments made at the meeting, which he advised the Board had noted and, in respect of Brent Cross would look to raise with Barnet.

Luke Ward then introduced the report which provided an update on progress in developing proposals and the next steps for delivery of a West London Orbital Railway. The report was accompanied by a brief presentation, which covered the following areas:

- An overview of the key stages in delivery of the project, which had been based around the four broad workstreams outlined in section 2.5 of the report;
- A summary of the progress made to date which had included the scheme being identified as technically feasible and as representing (according to the Department of Transport’s criteria) high value for money with a “Benefit-Cost-Ratio” (BCR) of 2:2:1. In addition the Board had agreed the project as a shared priority with each Member Authority incorporating the scheme into their Local Plans.

- The current position on progress with development of the scheme, with the Board noting the recent confirmation from the Deputy Mayor for Transport of her desire to continue working with West London Alliance to move the scheme forward and awaiting publication of the Mayor's Transport Strategy (MTS) to confirm formal backing of the scheme as a priority. In the meantime work was continuing to develop funding options alongside the technical and business case for a possible future Housing Infrastructure bid, longer term project plan for delivery and establishment of the necessary levels of governance and engagement with key stakeholders.
- The next stages in development of the project and delivery programme, as detailed within section 2.3 of the report, assuming support for the scheme within the MTS, with the Board also asked to consider and identify any additional key stakeholders it was felt needed to be engaged as the scheme was developed.

The Board noted the range of activity currently being undertaken in relation to the scheme, ahead of publication of the Mayor's final Transport Strategy. In terms of the update provided Members advised they were keen to seek the views of the Deputy Mayor for Housing (given his attendance at the meeting) on the scheme and development of a possible Housing Infrastructure bid with Members specifically highlighting:

- the potential identified for the scheme to unlock up to an estimated 20,000 new homes; and
- the positive feedback already received in relation to the scheme from the Deputy Mayor for Transport

In response James Murray advised that it was likely any Housing Infrastructure bid would need to be submitted under Phase Two of the process. He also advised that additional support would potentially be available through the GLA in relation to land assembly work as the scheme and funding options were being developed.

Members advised they were also keen to be kept updated on the options being developed in order to address siting of the current level crossing at Bollo Lane. Dan Gascoyne (Director – West London Alliance) advised, in response, that officers had been working closely with analysts at Transport for London (TfL) regarding the modelling data on which a range of options were currently being developed. Members would continue to be updated and briefed on the feasibility of these options as the scheme was developed.

Members thanked officers for their ongoing work in developing the scheme and as a result of the update it was **RESOLVED**:

- (1) To note the overall progress on the scheme achieved to date;
- (2) To note the outline programme of activity and updated project plan identified to move the project forward as detailed in sections 2 and 3 of the report, along with the key stakeholders at national, regional and local level that would need to continue to be engaged as the scheme moved forward. No additional

stakeholders were identified as needing to be included at this stage by the Board.

7. **New London Plan - Draft Consultation Response**

Lucy Taylor (Director of Regeneration - London Borough of Ealing) introduced the report setting out the final draft response to the consultation on the Mayors London Plan which had been prepared on behalf of West London Alliance.

The Board noted that the draft response contained 8 “key asks” focussed on the following areas:

- the need for ongoing constructive dialogue with the Mayoral team in relation to the housing targets set for boroughs within the West London Alliance (WLA);
- the sub regional boundaries used by GLA and TfL should reflect the area of the WLA group of Councils i.e. include Barnet;
- the review methodology used to set borough housing targets, particularly in relation to household size and composition projections, with the GLA being asked to keep borough housing targets under review as new population projections became available;
- the focus on small sites be rebalanced with options for boosting supply in other types of sites also given a higher emphasis;
- the need for further discussion on the strategic opportunities to intensify CIL that would both safeguard existing employment floor space and also allow high new quality communities to be created, through a co-ordinated local planning approach;
- the London Plan to recognise and give the same weight to the West London Orbital rail scheme as contained in the Mayors Transport Strategy;
- To recognise that boroughs are best placed to develop and implement parking strategies that reflect local circumstances with boroughs also enabled to take a more tailored and locally appropriate approach towards parking;
- To enable ongoing engagement with Skills for Londoners, particularly in relation to the development of a more uniformed approach towards the use of s106 funds from the construction sector.

The Board were asked to identify any further areas for inclusion in the final response with the following additional issue identified, following on from the discussion with the Deputy Mayor for Housing:

- The need to consider, as part of the approach towards delivery of the housing targets within the plan how best to mitigate the associated impact on associated infrastructure with specific concerns identified in relation to health provision.

The Board noted that the issues raised within the draft response were also supported by the London Borough of Hillingdon and it was therefore **RESOLVED** to approve the consultation response attached as Appendix 1 to the draft London Plan on behalf of the West London Alliance, subject to the inclusion of the additional issue identified above.

8. **West London Skills, Employment & Productivity Strategy**

Dan Gascoyne introduced the report outlining the draft West London Skills Strategy developed through the West London Skills and Employment Board.

The Board noted the key priorities identified within the Strategy for West London along with the Action Plan to support their delivery.

Members thanked Councillor Curran for his work in leading the Skills and Employment Board and **RESOLVED** to formally note the strategy and draft Action Plan as attached in Appendix 1 of the report, which would be used:

- (1) To demonstrate a clear set of priorities for west London as part of the wider London skills system; and
- (2) To help inform engagement with the GLA and London Adult Education Programme Board (AEB) and the London Skills & Employment Framework (ESF), including the development of priorities for funding AEB and ESF along with their approach towards commissioning.

9. **West London Economic Prosperity Board - Chair's Annual Review**

Luke Ward introduced the report detailing the annual review of work undertaken by the Board.

The Board thanked the outgoing Chair (Councillor Butt) for his work and **RESOLVED** to note the significant work and achievements during the year and agree (without the need for any further changes) the Annual Report for 2017.

10. **Economic Prosperity Board Forward Plan and Dates for Future Meetings in 2018/19**

The Board **RESOLVED** to approve:

- (1) the Forward Plan of work scheduled for the Board during 2018/19 subject to inclusion (date to be identified) of an additional focus on the approach towards devolution of Business Rates and potential impact across WLA.
- (2) the following dates for Board meetings during 2018/19 (venues to be confirmed):
 - Thursday 21 June 2018 – 10am
 - Wednesday 19 September 2018 – 10am
 - Tuesday 20 November 2018 – 10am
 - Wednesday 27 February 2019 – 10am

The meeting closed at 11:35am

COUNCILLOR MUHAMMED BUTT
Chair



West London Economic Prosperity Board 6

21 June 2018

Title	West London Orbital – Progress and next steps
Report of	Amar Dave, LB Brent
Status	Public
Urgent	No
Enclosures	APPENDIX 1: Mayor's Transport Strategy proposal for the West London Orbital (Proposal 88) APPENDIX 2: West London Orbital rail key facts
Officer Contact Details	Luke Ward, Head of Growth, Employment and Skills, West London Alliance, wardlu@ealing.gov.uk

Summary

This report provides the committee with an update on work relating to the West London Orbital rail line. Since the last meeting of the Committee in February 2018 the Mayor's Transport Strategy has been published, with the West London Orbital confirmed as a priority scheme for London. TfL are commencing work, in close coordination with borough planning teams and chief planning officers, to bring the line forward in a way that delivers maximum benefit to the local communities and businesses located along its length.

For this item the Committee will be joined by the senior TfL officer who is leading on their West London Orbital work, and who will set out the work they are taking forward over the coming months, in coordination with borough planning teams.

Recommendations

Leaders are asked to:

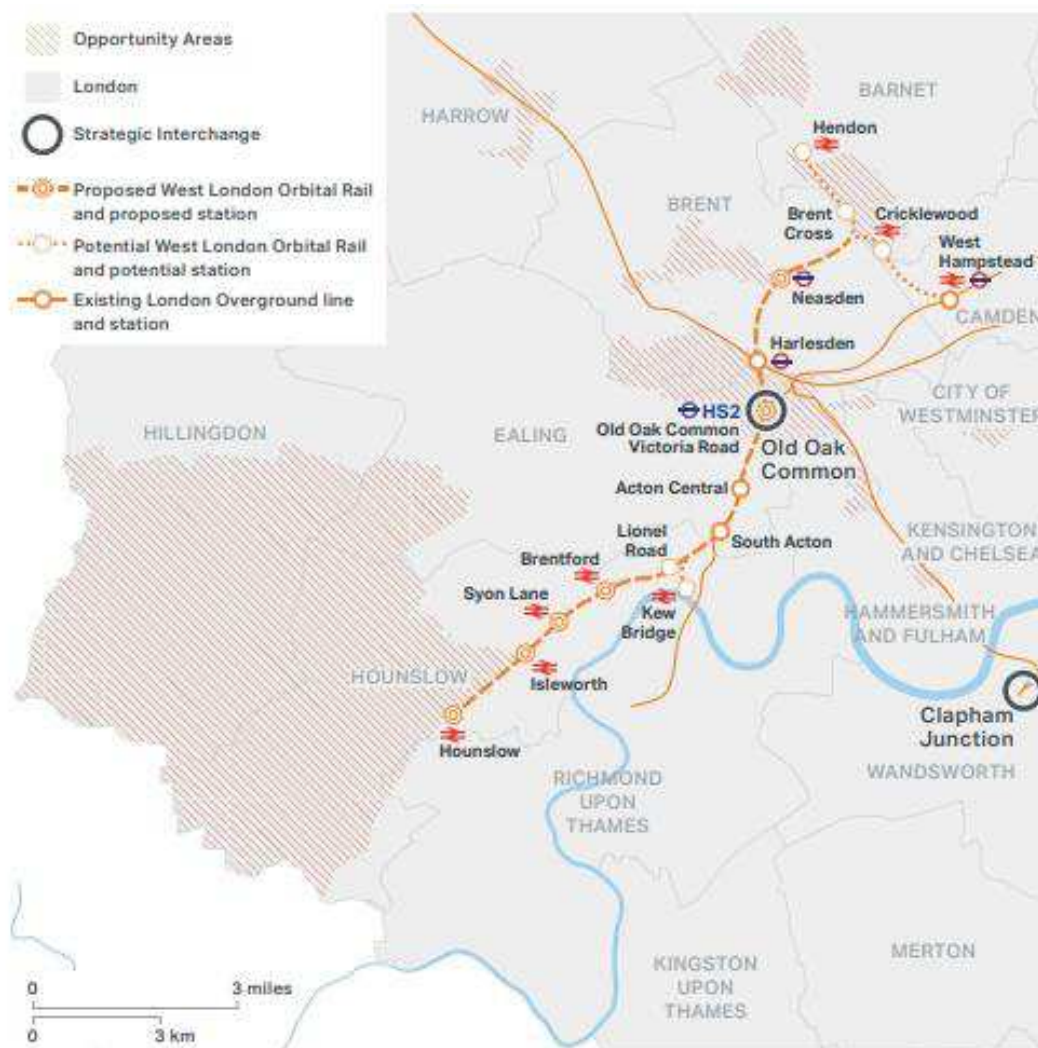
- 1) **NOTE** that the work of the Committee to establish the West London Orbital line as a priority for London has, to date, been successful, with the scheme embedded within the final Mayor's Transport Strategy.
- 2) **NOTE** the timeline and approach set out in sections two and three of this report, and **IDENTIFY** any additional actions or activities for consideration not already included.
- 3) **IDENTIFY** any stakeholders at national, London or local level who will need to be engaged with in any future engagement activity associated with the project.

1. WHY THIS REPORT IS NEEDED

The WLEPB has previously identified the West London Orbital (WLO) rail line as a scheme of shared priority. It has agreed that progress and next steps relating to the project be a standing item on its agenda, something suggested by the Deputy Mayor for Transport during their meeting with her in summer 2017.

The incorporation of the scheme into the MTS and draft London Plan, and on-going work by borough planning teams through their Local Plan processes, as well as by TfL now, means that focus is now shifting towards the delivery of the scheme and its associated programmes of work, which are described in the following sections.

FIGURE 1: Route of the line (From Mayor's Transport Strategy, 2018)



2. MAIN BODY

This remainder of this report is divided into a number of sections, covering:

- **Summary of work undertaken to date (June 2018)**
- **Activity required from June 2018 onwards**

- **Developing programme outline and timescales**
- **Risks, Issues, Challenges**
- **Next steps**

2.1 Summary of work undertaken to date:

- The Committee agreed the West London Orbital Scheme as a **shared infrastructure priority** at its meeting on 22 March 2017
- **Mayor's Transport Strategy** incorporates West London Orbital as a London and TfL priority, from March 2018.
- **Feasibility Study and outline business case** into the line completed and approved by the Committee on 22 September 2017. The Study found the following:
 - The scheme is **technically feasible** with a strong strategic case and health passenger demand supporting 8 trains per hour in each direction.
 - The scheme represents **High value for money** according to the Department for Transport's definition, with a "Benefit-Cost Ratio" (BCR) of 2.2:1. Scheme cost currently estimated to be in the region of £265m. A potential operating subsidy was identified which will need to be addressed in future work.
- Boroughs are incorporating the scheme into Local Plans, starting with initial consultations (Regulation 18 and 19).
- In addition to support from the GLA and TfL, London Councils are actively supporting the WLO, and this was reflected in their MTS response in early 2018.
- On 29 September Leaders were joined by the Deputy Mayor for Transport along with senior representatives from TfL, Network Rail and OPDC for a **tour of the line**, all of whom emphasised their support for the project. The Deputy Mayor suggested it might be a suitable candidate for a future [significant] round of Housing Infrastructure Funding and said she would be recommending that the scheme is clearly recognised as a priority in the final MTS
- Officers have engaged with a number of potential market providers of **battery-powered rolling stock**, which may be operated along the WLO as an alternative to either diesel units or full electrification.
- Borough senior planning and transport officers met with the TfL Team, including their newly appointed WLO project sponsor, and Network Rail on 10 May 2018 to coordinate activity and to agree alignment between the approaches of all organisations involved in this scheme from the outset and to mitigate any risks or challenges from as early a stage as possible.
- Boroughs have worked together with TfL and OPDC to submit a bid to the Strategic Investment Pool, managed by the Corporation of London, to support a range of complementary and master planning measures associated with realising the housing, place-making and regeneration potential of the WLO.

2.3 Activity required from June 2018

Work so far has focused on understanding the outline case for the West London Orbital with the objective, subject to there being reasonable grounds, of securing sufficient hooks within the MTS to allow the scheme to proceed to more detailed development and delivery. With that now achieved West London boroughs, working closely with OPDC, TfL, the GLA and Network rail in particular are able to turn attention to designing a programme that will see the scheme through to completion. It should be noted that delivery of the programme below will require significant resourcing, which will be sought from a variety of sources, particularly external sources, as appropriate:

- As part of delivery of the wider project plan it will be necessary to commission a series of **more detailed planning products** (the so-called “GRIP Stages”) that cover areas such as the detailed layout of specific sections of track, train timetables, station locations and finances.
- Work with London and national government on a **funding package** for resourcing this work.
- Full **embedding in to local, pan-London and national planning frameworks** so that the project can be taken forward within the context of wider strategy.

The approach to delivering the above will be subject to dialogue between WLA boroughs, London Government, TfL, GLA and Network Rail. The key principle in relation to the project approach is that the sector with the greatest competence will lead on the element of the programme that it has the greatest competence in. e.g. TfL will lead on the rail delivery project, whilst local government is focused on gaining the maximum community and economic benefit from the new housing and regeneration elements. All strands of work, irrespective of the lead organisation, will be undertaken in a joined-up way and delivered in coordination under a single governance structure, with full democratic accountability at all points.

2.4 Other points the Committee should be aware of

There are a significant number of rail projects happening in London that are likely to interact in some way with the WLO. E.g. High Speed 2, Crossrail etc. It will be important that as these move forward they do so in a way that does not preclude or put at risk the WLO. This is a risk to the project (see section 4) and is now being carefully managed through ongoing engagement with key partners including OPDC, Network Rail and TfL.

3. Developing programme outline and delivery timescale

Three broad work streams have been identified as being required over the coming years to take the project forward. The exact scope of each of these programme areas is being constantly refined and are summarised below. It should be noted that these can be undertaken simultaneously and in a coordinated fashion under a single governance structure:

1. Rail line and station development
2. Funding package development (covering technical analysis, construction and line operation)
3. Place making, housing and regeneration

NOTE: This programme plan represents a snapshot in time and will be continually updated and kept under review as the scheme progresses and as additional information becomes available.

3.1 Work stream 1: Rail line and station development

This work stream sets out how the technical planning and construction work associated with developing the line will be taken forward. The below is simply an indicative working timeline, and is subject to review. Each stage is subject to satisfactory completion of the preceding package of work.

Project	Description	Output	Timescale
Phase 1: Review and update (underway)	<ul style="list-style-type: none"> - Review of feasibility work - Further demand modelling - Timetabling - Update business case 	Updated business case, Identify possible consents route	6 months (c. Autumn 2018)
Phase 2: Further design work, GRIP 2 (TBC)	<ul style="list-style-type: none"> - Multi-disciplinary design study - Environmental assessment - Operational assessment - Cost estimates - SOBC 	Develop GRIP 3 and 4 requirements	9-12 months (c. September 2019)
Stage 3 – “Single preferred option” (TBC)	<ul style="list-style-type: none"> - Undertake GRIP 3 (Single Option Selection) and GRIP 4 (Concept Design & Approval in Principle) design studies. 	public consultation	18 – 24 months (c. September 2021)
Stage 4 – Transport & Work Act Order (TBC)	<ul style="list-style-type: none"> - Evidence base (environmental and transport assessment) - Confirm funding 	Updated business case	12 – 18 months (c. March 2023)

3.2 Work stream 2: Funding package development

This work stream sets out how the line’s construction and operation will be resourced in a sustainable, economically and socially acceptable way.

Project	Description	Timescale
Programme resources secured	Sufficient resources for appropriate programme management and technical feasibility work	Completed – funded via TfL resource and external money secured from central government from the Planning Delivery Fund
Funding options study	Identify achievable and acceptable options for securing resourcing for both line construction and to address/minimise any potential operating subsidy that may be required.	Being Commissioned by TfL, with input from boroughs. Completed by early 2019
Externally available capital funding options	Engagement with GLA, DfT and TfL on construction funding. Possibly including future “HIF2” funding.	On-going
Subsidy elimination and financial sustainability model	Structure business model of new service to require zero-subsidy in medium term. E.g. via pricing structure or zone segments	TBC, Mid-2019

3.3 Work stream 3: Place making, housing and regeneration

This work stream describes how local residents, businesses, groups and elected representatives will be engaged and consulted with throughout the life of the project:

Project	Description	Timescale
Local Plan incorporation	WLA boroughs incorporate scheme formally into their Local Plans, including fully public and stakeholder engagement and listening via Regulation 18 and 19 consultations undertaken in a joined up way across boroughs	Currently underway, completed by 2019
Place making and master planning	High quality place making and community creation at appropriate points	Varies by borough, external resource to support this work being

	along the line	sought. Place-making activity will be led by individual boroughs in coordination, to deliver the full possible benefit of the scheme to local communities
Resource allocation to support scheme development	Identification of resources from developers to support construction of the line, undertaken by individual boroughs according to their internal strategic planning and democratic processes.	TBC (this will form one element of the funding study described in work stream 2 above)

NOTE: Previous versions of this plan contained a work stream dedicated specifically to community engagement and consultation. This engagement and listening activity remains at the heart of the proposed approach as is appropriate, however public consultation will take place as an absolutely core part of the delivery of work streams 1 and 3, rather than as a self contained activity.

Notional governance arrangements

Project Delivery Group: Comprising transport planning professionals from the relevant West London Boroughs, plus representatives from TfL, Network Rail, GLA and DfT as required. This group has already met and is currently in operation. It will provide commissioning expertise and capacity, coordination and alignment, trouble shooting, and also undertake a quality assurance function of all project outputs prior to them being used to inform any planning or funding decisions.

Programme Board: Consisting of senior representatives from key organisations providing top-level governance and decision making for the programme. To be convened when appropriate.

West London Economic Prosperity Board: Top-level governance for West London local public services. Top-level governance for West London local public services.

TfL Board: As the most likely final operator of the Line it will be important for the project to be embedded into the decision making and governance structures of TfL and London Government (GLA) more broadly.

Central Government: In particular DfT, DCLG and the Treasury will have a role enabling the delivery of the line as part of if greater emphasis on investing in infrastructure nationally, and on providing funding as part of the national Industrial Strategy.

4. Risks, Issues, Challenges

A full risk matrix is currently being developed. At this early stage in the project the key risks are:

- **Technical:** Acton Wells Junction represents the greatest technical challenge along the route. There are also level crossings at Bollo Lane that will need to be taken into consideration as part of the overall scheme delivery.
- **Resources**, Subsidy and construction – with an expected operating subsidy of c.£5m p.a. and construction costs in the region of £265m resourcing this project presents a significant challenge and will require a coordinated strategic approach.
- **Dependencies with other schemes:** There are a large number of rail schemes at various stages of development that have potential implications for WLO. These include of course HS2 and Crossrail but also the Chiltern line, North London Line, and development at Brent-Cross on the Thameslink line. These all require coordination to ensure a strategic approach to rail and that none of these schemes preclude each other.
- **Pace and momentum** – It will be important to maintain progress going forward in order to meet the timeline of having the line in operation by the early-mid 2020s.

5. IMMEDIATE NEXT STEPS

Any comments made or issues identified by the committee will be incorporated in to the programme outlined in this report. Overall coordinated delivery across boroughs and with TfL will continue.

6. REASONS FOR RECOMMENDATIONS

Long term projections of the London population and economy show that transport infrastructure is likely to become an increasing constraint on growth. We also know that with a falling rate of car ownership in outer London that the role of high quality transport infrastructure that connects the places that people live and work is crucial. The recommendations set out in this report address these issues and will put West London in a good position to grow well into the future

7. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 7.1 The feasibility study outline case commissioned by Leaders looked at all alternative options for making orbital journeys across West and North London. The West London Orbital proposal described here reflects the outcome of that analysis.

8. POST DECISION IMPLEMENTATION

- 8.1 The “road map” in section 3 of this report setting out how the WLO will be brought to reality by the 2020s will be refined and defined in further detail. It will

be incorporated into the medium and longer-term planning activity of individual West London Boroughs and of the WLA.

9. IMPLICATIONS OF DECISION

9.1 Corporate Priorities and Performance

9.1.1 The West London Vision for Growth highlights improved orbital transport infrastructure as a priority for the sub-region.

9.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

9.2.1 It should be noted that delivery of the programme below will require significant resourcing should it progress covering programme management, ongoing technical feasibility work, and construction. This will be sought from a variety of sources as appropriate. Furthermore, longer-term options for resourcing scheme construction (c.£265m) also to be identified following completion of funding study described in this report, which is expected to be completed in early 2019.

9.3 Social Value

9.3.1 The proposal set out here support improved health and wellbeing outcomes for people and businesses in West London by enabling them to move around more quickly and cheaply than is often the case, and be improving the quality of the environment.

9.3.2 The line also responds positively to a number of recognised challenges for residents in West London. For example will reduce the level of pollution and particulate matter that travellers are exposed to compared to equivalent journeys by road. It will also improve journey times and reduce costs travelled per mile compared with car, this will help to boost the disposable incomes of travellers and also give them more time per day not caught in traffic. The line will give people living in areas of higher deprivation and with lower income levels greater accessibility to at least 100,000 new jobs that are expected to be created in the existing regeneration schemes in Brent Cross, OPDC, Wembley, and the Hounslow Opportunity Area.

9.4 Legal and Constitutional References

9.4.1 This work falls within the following sections of the WLEPB's Functions and Procedure Rules:

- Representing the participating local authorities in discussions and negotiations with regional bodies, national bodies and central government on matters relating to economic prosperity for the benefit of the local government areas of the participating authorities.
- Representing the participating authorities in connection with the Greater London Authority, London Councils and the London

Enterprise Panel, for the benefit of the local government areas of the participating authorities, in matters relating to the economic prosperity agenda

- Representing the participating local authorities in discussions and negotiations in relation to pan-London matters relating to economic prosperity.

9.5 Risk Management

9.5.1 The risk of not taking early action to improve joined up, high quality action across West London is that growth is lower than might otherwise have been the case, resulting in fewer jobs, a smaller tax base, and lower levels of investment than would otherwise be the case.

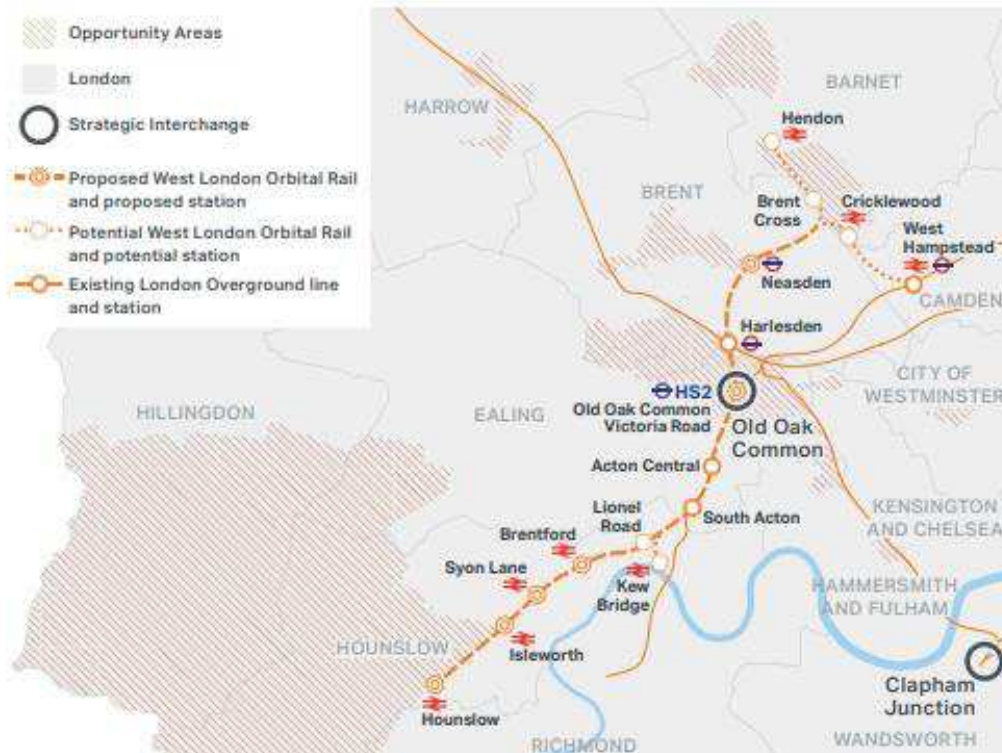
9.6 Equalities and Diversity

9.6.1 This work currently has no equality or diversity implications. If brought to fruition however the West London Orbital Line would connect many of the sub-region's most deprived communities with employment opportunities and growth areas across London, and allow them to access jobs and employment opportunities in these areas at a lower cost and more quickly than would often be possible by other forms of public transport or private car. A full EIA will be undertaken as work progressed to the stage of development that would require this.

9.7 Consultation and Engagement

9.7.1 This work does not currently affect the public. All West London boroughs, plus the GLA, TfL and the Old Oak and Park Royal Development Corporation, as well as the business community have all been involved in the development of the proposals to date. Should the work progress to being an actual project full community engagement and consultation plan will be developed alongside the EIA. Individual elements of the programme will be consulted on as appropriate.

APPENDIX 1: Proposal 88 in the Mayor's Transport Strategy



Unlocking growth potential through improved rail services

Opportunities from London suburban metro

In recent years, areas around TfL stations have developed twice as quickly as elsewhere. This is because services from these stations provide higher frequencies and better connections to other parts of London.

There are particular opportunities to transform service quality and frequency on the national rail network (see London suburban metro proposal in Chapter four). This can act as a catalyst to regenerate existing neighbourhoods, and enable town centre residential intensification and other new development. Through working with boroughs to align planning policy and investment in the London suburban metro network, there is potential to facilitate higher densities in sustainable locations around stations in south London.

Opportunities from London Overground improvements


The London Overground network serves several Opportunity Areas across the capital and can therefore be a catalyst for growth. Most Londoners want to move around London – rather than in and out of the centre – every day, and the London Overground supports this type of travel. London Overground train service improvements are therefore needed to support new jobs and housing throughout inner London and parts of outer London. In particular, there is an opportunity to improve 'orbital' connections to Old Oak and across west London, between Hounslow and Brent Cross – Cricklewood via the Dudding Hill line. This new West London Orbital line could potentially support the delivery of an additional 20,000 homes, as well as employment growth in west London.

Proposal 88

The Mayor, through TfL, the West London Alliance boroughs and Network Rail, will work towards the delivery of a new London Overground 'West London Orbital' line connecting Hounslow with Cricklewood and Hendon via Old Oak, Neasden and Brent Cross.

APPENDIX 2: KEY FACTS ABOUT THE LINE (as of June 2018)

- The route is technically feasible and runs for around 12 miles starting at either Brent Cross or Cricklewood before merging with existing mainline services at Acton Central and running to Hounslow. The Barnet–Acton Central stretch of line is approximately 4 miles long.
- Possible sites for new stations and stabling identified at: Brent Cross/ Cricklewood, Neasden, Harlesden, and Old Oak Common Lane. Existing stations used from Acton Central-Hounslow
- Eight trains per hour in each direction
- High Value for Money scheme with a “Benefit-Cost Ratio” (BCR) to the wider economy and society of 2.2:1.
- TfL have modelled peak three-hour demand at 3,000 passengers anti-clockwise and 2,500 passengers clockwise in 2031. This suggests that the level of **passenger demand may be able to sustain a regular four-trains-per-hour service** along the line.
- Annual operating cost c.£12m per year. Early passenger demand modelling suggests potential for this to be largely self-funding. c.£265m build cost (excluding optimism bias).
- It would drastically improve orbital travel times around West London. For example **a journey from Barnet to Park Royal (enabling a change on to CrossRail or HS2 services) would take approximately 12.5 minutes**. A trip from **Acton to Cricklewood/Brent Cross would take approximately 16.5 minutes**. A journey along the whole line from Barnet to Hounslow would take approximately 39 minutes (times the same for reverse journeys).
- It would connect town centres and regeneration areas, including the **45,000 new homes and 86,000 new jobs** that will be created at Old Oak Common, Wembley and Brent Cross, putting a greater number of jobs and homes within easy reach of one another and supporting intensification in growth areas.
- It would **remove a significant number of cars from the road, reducing congestion and improving journey times**, particularly along the A406, as the population of the capital approaches 10 million over the next 20 years.
- It would **allow passengers in outer London to access new services on Crossrail and High Speed Two** via an interchange with the Dudding Hill Line at Park Royal.
- It would help to **reduce passenger demand for central London Stations** such as Kings Cross and Paddington for orbital journeys that currently require travellers to go into central London before then travelling back out to reach their destination.

	West London Economic Prosperity Board 7 21 June 2018
Title	Local Government finance devolution
Report of	Paul Najsarek, LB Ealing
Status	Public
Urgent	No
Enclosures	None
Officer Contact Details	Luke Ward, Head of Growth, Employment and Skills, West London Alliance, wardlu@ealing.gov.uk

Summary

The Committee will be joined by Professor Tony Travers from the London School of Economics to discuss the issues and opportunities for local government associated with fiscal devolution and local economic growth. The item will commence with Professor Travers presenting to the committee, followed by an open discussion where members will have an opportunity to ask questions.

Recommendations

Leaders are asked to:

- 1) **DISCUSS** the issues raised by Professor Travers in relation to financial devolution and economic growth, and:
- 2) **IDENTIFY** any specific areas arising from the discussion that they would like to be given further consideration for future work.

1. WHY THIS REPORT IS NEEDED

- 1.1 The fiscal devolution of a range of land-based taxes, in a way that incentivises local authorities to support local economic growth, is a core part of the Government's strategic agenda. For this devolution to be successful it will be important for local authorities to demonstrate that devolved funds can be invested with greater impact

than could be achieved by central government. This discussion will support this, particularly in light of the recent London Councils-led bidding round to the Strategic Investment Business Rates Pool, which is being considered as a separate item on the Committee's agenda.

- 1.2 As well as fiscal devolution, there are a range of other opportunities and issues relating to supporting local economic success and investment that the Committee will have an opportunity to engage on with Professor Travers during the discussion.

2. REASONS FOR RECOMMENDATIONS

- 2.1 To ensure that the areas of focus for the Committee in relation to growth and fiscal devolution reflect the most current thinking, and that any opportunities to secure a successful devolution settlement for West London boroughs individually and collectively are maximised.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 n/a

4. POST DECISION IMPLEMENTATION

- 4.1 Following discussion by the Committee any areas it identifies as of particular shared interest will be developed by officers and, if necessary, returned to a future committee for consideration.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 This report relates directly to the delivery of the West London Vision for Growth, which has been agreed by the members of the West London Alliance. Specifically, it focuses on delivering the emphasis in the Vision for Growth on making the most of local government finance devolution for local communities, businesses, and councils.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 None

5.3 Social Value

- 5.3.1 n/a

5.4 Legal and Constitutional References

- 5.4.1 This work falls within the following sections of the WLEPB's Functions and Procedure Rules:

- Representing the participating local authorities in discussions and negotiations with regional bodies, national bodies and central government on matters relating to economic prosperity for the benefit of the local government areas of the participating authorities.

- Representing the participating authorities in connection with the Greater London Authority, London Councils and the London Enterprise Panel, for the benefit of the local government areas of the participating authorities, in matters relating to the economic prosperity agenda.
- Representing the participating local authorities in discussions and negotiations in relation to pan-London matters relating to economic prosperity.

5.4.2 The Joint Committee's role and purpose on behalf of the Participating Boroughs relates to ensuring appropriate, effective and formal governance is in place for the purposes of delivering the West London Vision for Growth and advancing Participating Boroughs' aspirations for greater economic prosperity in West London, including promoting "the Economic Prosperity Agenda", in partnership with employers, representatives from regional and central government, and education and skills providers.

5.4.3 The purpose of the Joint Committee will be collaboration and mutual cooperation and the fact that some functions will be discharged jointly by way of the Joint Committee does not prohibit any of the Participating Boroughs from promoting economic wellbeing in their own areas independently from the Joint Committee. The Joint Committee is not a self-standing legal entity but is part of its constituent authorities. Any legal commitment entered into pursuant of a decision of the Joint Committee must be made by all of the Participating Boroughs.

5.5 **Risk Management**

5.5.1 None

5.6 **Equalities and Diversity**

5.6.1 None

5.7 **Consultation and Engagement**

5.8 n/a

6. **BACKGROUND PAPERS**

7. NONE

	West London Economic Prosperity Board 8 21 June 2018
Title	Fiscal Devolution – Strategic Investment Pool briefing
Report of	Paul Najsarek, LB Ealing
Status	Public
Urgent	No
Enclosures	APPENDIX ONE: Business Rates briefing note from London Councils
Officer Contact Details	Luke Ward, Head of Growth, Employment and Skills, West London Alliance, wardlu@ealing.gov.uk

Summary

Between April and late May 2018, groups of boroughs were invited by the City of London Corporation and London Councils to submit growth-supporting bids to the pan-London “Strategic Investment Pool” (SIP) of devolved business rates monies, which is worth approximately £52m to London local government in 18/19 (with this round of bidding expected to be c.£40m). West London boroughs submitted three joint bids, which are summarised below, along with an outline of the process being coordinated by London Councils over the coming months. Bids are currently being evaluated and the committee will be kept up to date as the process continues over the Summer and early Autumn. An announcement on the final outcome of the bidding process is expected by October 2018.

Recommendations

Leaders are asked to:

- 1) NOTE the joint bids submitted by West London Boroughs to the SIP bidding process that is being coordinated by London Councils, and the timeline between now and expected award in bids in October 2018.
- 2) AGREE to delegate to the WLA Leaders Board the development of a joint response to the consultation on SIP allocations that is expected to be run by London Councils between 31 July and 14 September 2018 (see table on page 2), to ensure that all West London boroughs have maximum chance of securing SIP funding.

1. WHY THIS REPORT IS NEEDED

The devolution of increases in the business rates base in a way that gives local authorities a stronger incentive to facilitate local economic growth has been a key element of the lobbying work of London local government over the last few years. It was also a core recommendation of the London Finance Commission in 2013 and is included in the Committee's cross-borough growth strategy, the West London Vision for Growth. This bidding process, through the SIP one-year pilot, reflects that devolution.

2. MAIN BODY

A note outlining the way the SIP process operates, and the criteria for awarding funding are set out in the note in appendix 1. The timeline will, according to London Councils, run as follows:

ACTION	DATE
Letter from Corporation of London to pool member authorities setting out criteria, process and timetable for proposals to be submitted	Early April 2018
Proposals submitted to lead authority	31 May
Summary report by London Councils complete	25 June
Informal "Green Paper" despatched to leaders and Mayor	2 July
Congress of Leaders and the Mayor	10 July
Evaluation Complete	24 July
Lead Authority circulates evaluation report and recommendations for consultation	31 July
Consultation response deadline	14 September
Report to Leaders Committee and Mayor despatched	1 October
Leaders Committee	10 October
Lead Authority decision	October 2018

London Councils and Corporation of London (as the lead local authority) have designed three principles for allocating SIP monies:

- i. Both the Mayor and a clear majority of the boroughs would have to agree;
- ii. A clear majority of the boroughs would be defined as two-thirds of the 33 billing authorities (the 32 boroughs and the City of London Corporation), subject to the caveat that where all boroughs in a given sub-region disagreed, the decision would not be approved;
- iii. If no decisions on allocation can be reached, the available resources would be rolled forward within the pot for future consideration at the next decision-making round.

There is a presumption in the guidance that, all other things being equal, bids with wider geographical impact, will be preferred over narrower bids.

There is a high likelihood that, collectively across London, the value of bids to the SIP are greater than the SIP itself. This may mean that some bids are scaled back to

some extent. Should this happen then the exact process for negotiating this would be led by London Councils, and may occur through the “Green Paper” consultation between July and September 2018 (see recommendation 2).

The bidding process formally launched on 6 April 2018. West London boroughs have worked together to submit three bids; 1) Improving digital connectivity in “not-spot” areas, 2) West London Orbital railway Complementary Measures, and 2) Improving skills and productivity. These are summarised below:

i) Bid 1: Improving digital connectivity

The bid targets areas affected by persistently slow internet speeds - so called "not-spots"- that are also located in growth and regeneration areas.

Specifically, local public buildings including libraries, schools, public and council offices located in such slow-broadband areas would be connected directly to the super-fast fibre network from their local TfL station, which are currently being equipped with high speed fibre nodes by TfL as part of its modernisation plans. The bid was developed with significant input from TfL, the GLA and OPDC, who have written in support.

The broadband “spine” and new street cabinets installed because of these connections to public buildings will enable private providers to, for the first time, viably and competitively connect business properties in the vicinity (approximately 250 meters) of the public building. Evidence from elsewhere shows that this model can have a transformative effect on internet speeds in the areas affected, and will be linked to the proactive business growth activity by boroughs to ensure local businesses gain maximum positive impact from their faster service.

A pan-London bid to the national broadband “Challenge Fund” by the GLA is anticipated in the summer 2018, as is a bid for 5G infrastructure. If successful, this approach could allow the number of target buildings to be expanded, and for them to benefit from future 5G trials which would benefit West London boroughs.

This bid also contains a smaller amount for a “Broadband fighting fund” to enable borough highway teams to make targeted, lower-cost, interventions that result in otherwise unviable commercial investments by fibre providers becoming viable. For example, where the cost re-laying an old pavement on a street would otherwise make fibre installation commercially unviable. Physical delivery is expected to commence in Q4 18/19 and be completed within 18 months. The value of the resource bid for was £7.7m.

ii) Bid 2: West London Orbital Enabling and Complementary measures

This bid relates to the complementary and enabling measures that will be required by boroughs to ensure the delivery of maximum economic growth from the scheme and to integrate it into the new and existing communities along its length.

According to its business case, the scheme is expected to deliver £1.298bn worth of economic value and 21,500 homes across West London, as well as thousands of new jobs associated with both the construction period and the permanent new employment spaces that will be created.

TfL is committed to working towards the delivery of the core rail scheme. Boroughs on the other hand are leading on the major regeneration, job creation, and place-making activity associated with the scheme, and it is these which form the focus of the bid.

Line and station construction is estimated at £264m, which is being funded from a variety of sources that do not form part of this bid. The 21,500 homes identified will yield an estimated £200m of CIL for boroughs.

Specific examples of the categories of growth investments that the SIP will enable:

- **Physical works**, Integrating the line with the local communities and economies along its route via improved public realm, physical infrastructure, and a more attractive investment environment
- **Master planning**, done strategically and in a joined-up way through local plans, to unlock the 21,500 homes and string of new communities.
- **Leveraging match funding** through the GLA, TfL and DfT
- **Safeguarding** the land required to make the scheme a success, e.g. for new housing or station

If successful, delivery of this bid will commence in early 2019. The value of the resource bid for was £8.9m.

iii) **Bid 3: Improving Skills and Productivity**

The bid is focused on delivering a higher level of productivity for people in West London, with the goal of measurably increasing the rate of economic growth, reducing unemployment, and increasing the size of the tax base. It is fully aligned with delivering the joint West London Skills and Productivity Strategy that the Committee approved on 20 September 2017.

Specific programmes within this proposal are designed to increase productivity, reduce barriers to participation, enable progression, improve attainment levels, and to eliminate constraints in the labour market across two broad areas: Supporting individuals, and supporting businesses. These are summarised below:

1. Supporting Individuals

This will involve scaling up the evaluated and successful “Skills Escalator” programme for working families on low income, a scheme with a large overall return

on investment based on previous pilots, to enable 1,900 people to benefit from the service over a 24-month period, with delivery commencing in early 2019.

Working with the RSA and business community, we will develop an innovative “Cities of Learning” Employability Framework that will involve developing a digital platform for “open badging” and accreditation as set out in the 2017 Taylor Review.

2. Supporting Businesses

The bid proposes an expanded west-London English as a Second Language (ESOL) programme, reflecting the fact that businesses identify language barriers as one of the biggest obstacles to growth, and to tackle disadvantage and promote inclusion in the labour market.

It also proposes supporting a Park Royal Employment Hub working with Brent, Ealing, Hammersmith & Fulham, Old Oak Park Royal Development Corporation (OPDC) and West London College, matching residents of all 3 boroughs with employment and training opportunities on the Park Royal Estate.

We will build on existing successful pilots to support young people (14-19) into the labour market, providing wrap around support throughout a young person’s journey towards employment, and intervening early to reduce the number of young people becoming NEET and helping at least 150 people.

Delivery will commence in late 2018 with leadership and oversight from the West London Skills, Employment and Productivity Board. The value of the resource bid for was £3.4m.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To ensure that West London boroughs secure a proportion of the SIP resource that is in proportion to the high level of economic return associated with the three joint SIP bids outlined above.

4. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 4.1 This bidding process reflects an injection of new money into local government in London, enabling investment in growth that would otherwise be either unfunded or more difficult to fund.

5. POST DECISION IMPLEMENTATION

- 5.1 Following discussion by the Committee any areas it identifies as of particular interest will be actioned by officers, and with London Councils as required. If recommendation two is accepted officers will prepare a response to the expected SIP consultation by London Councils over Summer 2018.

6. IMPLICATIONS OF DECISION

6.1 Corporate Priorities and Performance

- 6.1.1 This report relates directly to the delivery of the West London Vision for Growth, which has been agreed by the members of the West London Alliance. Specifically, it focuses on delivering the emphasis in the Vision for Growth on making the most of local government finance devolution for local communities, businesses, and councils.

6.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 6.2.1 The SIP bids are for external resources that will be used to deliver borough shared growth and regeneration priorities. Individual boroughs will at all times decide how they would like to approach any match funding locally, and according to their internal and democratic processes.

6.3 Legal and Constitutional References

- 6.3.1 This work falls within the following sections of the WLEPB's Functions and Procedure Rules:

- Representing the participating local authorities in discussions and negotiations with regional bodies, national bodies and central government on matters relating to economic prosperity for the benefit of the local government areas of the participating authorities.
- Representing the participating authorities in connection with the Greater London Authority, London Councils and the London Enterprise Panel, for the benefit of the local government areas of the participating authorities, in matters relating to the economic prosperity agenda.
- Representing the participating local authorities in discussions and negotiations in relation to pan-London matters relating to economic prosperity.

- 6.3.2 The Joint Committee's role and purpose on behalf of the Participating Boroughs relates to ensuring appropriate, effective and formal governance is in place for the purposes of delivering the West London Vision for Growth and

advancing Participating Boroughs' aspirations for greater economic prosperity in West London, including promoting "the Economic Prosperity Agenda", in partnership with employers, representatives from regional and central government, and education and skills providers.

- 6.3.3 The purpose of the Joint Committee will be collaboration and mutual cooperation and the fact that some functions will be discharged jointly by way of the Joint Committee does not prohibit any of the Participating Boroughs from promoting economic wellbeing in their own areas independently from the Joint Committee. The Joint Committee is not a self-standing legal entity but is part of its constituent authorities. Any legal commitment entered into pursuant of a decision of the Joint Committee must be made by all of the Participating Boroughs.

6.4 Risk Management

- 6.4.1 The purpose of the SIP is to demonstrate that local government can make sensible investments in long term economic growth better than if that resource was managed by a different tier of government (e.g. central government). There is a risk that, across boroughs, this does not happen optimally and the SIP resource is simply allocated according to the relative populations of individual borough groupings.

6.5 Equalities and Diversity

- 6.5.1 None directly associated with the bids themselves. Any projects arising as a result of securing SIP resources for West London Boroughs will be assessed for equalities impacts as appropriate on a case-by-case basis.

6.6 Consultation and Engagement

- 6.7 Borough chief officers from all WLA boroughs were involved in the development of all three SIP bids.

7. BACKGROUND PAPERS

8. APPENDIX 1: BRIEFING NOTE FROM LONDON COUNCILS

London Business Rates Pilot Pool

Strategic Investment Pot

Operational principles and bidding process

Background: the commitment to strategic investment

1. Under the agreed terms of the London 100% Business Rates Retention Pilot Pool, 15% of the net financial benefit of pooling – currently estimated at c£55 million – is reserved for the Strategic Investment Pot, to be spent on projects that:
 - i. contribute to the sustainable growth of London’s economy and an increase in business rates income either directly or as a result of the wider economic benefits anticipated;
 - ii. leverage additional investment funding from other private or public sources; and
 - iii. have broad support across London government in accordance with the agreed governance process (see paragraph 5).
2. In addition, the Mayor of London is committed to spend the GLA’s share of any additional net financial benefit from the pilot on strategic investment projects. As previously agreed, decisions on the allocation of the GLA’s share will be made by the Mayor of London.
3. Overall, it is anticipated that approximately 50% of net additional benefits arising from the pilot pool will be spent on strategic investment projects.
4. The Government’s evaluation of the London pilot pool will include assessment of the extent to which this expectation is met, and the effectiveness of the collective decision-making arrangements in agreeing suitable investment projects.

Decision making arrangements for the SIP

5. As set out in the MoU, decisions regarding the Strategic Investment Pot will be taken formally by the City of London Corporation – as the Lead Authority – in consultation with all member authorities. All references to ‘Lead Authority’ in this note refer to the City of London performing that role on London Government’s collective behalf. In performing that role, as agreed in the Pilot Pool MoU, the Lead Authority’s decisions will reflect consultation principles designed to protect Mayoral, borough and sub-regional interests These are that:

- i. both the Mayor and a clear majority of the boroughs would have to agree;
 - ii. a clear majority of the boroughs would be defined as two-thirds of the 33 billing authorities (the 32 boroughs and the City of London Corporation), subject to the caveat that where all boroughs in a given sub-region disagreed, the decision would not be approved;
 - iii. if no decisions on allocation can be reached, the available resources would be rolled forward within the pot for future consideration at the next decision-making round.
6. The exact size of the fund will not be finalized until the 2018-19 accounts are closed. Two bidding and allocation rounds are therefore planned: the first in October 2018, the second following the end of the financial year. If the pilot were to be extended by agreement between the boroughs, GLA and the Government, further rounds would be arranged as appropriate.

Operating principles

7. For the SIP to succeed, within the relatively limited resources available, it will need to focus on proposals that are substantial enough to make a credible contribution to promoting economic growth, combine delivery in the short-term with longer-term investment proposals and are able to secure the necessary support across London. It is envisaged that the bidding and evaluation process should aim to identify a package of 5-10 projects addressing a range of priority issues and areas to help promote economic growth.
8. Bids are invited from boroughs or groups of boroughs and the City of London Corporation, and will be judged against the following set of **evaluation criteria**, with the evaluation seeking to identify a package of proposals that draws an appropriate balance between them:
- i. **Contribution of anticipated outputs to key economic growth priorities:** e.g. housing and planning; transport and infrastructure (including digital infrastructure); skills, employment and business support. This could be evidenced, for example, by quantification of anticipated outputs (increase in homes, commercial floor space, jobs, etc.) and by alignment with existing regional, sub-regional and local strategies.
 - ii. **The anticipated scale of economic benefit**, both in absolute terms and, where appropriate, expressed as a ratio of anticipated return to investment required.
 - iii. **The breadth of geographic impact** – with a presumption that the broader the area of impact the better. Whilst strong local bids will be considered under other criteria, there will be a preference for joint proposals, including

but not necessarily limited to those from existing sub-regional partnerships, or which apply to the whole of London.

- iv. **The scale of match funding**, both in absolute terms and expressed as a ratio of funding from other public or private sources to SIP investment required. The presumption will be that – all other things being equal – proposals that command a greater level of match funding will be preferred.
 - v. **Delivery timescales**: No strict cut-off point is proposed; however delivery timescales will be considered within the overall evaluation, with a presumption in favour of earlier completion (and therefore earlier economic returns) but ensuring an appropriate mix of recommended proposals between “oven-ready” schemes and longer-term investment projects.
9. The criteria have been identified in part because they are capable of objective evaluation. That said, a degree of judgment and interpretation may be required in some areas, and the evaluation process will need to ensure that anticipated benefits have been robustly and credibly estimated – at a level of detail commensurate with the scale and nature of the proposal.
10. Proposals that form part of a wider scheme – e.g. feasibility studies or master-planning – will require at least a strategic outline case; capital delivery schemes should be supported by a fuller business case.
11. The Lead Authority will undertake the evaluation and formulate its recommendations, supported by a panel of advisors drawn from senior finance, regeneration and service directors from the boroughs, London Councils and the GLA.

Conditions

12. The agreement with Government does not place any restrictions on the use of the Strategic Investment Pot, other than that it meets the criteria set out in paragraph 5. It will, however, be important for London Government both to ensure the most effective use of the resources available and to demonstrate to Government its ability to do so.
13. Restricting the use of funds to capital expenditure would support our ability to point to concrete outcomes from the investment. However, it could prove unnecessarily inflexible and unhelpful by, for example, limiting the ability to support enabling work for major projects such as master planning or the establishment of delivery vehicles, or investment in “non-traditional”, digital infrastructure. In order to maintain flexibility, no strict expenditure category restrictions are included in the selection criteria.

Process and timetable

14. The likely size of the fund is currently estimated at £55m, but the exact amount available will not be finalized until after the end of the financial year 2018/19. Two decision rounds are therefore anticipated, with the first allocating up to 80% of the pot (c£44m) with the final balance allocated in a second round during the following financial year.
15. The agreed decision-making process requires member boroughs and the Mayor to decide formally their response to the consultation on projects recommended by the Lead Authority. In many cases, these decisions will be delegated to officers – and therefore reasonably flexible in timing – but others may require Cabinet or Committee decisions. Adequate advance warning and a reasonable consultation window of at least a month before formal decision points are therefore required.
16. In order to facilitate proper political consideration and guidance, the timetable also allows for informal consideration of the proposals submitted by Leaders and the Mayor. A “green paper” summarising the bids submitted and an initial technical evaluation of their compliance with the criteria will be presented to the Congress of Leaders and the Mayor in July 2018 before the Lead Authority’s final recommendations are formulated and formally consulted upon.
17. The Congress of Leaders and the Mayor of London is scheduled to meet in July and February 2019. A first round decision in July 2018 would require consultation in June, evaluation in May and submission of bids during April, with limited opportunity to develop proposals or seek local political agreement in the run-up to local elections. Postponing initial decisions to February 2019 would introduce unnecessary delay and limit the ability to demonstrate London’s capacity to take collective investment decisions during the Government’s evaluation of the pilot in October.
18. The following timetable therefore provides for the first round of decisions to be taken to coincide with Leaders Committee in October 2018. For the second round required to allocate the balance of funding available after the end of the pilot year – and any future rounds, if there were agreement to extend the pilot – we would aim to time decisions to coincide with future meetings of the Congress of Leaders and the Mayor.

ACTION	DATE
Letter from Lead Authority to pool member authorities setting out criteria, process and timetable for proposals to be submitted.	Early April
Proposals submitted to Lead Authority	31 May
Summary report complete	25 June

ACTION	DATE
Informal “green paper” despatched to Leaders and Mayor	2 July
Congress of Leaders and the Mayor	10 July
Evaluation complete	24 July
Lead Authority circulates evaluation report and recommendations for consultation	31 July
Consultation response deadline	14 Sept
Report to Leaders Committee and the Mayor of London despatched	1 Oct
Leaders Committee	10 Oct
Lead Authority Decision	Oct 2018

19. In order to provide assurance to pool member authorities and to inform future funding decisions, the Lead Authority and its advisory panel will develop appropriate monitoring and evaluation arrangements for those projects supported by investment from the SIP.

	West London Economic Prosperity Board 9 21 June 2018
Title	Supporting local businesses to trade and inward investment
Report of	Paul Najsarek, LB Ealing
Status	Public
Urgent	No
Enclosures	None
Officer Contact Details	Luke Ward, Head of Growth, Employment and Skills, West London Alliance, wardlu@ealing.gov.uk

Summary

At its meeting on 21 March 2017 the Committee agreed to establish a new approach to supporting inward investment and international trade opportunities, in line with the West London Vision for Growth and with a goal of supporting local businesses and local economic growth. The approach would also encourage inward investment and international businesses to relocate to the area, generating new jobs and business rates for West London boroughs.

This service is now being delivered in partnership with White Label Creative, who have worked to create *Capital West London* in collaboration with borough officers, and which was launched in Wembley in March 2018. The service has received the support of both London & Partners and the Department for International Trade, and is now commencing delivery.

Recommendations

Leaders are asked to:

- 1) **NOTE the presentation by the Director of White Label Creative, and IDENTIFY any aspects of the service that they would like particular focus on going forward, particularly in relation to supporting local small businesses to trade abroad.**

1. WHY THIS REPORT IS NEEDED

The purpose of this item is to allow the Committee to hear from the Director of White Label Creative about the work being undertaken over the coming year and how it will

begin to deliver meaningful economic benefits for businesses and residents across West London boroughs, including:

- Value of inward investment secured for individual west London boroughs that may otherwise have gone elsewhere
- Number of small businesses supported to trade abroad
- New jobs created in West London boroughs as a result if inward investment secured.
- Increases in the Business Rates projections associated with new investments

The item follows a commissioning exercise that was undertaken during the second half of 2017 at the request of the Committee in March 2017. Following the discussion by the Committee, officers, working with White Label Creative, will incorporate the key points of members into the Capital West London work plan.

2. REASONS FOR RECOMMENDATIONS

- 2.1 This is an opportunity for the Committee to engage with and influence the direction of the Capital West London service, which is focused on delivering the shared growth and small business priorities of West London Boroughs.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 It would be possible to do less to support local businesses and inward investment, however this would result in a lower level of long term economic growth and a correspondingly smaller tax base (e.g. business rates) and lower level of job creation.

4. POST DECISION IMPLEMENTATION

- 4.1 Following discussion by the Committee, any areas it identifies as of particular shared interest will be taken forward by officers and incorporated into the Capital West London programme.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 This report relates directly to the delivery of the West London Vision for Growth, which has been agreed by the members of the West London Alliance. Specifically, it focuses on delivering the emphasis in the Vision for Growth on making the most of local government finance devolution for local communities, businesses, and councils.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 The service has an emphasis on financial sustainability and growth through membership and private-sector sponsorship e.g. from locally-based businesses, .

5.3 Social Value

- 5.3.1 The Capital West London has been designed from the outset to support businesses from all background and communities equally.

5.4 Legal and Constitutional References

- 5.4.1 This work falls within the following sections of the WLEPB's Functions and Procedure Rules:

- Representing the participating local authorities in discussions and negotiations with regional bodies, national bodies and central government on matters relating to economic prosperity for the benefit of the local government areas of the participating authorities.
- Representing the participating authorities in connection with the Greater London Authority, London Councils and the London Enterprise Panel, for the benefit of the local government areas of the participating authorities, in matters relating to the economic prosperity agenda.
- Representing the participating local authorities in discussions and negotiations in relation to pan-London matters relating to economic prosperity.

- 5.4.2 The Joint Committee's role and purpose on behalf of the Participating Boroughs relates to ensuring appropriate, effective and formal governance is in place for the purposes of delivering the West London Vision for Growth and advancing Participating Boroughs' aspirations for greater economic prosperity in West London, including promoting "the Economic Prosperity Agenda", in partnership with employers, representatives from regional and central government, and education and skills providers.

- 5.4.3 The purpose of the Joint Committee will be collaboration and mutual cooperation and the fact that some functions will be discharged jointly by way of the Joint Committee does not prohibit any of the Participating Boroughs from promoting economic wellbeing in their own areas independently from the Joint Committee. The Joint Committee is not a self-standing legal entity but is part of its constituent authorities. Any legal commitment entered into pursuant of a decision of the Joint Committee must be made by all of the Participating Boroughs.

5.5 Risk Management


- 5.5.1 None

5.6 Equalities and Diversity

- 5.6.1 None

5.7 Consultation and Engagement

- 5.8 n/a

	West London Economic Prosperity Board 10 21 June 2018
Title	Borough Housing Need Targets and the London Plan
Report of	Lucy Taylor
Status	Public
Urgent	No
Enclosures	None
Officer Contact Details	Rachel Ormerod, Head of the West London Housing Partnership, E: ormerodr@ealing.gov.uk

Summary

The Draft London Plan housing targets are for many West London boroughs more than double their existing housing targets. Whilst it is agreed that step change in the rate of housing supply is required, the early findings of the jointly commissioned West London Strategic Housing Market Assessment (SHMA) indicated that the housing targets described in the draft London Plan are not supported by a robust or defensible methodology. These initial findings fed into the West London response to draft London Plan in February this year, asking GLA to keep an open mind on the figures, particularly in view of forthcoming data from the Office for National Statistics (ONS).

This paper summarises further analysis contained in the final draft of the West London SHMA, confirming the early figures.

Members are asked to take a view on how they would like to engage with the GLA on this important issue, and whether we should be asking the GLA to reconsider the proposed housing targets in the light of new information from the ONS.

Recommendations

Leaders are asked to:

- 1) Note the analysis suggesting GLA assessed need is too high
- 2) Give a view about how best to respond from options in 1.11 below.

1. WHY THIS REPORT IS NEEDED

- 1.1 In January 2018 the West London boroughs, plus the OPDC, jointly commissioned a Strategic Housing Market Assessment for West London (netting the boroughs significant cashable savings) to identify the future need for housing up to 2041. The commission included the development of individual borough SHMAs (or updating of existing SHMAs) to feed into the West London SHMA,
- 1.2 The SHMA provides an evidence base for borough Local Plans. It does not in itself set targets, as these are a matter of policy for individual boroughs.
- 1.3 As well as informing boroughs' own Local Plans, the SHMA gives the West London boroughs useful and robust evidence with which to challenge the very high housing targets set out in the draft London Plan.
- 1.4 The Draft London Plan targets are based on the GLA's own 2017 SHMA. A key early finding of our West London SHMA, as previously reported to the EPB, was that the methodology used by the GLA to come up with their very high figures was open to question. This view was fed back to the GLA via the London Plan Consultation, and our request was that the GLA keep an open mind on the figures, pending the completion of our own SHMA and the release of new population and households size figures from the Office for National Statistics, due to be released later in the year.
- 1.5 What the Draft West London SHMA shows is that the GLA is overestimating the need for one bed roomed flats. This is because whilst there may be more single people and couples without children in London, there are not necessarily more single person households, because young people in particular are living in shared/multi-occupied housing rather than one bedroomed flats. This is likely to be due both to high rents, and to the benefit rules whereby single people under the age of 35 can only get benefit for shared accommodation.
- 1.6 The GLA's SHMA treats all single/childless couples living shared housing as being part of the 'backlog of need' for 1 bedroom flats, and since 90% of this cohort cannot afford market rents on one bed flats, the need for 1 bed affordable rented flats is extremely high according to the GLA. This is despite the fact that the GLA's own figures on 'household types' show that more people are expected to live in all-adult shared households in the future.
- 1.7 In practice, single people largely do not qualify for affordable rented housing, and the benefit rules prevent younger people from renting self contained accommodation, so *the effective* demand for 1 bed affordable and market housing is relatively low. Hence the projected increase in the number of people living in shared households.
- 1.8 The table below shows the Housing Need figures for West London based on the GLA's central population trends¹, compared to the alternative option of basing the figures on the GLA's own 'Household type' projections. The difference in the annual housing need is significantly lower when the 'housed type' trends are taken into account.

¹these don't necessarily correspond to the GLA's Draft London Plan targets for each borough, which are based on the GLA's view of what each borough can deliver to help meet London's overall need.

Figure 32: Full Objectively Assessed Need for Housing for West London 2016-41

Borough	Based on GLA Central Trends 2016-41		Based on GLA Central Trends 'Household Types' 2016-41	
	Total 2016-41	Annual 2016-41	Total 2016-41	Annual 2016-41
Barnet	76,481	3,059	49,968	1,999
Brent	47,987	1,919	30,573	1,223
Ealing	50,064	2,003	29,104	1,164
Hammersmith and Fulham	19,019	761	14,539	582
Harrow	36,921	1,477	21,691	868
Hillingdon	46,086	1,879	31,220	1,249
Hounslow	44,536	1,781	26,305	1,052
West London Total	321,994	12,879	203,408	8,137

- 1.9 In addition to this, the ONS has recently released population figures that revise trends downwards from earlier projections. This is likely to have a significant downward impact on the Government's own housing need figures for London, potentially bringing them below the GLA's proposed target for London. We would expect the GLA to take the revised ONS figures into account when setting the final housing targets for boroughs.
- 1.10 In addition to revised overall population trends, new figures on household trends are due to be released in the autumn, and again we would expect these to be taken into account by the GLA when setting targets.
- 1.11 It is proposed that WLA officers engage constructively with the GLA, to ensure that the final targets set are more in line with the projected household type trends, and that any new figures released by the ONS are taken into account'
- 1.12 That Leaders identify any additional channels to ensure that the GLA takes on board the views of the West London Boroughs

2. REASONS FOR RECOMMENDATIONS

- 2.1 It is vitally important that the targets set by the GLA for the boroughs reflect the need profile, particularly the affordable rented housing need. We have an acute need for larger (2 bed+) low cost rented housing. Given that funding for developing this type of accommodation is limited, we must ensure that the low cost rented housing we build is the housing most needed.
- 2.2 Furthermore, the expectation by the GLA that the very high proposed targets can be met by building on smaller sites is felt to be unrealistic and merely sets boroughs up to fail. We need realistic, achievable targets that meet the diverse needs of our residents.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 If West London does not engage constructively with the GLA on the targets there is the risk that boroughs will have unachievable and in appropriate targets imposed on them

4. POST DECISION IMPLEMENTATION

- 4.1 Following discussion by the Committee any areas it identifies as of particular shared interest will be developed by officers and, if necessary, returned to a future committee for consideration.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 This report relates directly to the delivery of the West London Vision for Growth, which has been agreed by the members of the West London Alliance. Specifically that housing supply doesn't act as a constraint on economic growth in West London.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 n/a

5.3 Social Value

- 5.3.1 n/a

5.4 Legal and Constitutional References

- 5.4.1 This work falls within the following sections of the WLEPB's Functions and Procedure Rules:

- Representing the participating local authorities in discussions and negotiations with regional bodies, national bodies and central government on matters relating to economic prosperity for the benefit of the local government areas of the participating authorities.
- Representing the participating authorities in connection with the Greater London Authority, London Councils and the London Enterprise Panel, for the benefit of the local government areas of the participating authorities, in matters relating to the economic prosperity agenda.
- Representing the participating local authorities in discussions and negotiations in relation to pan-London matters relating to economic prosperity.

- 5.4.2 The Joint Committee's role and purpose on behalf of the Participating Boroughs relates to ensuring appropriate, effective and formal governance is in place for the purposes of delivering the West London Vision for Growth and advancing Participating Boroughs' aspirations for greater economic prosperity in West London, including promoting "the Economic Prosperity Agenda", in partnership with employers, representatives from regional and central government, and education and skills providers.

- 5.4.3 The purpose of the Joint Committee will be collaboration and mutual cooperation and the fact that some functions will be discharged jointly by way of the Joint Committee

does not prohibit any of the Participating Boroughs from promoting economic wellbeing in their own areas independently from the Joint Committee. The Joint Committee is not a self-standing legal entity but is part of its constituent authorities. Any legal commitment entered into pursuant of a decision of the Joint Committee must be made by all of the Participating Boroughs.

5.5 **Risk Management**

5.5.1 n/a

5.6 **Equalities and Diversity**

5.6.1 None

5.7 **Consultation and Engagement**

5.8 n/a

6. **BACKGROUND PAPERS**

7. NONE



**West London Economic
Prosperity Board - Forward
Work Plan**

February 2018 – February 2019

Contact: Keith Fraser, Email: Fraserk@ealing.gov.uk, Tel: 0208 825 7497

Title of Report	Overview of decision	Report Of (<i>officer</i>)
21 February 2018		
External Speaker	To engage with the Deputy mayor for Housing and to identify areas to work together on the future.	James Murray, Deputy mayor for Housing
West London Orbital – progress report	Standing item to consider decisions, progress and next steps relating to orbital rail in West London	Amar Dave, LB Brent
London Plan Consultation	TO APPROVE subject to comments the West London response to the draft London Plan consultation, following the Deputy Mayor for Planning’s discussion with the Committee on September 2017.	Lucy Taylor, LB Ealing
West London Skills, Employment and Productivity Strategy	TO NOTE on the final strategy and action plan that has been developed in alignment with the pan-London Skills and Employment Strategy, in anticipation of the expected devolution of Adult Education budgets in Summer 2018.	Cllr Stephen Curran, LB Hounslow
Chairman’s review	TO NOTE the annual progress report of the committee and the Committee scorecard	Chairman
Economic Prosperity Board Forward Plan	To review and APPROVE by the Board	Chairman
21 June 2018		
External Speaker	Local Government Finance and supporting local economic growth	Professor Tony Travers, LSE
Orbital Rail	Standing item to consider decisions, progress and next steps relating to orbital rail in West London	Amar Dave, LB Brent, Chris Porter, TfL
Inwards Investment and business growth in West London boroughs	TO COMMENT ON the draft West London Inward Investment Strategy that has been developed	Katharine Glass, Director, White Label creative

Title of Report	Overview of decision	Report Of (<i>officer</i>)
Strategic Housing Market Assessment, and joint local planning	TO NOTE the findings of the West London joint SHMA and progress delivering a range of joint local planning products	Lucy Taylor, LB Ealing
Business Rates Devolution opportunities and priorities	TO NOTE the bids submitted to the Strategic Investment Pool in May 2018, and to identify any potential areas of focus for future bidding rounds.	Paul Najsarek, LB Ealing
Economic Prosperity Board Forward Plan	To review and APPROVE by the Board	Chairman
19 September 2018		
External Speaker	TBC – potentially Deputy Mayor for Transport	External Speaker
5G and Broadband investment opportunities	TO IDENTIFY priorities in relation to responding strategically and positively to automation and technological advancement in relation to skills, transport, communications and growth.	TBC
Orbital Rail	Standing item to consider decisions, progress and next steps relating to orbital rail in West London	Amar Dave, LB Brent
Strategic Investment Pool	TO NOTE progress with the current bidding round in relation to West London's joint Bid	Paul Najsarek, LB Ealing
Housing Infrastructure Fund	TO AGREE a bid to the Government's Housing Infrastructure Fund	TBC
Economic Prosperity Board Forward Plan	To review and APPROVE by the Board	Chairman

Title of Report	Overview of decision	Report Of (<i>officer</i>)
20 November 2018		
External Speaker	TBC	External Speaker
Orbital Rail	Standing item to consider decisions, progress and next steps relating to orbital rail in West London	Amar Dave, LB Brent
UK Industrial Strategy review	TO CONSIDER a proposal for more closely aligning the Growth, Employment and Skills programme with the priorities as set out in the Government's Industrial Strategy	
Work & Health Programme progress report	TO CONSIDER a report updating on progress delivering the devolved West London Work and Health Programme	
Economic Prosperity Board Forward Plan	To review and APPROVE by the Board	Chairman
27 February 2019 (TBC)		
External Speaker	TBC	External Speaker
Orbital Rail	Standing item to consider decisions, progress and next steps relating to orbital rail in West London	Amar Dave, LB Brent
One Public Estate (OPE)	TO AGREE next steps progressing the West London OPE programme	
Chair's Review of the Year		
Economic Prosperity Board Forward Plan	To review and APPROVE by the Board	Chairman