
REPORT FOR: CABINET

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| Date of Meeting: | 15 March 2018 |
| Subject: | Building A Better Harrow – Spring 2018 Report |
| Key Decision: | Yes |
| Responsible Officer: | Paul Nichols, Divisional Director of Regeneration and Planning |
| Portfolio Holder: | Councillor Keith Ferry, Deputy Leader and Portfolio Holder for Business, Planning and Regeneration Councillor Adam Swersky, Portfolio Holder for Finance and Commercialisation |
| Exempt: | No |
| Decision subject to Call-in: | Yes |
| Wards affected: | All |
| Enclosures: | Appendix 1: GLA Good Growth Fund Prospectus Appendix 2: Grant Agreement Template Appendix 3: EQIA |

Section 1 – Summary and Recommendations

This report is in two parts: the first provides a quarterly update to Cabinet on the progress of Harrow's Regeneration Programme, the second recommends that the Council enter into a funding agreement in respect of the GLA's Good

Growth Fund.

Recommendations:

This report seeks approval to: -

- 1) Note the progress on the Building a Better Harrow programme.
- 2) Delegate authority to the Corporate Director for Community following consultation with the Portfolio Holder for Business, Planning, and Regeneration to:
 - (a) enter into a funding agreement with the Greater London Assembly (GLA) to deliver the 4 year Good Growth Fund (GGF) Programme, (1 April 2018 – 31st March 2022), subject to Harrow Council being awarded the GGF grant – decision on the outcome of the bid from the GLA is due week commencing 5th March 2018.
 - (b) begin a procurement process to select and appoint the contractors to deliver the Project Objectives set out in the Grant Funding Agreement and to enter into contract with the selected contractors to deliver the Project Objectives.
 - (c) enter into any additional agreements with third parties, including Origin Housing and future tenants of kiosks at St John’s Road / Lyon Road square, that are necessary to deliver the Project Objectives set out in the Grant Funding Agreement.

Reason:

It is recommended that Harrow Council enters into an Agreement with the GLA to secure the GGF Grant to fund activities, which will promote business growth and regeneration in Harrow Town Centre, part of the Opportunity Area. Those activities will support the Corporate Priority To Make a Difference for Business, and the Corporate Priority to make a Difference for Communities, and the Vision of Building a Better Harrow. By providing the delegation to enter into contract with suppliers the agreed activities in the Grant Agreement can be delivered.

Section 2 – Report

Building a Better Harrow

- 2.1. The Regeneration Strategy was agreed at Cabinet in December 2014 and further developed in September 2015. Programme level funding was agreed at Cabinet in January 2017 and revised in February 2018. Quarterly updates on the Regeneration Programme have been provided to Cabinet in July 2017, September 2017 and December 2017. This report seeks to expand upon previous reports: setting out the current position and progress of the programme; reflecting on the scope, ambition and purpose of the Regeneration Strategy; and outlining next steps, future challenges and targets for the year ahead
- 2.2. The Regeneration Strategy is a wide-ranging and Council-wide programme for the future development of Harrow. It sets out an ambitious programme of investment and delivery that reflects the Council's Ambition Plan: to Build a Better Harrow; be more business-like and business friendly; and protect the most vulnerable and support families.
- 2.3. These priorities of the Regeneration Strategy, and the Council, have been distilled into a number of objectives which have been reported to Cabinet previously in September 2015, May 2016, September 2016 and throughout the programme updates to date. These are:
- 2.4. **'Building a Better Harrow' together, for today and for future generations.**
 - Developing a place the residents of Harrow can be proud of, a place that feels vibrant and exciting.
 - Developing a sense of identity for Harrow's town centres and making people feel safe and included.
 - Developing a contemporary form of the Harrow 'vernacular' architecture and design of public spaces so that in the future, Harrow develops a reputation for quality
- 2.5. **Addressing housing need, particularly for affordable housing.**
 - Accelerate the speed of housing delivery to address a London-wide and Borough-wide failure of the market to provide adequate housing supply.
 - Ensuring the Council is at the forefront of delivery, developing and delivering housing by capitalising on land assets to deliver the maximum amount of affordable housing possible.
 - Engaging with public and private sector partners to ensure all opportunities to maximise affordable housing are realised.
- 2.6. **The Council developing its own land – to meet community needs and to make better use of its own assets.**
 - Maintaining a key role in the development of the Councils assets and thus, the ability to prioritise social and physical infrastructure

associated with development and the quality of each development.

- Maximising the efficiency of sites to deliver maximum capital receipts or revenue from each site

2.7. A new initiative for the Council to build homes for private rent (in addition to social rent/affordable housing). There is a Build-to-Rent programme to develop about 600 new private rented sector (PRS) homes on Council land, for market rent.

- Enable the Council to develop a long-term and highly valuable asset that will generate revenue to support Council services year-on-year and appreciate in value.
- Enable the Council to provide a fair deal for Harrow residents in the private rented sector who may be at risk from unscrupulous landlords by providing longer term secured tenancies and high quality management.

2.8. Renewing civic, cultural and community facilities and meeting infrastructure needs through the provision of: 2 new schools, a new Central Library and a new (more efficient and smaller) Civic Centre, together with improved cultural and leisure provision.

- Recognising the importance and value of investing in social, educational, physical, cultural and leisure infrastructure
- Engaging the community in the provision of infrastructure
- Developing an evidence-based Infrastructure Delivery Plan and robust tests for the allocation of capital funding, Community Infrastructure Levy [CIL] funds and the New Homes Bonus.

2.9. Creating quality places – both through a focus on quality design in new development and through schemes to create new public squares and spaces and to improve key links and routes (such as Station Road).

- Deliver a 'step-change' in design quality through the design education initiatives, an independent Design Review Panel and updated policy and guidance.
- Developing a focus on design detail and exemplar development to initiate an active change in approach from developers seeking to invest in Harrow

2.10. Getting maximum benefit for the local economy – through the creation of new employment space and measures to develop local apprenticeships and training schemes and to build local supply chains.

- Delivering new workspace and employment targeted at a Harrow-specific market where evidence shows employment opportunities have the most traction and success.
- Promoting and reinforcing social value obligations to provide opportunities for all to access employment and training.
- Developing a programme of community-based consultation, engaging stakeholders and using local knowledge to shape the development of the borough.
- Creating new jobs, breaking down barriers to employment, tackling overcrowding and fuel poverty in our homes and working alongside other services to address health and welfare issues

- Reinforcing our commercial centres, promoting Harrow as an investment location, addressing skills shortages supporting new business start-ups and developing local supply chains through procurement

2.11. Over the course of the Regeneration Programme, it is estimated that around £1.75bn will be invested in Harrow and Wealdstone town centres, delivering the action plan for the 'Heart of Harrow'. This includes the provision of 5,500 new homes, around 3,000 new jobs, new schools and central library, a new civic centre, district heating network/CHP provision, improved infrastructure to ease congestion and an improved pedestrian environment in the town and district centres. Already, this investment is improving our town centres and acting as a beacon for future investment in Harrow.

3. Part One - Current Progress

Council-led schemes:

Council Regeneration Schemes

- 3.1. **New Civic 'the Wealdstone Project'** – A new smaller and more efficient civic centre for Harrow. The planning application was submitted ahead of schedule in December 2018 and is due at committee in March 2019. Site assembly and parking issues are being worked through and procurement of the pre-construction agreement is due to commence in February in order to meet the target of an Autumn start on site and a Council move in 2020.
- 3.2. **Poets Corner** – The flagship project in Harrow's regeneration programme, this scheme involves the delivery of almost 900 homes (including approximately 400 build-to-rent units to be retained by the Council), a new school, commercial and community space and high quality public realm. Planning submission is due in March 2018. This will be a hybrid application, with the first phase of 400 build to rent units in detail and the remainder of the site in outline. Procurement of the pre-construction agreement for the first phase is due to commence in February in order to gain the most benefit from early contractor engagement and to facilitate commencement on site by the end of the year.
- 3.3. **Byron Quarter** – This scheme will deliver up to 850 new homes (including approximately 130 build-to-rent units to be developed and retained by the Council), of various sizes and tenures over multiple phases. The scheme will also re-provide improved leisure and community facilities for the existing user groups on the site, as well as new commercial space. Discussions are ongoing about the siting of some of the blocks.
- 3.4. **Vaughan Road** – A scheme for 33 build-to-rent homes with community use and commercial workspace on the ground floor. The

preconstruction agreement has been procured with Roof Limited being the successful bidder. The project team are now working to finalise the design, ensuring that the scheme meets its financial targets before the construction contract can be entered into and work can commence; this is currently scheduled for May 2018 with completion in Autumn 2019.

- 3.5. **Wealdstone Square** – A scheme to transform the under-used public space in Wealdstone that sits between Holy Trinity Church and Subway into a new town square. Harrow Council was successful in securing a grant of £850k from the Greater London Authority under the London Regeneration Fund. The scheme is being led by the Economic Development team and the lead designers are We Made That. The scheme will support local businesses and improve the vibrancy and townscape quality of Wealdstone. The project is currently at RIBA Stage 4 (technical designs) and will undergo statutory consultation as part of a new Traffic Regulation Order required for the improvements to the site. Construction works are scheduled to commence in autumn 2018.
- 3.6. **Haslam House** – A scheme of 9 units, now intended for sale. Tenders have been received for the construction of the project and work is due to start on site in March 2018. A review of this scheme suggests it would be better to sell for a cash receipt due to the desirable location and recycled back into the programme. Current assumptions are that this scheme will be sold upon completion and the capital receipt recycled back into the programme. However, this will continue to be reviewed to ensure maximum benefit to the programme.
- 3.7. **Greenhill Way** – A scheme for mixed use residential and commercial development to support the town centre. A feasibility study has been produced showing options around high quality commercial and residential development including homes, offices, retail, hotel and leisure uses. Soft-market testing has demonstrated the opportunity to take this scheme to market through a Development Agreement, with a capital receipt to the Council upfront. The scheme will then be funded and built out by a developer.
- 3.8. **Waxwell Lane** – A scheme for 20 new homes to replace an existing car park. A planning application has been submitted and is due at committee in February 2018. It is intended that these will be homes for private sale, together with new affordable homes. Tenders have been received for the construction of the project and work is due to start on site in March 2018. A review of this scheme suggests it would be better to sell for a cash receipt due to the desirable location and recycled back into the programme. Current assumptions are that this scheme will be sold upon completion and the capital receipt recycled back into the programme. However, this will continue to be reviewed to ensure maximum benefit to the programme
- 3.9. **Roxeth Library** - aims to provide an improved library facility along with residential development. Following a Ministry of Defence objection, a review of the design has been undertaken and the council is reviewing their intentions for this site.

- 3.10. **Harrow Arts Centre** - the Regeneration Unit has been instructed by the council to engage users and community and stakeholders to progress a fresh development brief retaining cultural uses and recommend next steps whilst the centre continues to operate.
- 3.11. **District heating network** – A scheme to provide energy in an energy efficient way for a cluster of sites in Wealdstone, reducing the carbon emissions of the Borough. The scheme is progressing towards a detailed business case in early 2018 and further definition on the financial position will be reported to Cabinet in June
- 3.12. **Gayton Road** (Lexicon) – A scheme of 358 units which is being delivered by Fairview Homes under a development agreement with the Council. This will deliver 72 affordable homes and 53 build-to-rent homes to the Council through a development agreement. The first two affordable blocks are due to complete six months ahead of schedule in June and September 2018.

Housing schemes

- 3.13. **Grange Farm** – A Housing-led scheme for 574 new dwellings, with new community space and public realm to replace 272 council homes. The planning application was submitted in December with the first phase of the project in detail and the remainder in outline. The council has secured £10m of funding for this scheme from the Ministry for Housing, Communities and Local Government's Housing Infrastructure fund. The procurement route for construction will be subject to further member approval later in the year. Subject to planning, we will be taking forward direct delivery of Phase 1 comprising 89 new flats, 68 for social rent and 21 for shared ownership.
- 3.14. **Infill programme** – A Housing-led programme of development of small sites. 6 units were handed over in 2017, and all units for rent were let within the first week. Two sale units have been marketed successfully, one subject to contract and one completed. Tendering for 26 units on Chichester court is due to commence and the design work for Grove Avenue is progressing.

Estates Schemes

- 3.15. **Station Road** – a scheme to create an identity for Central Parade and Eastern Parade has realigned paving and parking to create a friendlier pedestrian environment, provided shop front enhancements, a new visual identity, new seating, created space for events, and developed a new traders partnership that has successfully hosted events.
- 3.16. **Depot redevelopment** – This project will redevelop the council's depot to consolidate and intensify the existing depot uses, making more efficient use of the space and increasing council revenue streams. Planning permission has already been granted for the installation of temporary accommodation on site to allow for the decant of existing

staff and tenants. This will facilitate the subsequent demolition of the existing buildings, with the planning application for the full redevelopment submitted on the 23rd October 2017. Commencement on site for the new development is expected in July 2018 with completion of the entire project targeted for January 2020.

Education Services Schemes

3.17. Schools Programme – Harrow is nearing completion the third phase of an extensive school expansion programme with the final scheme, Welldon Park Junior School, having started on site in month and will complete by the end of the year . The expansion programme has secured considerable investment in schools through the provision of entirely new school buildings and the development of school sites including the replacement of time served accommodation with permanent buildings, refurbishment and remodelling of existing buildings. Whitefriars School is now an all-through school with new and refurbished buildings across the school and former Harrow Teachers' Centre sites. In addition, the rebuilding of Salvatorian College is underway. All schools in close proximity to Poets Corner and Byron Quarter have been expanded and St Jérôme's Bilingual Primary School, a new free school opened in September 2016. The next phase for the school expansion programme is to monitor the impact of the regeneration programme on demand for school places. Two sites have been identified for new schools. Harrow View Primary School on the Kodak East site and space has been identified within the Civic Centre site for a new primary school

Private schemes

- 3.18. **Harrow Square** – A scheme of 318 units, a new library and public square, retail, and food & beverage space. Development is well underway on site with marketing in progress. The first phase is due for completion in summer 2018.
- 3.19. **Lyon Square (Redrow)** – A scheme of 310 units and mixed use commercial space. Development has commenced on site and initial phases are being marketed.
- 3.20. **Harrow View West (Persimmon)** – Part of the masterplan for the redevelopment of the Kodak site. Phase 1 is occupied. Planning Committee resolved to refuse a planning application for an intensification of development at the site. The Mayor will now determine whether to allow the Council to issue a decision or to 'call-in' the application for determination by the GLA.
- 3.21. **Northolt Road (Origin Housing)** – A scheme of 116 new units with 41% affordable units and new commercial space. Development has commenced on site.

- 3.22. **Harrow on the Hill Station (TfL/Redrow)** – step free access is scheduled to be provided at the station. Wider discussions continue on a potential redevelopment scheme.
- 3.23. **Palmerston Road (Origin Housing)** – A consented scheme for 186 residential units with a new workspace hub. Development has not yet commenced.
- 3.24. **Cumberland Hotel (Origin Housing)** – A 2-phase scheme for new housing and the re-provision a fit-for-purpose Victoria Hall. Following a planning Committee Resolution to approve the expanded scheme, the application for the site is currently with the Mayor of London who will decide whether the Council should approve the application or he should ‘call-in’ the application for a decision.
- 3.25. **Harrow View East (Hyde/Barratt and L&Q)** – The site of the former Kodak Factory buildings is an approved masterplan to deliver 1800 new homes, landscaped space, a care home, primary school, retail, employment and health care space. Applications for the approval of Reserved Matters for Phase A and Plot D7 have been approved. Applications for the approval of details pursuant to planning conditions are expected to be submitted shortly.
- 3.26. **Harrow School** – The Council have recently adopted a Supplementary Planning Document, in collaboration with Harrow School, to plan the future of the estate. The school is Harrow’s most well-known institution and the continued success of the school will continue to attract investment in the Borough. The school has developed plans for a new science and sports block. Planning Committee resolved to grant planning permission, but the Mayor of London ‘called-in’ the application and directed that it should be refused in January 2018.
- 3.27. **Sam Maguire Pub** - Residential planning permission granted. The site is hoarded and it is expected that development will commence shortly.
- 3.28. **Wealdstone police station** - An appeal against the refusal of planning permission has been lodged with the Planning Inspectorate and will be determined in due course

Economic Development

- 3.29. Harrow’s positive work in engaging with businesses to address low skills was highlighted by the Learning and Work Institute in the evaluation of the Skills Escalator pilot (October 2017).
- 3.30. Harrow Council was cited as an example of best practice in the Future of London’s report on “Making the Case for Place”. The report outlines how we use social value clauses in its procurement of goods and services to deliver benefits for Harrow’s residents and businesses, and how economic development support the council’s suppliers to recruit local residents and apprentices.

- 3.31. Adult Community Learning Service received a GOOD from the OFSTED inspection. The integration between ACL's learning provision and the council's employment service (Xcite) was praised.
- 3.32. £25,000 was secured from the GLA's Skills for Londoners' programme, for the "Bringing Mobile Learning into the Community" project.
- 3.33. The Harrow Means Business expo on 3rd October 2017 brought together 300 business people to the Civic Centre for a day of advice, networking and inspiration in a grand celebration of local business. The event was launched by the London Deputy Mayor for Business Rajesh Agrawal.
- 3.34. In the first three quarters of 2017/18, 239 residents had been supported into employment, 132 had been in sustained employment for 6 months or more, 67 have entered apprenticeships, and 637 businesses had been supported.

4. Risk Management

- 4.1. The Regeneration Programme is included with the Corporate Risk Register:
- 4.2. Risk 32 – New Civic Centre is not built within cost and on time. The risk rating at Qtr 2 17/18 is C2, medium likelihood and critical impact
- 4.3. Risk 33 – The Harrow Regeneration Strategy / Programme fails to deliver its core objectives and is unaffordable. The risk rating at Qtr 2 17/18 is C1, medium likelihood and catastrophic impact.
- 4.4. There is a separate risk register for the Regeneration Programme which is currently under review alongside the review and implementation of robust governance arrangements.
- 4.5. The narrative supporting the sensitivity analysis shows that a number of risks already have mitigation's built into the model. The financial model is dynamic to reflect a dynamic programme within its development period. The overall programme includes an additional 5% construction and design contingency (£13.3m in total). As the programme moves forward and designs are finalised this contingency should reduce as final costs and designs are confirmed and the contingency is re-profiled to specific construction costs or it remains unused.

5. Harrow and Wealdstone Opportunity Area Infrastructure Plan

- 5.1. Substantial work has already been undertaken to understand the infrastructure impacts of the regeneration programme and this is reflected in the programme wide community impacts model. There is

also a substantial programme of work to plan for and incorporate the necessary investment in infrastructure within the programme.

- 5.2. The Council's Infrastructure Delivery Plan reflects the overall infrastructure requirements of planned development across the borough. The Harrow and Wealdstone Area Action Plan also incorporates an Infrastructure Schedule which underpins a number of projects to secure individual elements, such as the planned primary care hub at Harrow View, schools improvements in the Wealdstone area, individual improvements to road access and upgraded leisure facilities at the Leisure Centre site.
- 5.3. In tandem with this strategic work, infrastructure is being improved across the borough, particularly within the Harrow and Wealdstone Opportunity Area. To provide some examples:
 - A programme of highways and transport improvements, largely funded by developer agreements and CIL payments linked to new development in the borough, are being undertaken. This includes a targeted study on the impacts of growth in and around Wealdstone, in order to steer that transport investment.
 - Through ongoing work with TfL, and successful lobbying, we are securing improvements to our rail and tube stations, most notably securing step free access at Harrow on the Hill.
 - The regeneration programme is delivering new and improved public spaces in our town and district centres, such as at St Anne's Road, Station Road, Wealdstone Square, Harrow Square and Lyon Square.
 - The Schools Expansion Programme has delivered the additional capacity that we need at both primary and secondary level to address the needs of our growing population. We continue to invest in growth within this sector and two sites have been identified for free schools: Harrow View Primary School within the former Kodak site and a site within Poets Corner.
 - Officers are also working closely with the Harrow CCG on their estates strategy, planning investments in improved primary care and the provision of additional GP hubs in the borough, in particular targeting needs in the Opportunity Area.
 - A programme of library improvements is ongoing, as well as the provision of the new Central Library within the Harrow Square scheme.
- 5.4. The regeneration programme is also generating funds to improve the Council's leisure facilities, open spaces and cultural facilities: such as at Headstone Manor and Lowlands Park. Work is now in progress to produce an updated Infrastructure Plan for the Harrow and Wealdstone Opportunity Area, covering the implementation period of the regeneration programme. This will consider the effect the planned

increase in population will have on demand for NHS, education and transport services, as well as refuse collection and other Council services. It will also set out potential social and economic gains including increased Council Tax receipts, CIL payments and business rate impacts, as well as employment growth and apprenticeships.

This work is programmed for completion in July 2018.

6. Financial Implications

6.1. As reported to Cabinet in February 2018 the funding for the Councils own regeneration projects is as follows:

Council Regeneration Budgets

| | 2018/19 | 2019/20 | 2020/21 | Total |
|---------------------|---------|---------|---------|---------|
| | £'000 | £'000 | £'000 | £'000 |
| Regeneration budget | 65,980 | 135,009 | -16,360 | 207,000 |

| | 2018/19 | 2019/20 | 2020/21 | Total |
|------------------------|---------|---------|---------|--------|
| | £'000 | £'000 | £'000 | £'000 |
| Total Homes for Harrow | 12,551 | 14,433 | 8,386 | 35,370 |

| | 2018/19 | 2019/20 | 2020/21 | Total |
|---------------|---------|---------|---------|-------|
| | £'000 | £'000 | £'000 | £'000 |
| Total Schools | 3,150 | 4,125 | - | 7,275 |

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | Total |
|----------------------------------|---------|---------|---------|---------|--------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Depot capital budget | 5,260 | 13,110 | 5,830 | - | 24,200 |
| Depot income financing (revenue) | 68 | 239 | 246 | 681 | 1,234 |

7. Legal Implications

- 7.1. The Council has a range of powers to progress the Building a Better Harrow programme, including the general power of competence provisions of Section 1 of the Localism Act 2011. In entering into disposal, appropriation and acquisition arrangements, the Council is also relying upon its powers to deal with land contained in the Local Government Act 1972, the Housing Act 1985 and the Town & Country Planning Act 1990.

8. Part 2 - Good Growth Fund

- 8.1. This report informs Cabinet of the Council's bid to the GLA for £485,000 from the Good Growth Fund. The Funding will be used to deliver the Council's Vision of Building a Better Harrow by (a) the provision of a Pop-Up Test Trade Restaurant and business support services, delivering the Corporate Priority to Make a Difference for Local Businesses, and (b) the provision of a new public space for community activities, delivering the Corporate Priority to Make a Difference for Communities.

9. Options considered

- 9.1. The following were considered:

1). Bid for money from the Good Growth Fund to secure funding to support the delivery of the Council's Core Strategy and Regeneration Strategy by creating a new public space in Harrow Town Centre and creating opportunities for businesses to scale up. These interventions will increase the local economic benefits for communities and business.

Or

2). Do nothing to secure additional funds to support Harrow Council's Regeneration objectives.

10. Background

- 10.1. The Good Growth Fund is the Mayor of London's new regeneration programme from April 2018 to March 2022, delivered through the London Economic Action Partnership (LEAP).
- 10.2. The Good Growth Fund is open to a broad range of public, private and third-sector organisations that wish to drive and lead regeneration in their local area.
- 10.3. The Good Growth Fund has been designed to support three strategic themes: Empowering People, Making Better Places and Growing Prosperity.

- 10.4. The focus of our application is to create a Pop-Up Test Trade Restaurant and a new public square on St John's Road/Lyon Road with a number of kiosks that will be used to activate the space

11. Current situation

- 11.1. Harrow Town Centre has been identified by the Council and the Mayor as a priority area for regeneration and is designated as part of the Opportunity Area in the Harrow Core Strategy.

12. Why a change is needed

- 12.1. Our project aims to create opportunities for small businesses to scale up, create new workspace, address issues created by demographic change and a 60% increase in new homes (Between 2011 and 2023) in Harrow Town Centre's Greenhill Ward. Specifically, it will help create a sense of community and identity with the town centre, and create a space to address social isolation.
- 12.2. It will do so by transforming an underused space in Harrow Town Centre into a multi-function public space, and provide a restaurant / kitchen on the adjacent Cumberland Hotel development to enable businesses to test trade and grow their businesses in an A3 restaurant in one of London's 12 Metropolitan Town Centres.
- 12.3. In the 2015 Index of Multiple Deprivation Greenhill was shown to contain the most deprived LSOA's for Outdoor Living the most deprived ward for health and disability. The Square seeks to address this and will reflect the views of our consultation exercises and provide a space for play, relaxation, and markets.
- 12.4. The Square will enliven this part of the town centre. It will include permanent kiosk pods to bring a mix of new commercial opportunities for businesses as well as exhibition space, to attract shoppers to an area where footfall is relative low compared to the heart of the Town Centre. It will link with the proposals for commercial space with Origin Housing's and Redrow's developments.

13. Implications of the Recommendation

Resources, costs

- 13.1. The £485,000 GLA grant is being matched by:
Section 106 money from Redrow (developers of Lyon Square – the s106 will contribute towards the new Square),
Private sector match from Origin (developer of the former Cumberland Hotel site – subsidised rent match-funding will be provided), and
Neighbourhood Community Infrastructure Levy (NCIL – this will contribute towards LBH officer time).

Breakdown as follows

| Activity | Funding |
|---|--|
| Intensify scale-up restaurant workspace usage at the former Cumberland Hotel site by creating a new Pop Up Test Trade Restaurant on the ground floor for restaurateurs to test their menus. | GLA £207,500 Capital, Origin £127,500 subsidised rent, Harrow Council £37,500 (Officer time), Total - £372,500 |
| Creating a “town square”, engaging community and business in design process and housing kiosks on the site. | GLA £277,500 Capital, Section 106 from Redrow £450,000, Harrow Council £37,500 (Officer time) Total - £765,000 |

Staffing/workforce

13.2. Two staff will support the delivery of the Programme, an Economic Development Officer (Grant funded), and a Project Support Officer (funded allocated through NCIL).

Performance Issues

13.3. The following KPI's will be delivered

- 1,510 sq m improved public realm
- 116 sq m of commercial business space created including pop up restaurant and kiosk pods
- 60 new jobs created
- 20% increase in footfall

Environmental Implications

13.4. The GGF programme is part of an integrated plan for the Heart of Harrow and links to the borough's food strategy and public realm strategy. The architects commissioned will be briefed to incorporate the use of trees and green measures on the site and will be encouraged to ensure that the scheme reduces the volume of surface water flow rates.

13.5. Materials for the fit out of the restaurant, Public Square and kiosks will be prioritised from local suppliers.

13.6. The ingredients used by restaurateurs will also be prioritised from local sources and the relevant quality standards for markets will form part of the commissions for the market operator to obtain.

Risk Management Implications – Good Growth Fund

Risk included on Directorate risk register? No

Separate risk register in place? Yes

| Council | | | |
|--|-------------------|---------------|---|
| Main risk | Likelihood | Impact | How manage/contingency |
| Increased demand for maintenance against reduced budgets. | L | H | Public realm improvements will be designed to minimise ongoing costs. |
| Implications if targets, milestones are not met. | L | L | The Grant Funding Agreement is not performance related; there will be no claw back of funds. Funding is paid on the completion of milestones. The milestones relate to agreed activities. If those activities do not take place, the council will not incur any spend, nor will it draw down any resources. |
| Implications for health and safety, in terms of does it increase risk to any party (employee, resident, business or other) by agreeing the decision. | L | H | Detailed design principles will be to minimise risk |

Legal Implications – Good Growth Fund

The Council has statutory powers to enter into the GLA Grant Funding Agreement and the related funding Agreements, including under The Localism Act 2011 and section 111 of the Local Government Act 1972, and Section 106 of the Town and Country Planning Act 1990 (as amended)

The Council must comply with the terms and conditions of the Grant Funding Agreement and must only use the funding for the Project Objectives as defined in the Grant Agreement otherwise the funding will potentially be subject to clawback. Where necessary, the council will require robust agreements with third parties who are delivering the Project Objectives, to ensure ongoing compliance with the funding terms.

The Council's legal team will support the procurement process and advise on the contracting arrangements to ensure robust legal and commercial protection for the Council.

Financial Implications – Good Growth Fund

The bid of the Good Growth Fund allocates £485,000 of capital grant for the Council over four years from 2018/19. This will be used to deliver two capital projects detailed in the original bid.

- Pop Up Test Trade Restaurant. The total estimated capital costs for refurbishing the site to convert it to a restaurant workspace for

restaurateurs are £207,500. This will be met from the GLA GGF grant. The total estimated revenue costs are £165,000. This will be met from £127,500 private contribution from Origin through subsidised rent and £37,500 LBH officer time through NCIL.

- Lyon Road Public Square. The total estimated capital costs for creating a new public space are £727,500. These will be met from GLA GGF (£227,500) and S106 funding (£450,000). The total estimated revenue costs are £37,500; this is for LBH officer time and will be met through NCIL.

These projects were presented as part of the Capital Programme to Cabinet at their February 2018 meeting for approval to be included as part of the Capital Programme.

Equalities implications / Public Sector Equality Duty

An EqIA has been carried out: it has not identified any potential for unlawful conduct or disproportionate impact and all opportunities to advance equality of opportunity are being addressed.

14. Council Priorities

14.1. Building a Better Harrow

The Council's regeneration programme for the delivery of new homes, creation of new jobs, commercial workspaces and high quality town centres will create the places and opportunities that residents deserve and make a difference to the borough and to residents' health and quality of life.

14.2. Protecting the Most Vulnerable and Supporting Families

The Council's aim is to make sure that those least able to look after themselves are properly cared for, safeguarded from abuse and neglect and given access to opportunities to improve their quality of life, health and well-being.

14.3. Being more Business-like and Business Friendly

The Council aims to support local businesses and enable them to benefit from local economic growth, develop its own commercial ventures and help residents gain new skills to improve employment opportunities.

14.4. Through regeneration we will deliver the Council's aim to make a difference for:

- Communities, by providing new homes and jobs, vibrant town centres and an enhanced transport infrastructure and energy network;

- Business, by providing new commercial workspace, support to access markets, advice and finance;
- Vulnerable residents, by providing access to opportunities, reducing fuel poverty and designing out crime; and
- Families, by providing new family homes, expanded schools and renewing Harrow's estates.

14.5. The goals of Harrow's Regeneration Strategy are to:

- Meet the demands of a growing population
- Build on the skills base of Harrow's residents to support sustainable business growth
- Deliver more jobs and homes to meet targets agreed with the Mayor
- Increase Harrow's accessibility to an increasing customer base
- Provide an environment which promotes physical activity and healthy living
- Achieve a step change in the quality of design and development.

Good Growth Fund

14.6. If adopted the recommendation will support the Council's vision of:

Working Together to Make a Difference for Harrow and Building a Better Harrow.

It will do so by providing a new improved offer in Harrow Town Centre through the creation of a Town Square and by supporting the creation of affordable scale-up restaurant space. In doing so it will also support the Council's priorities of

- Making a difference for communities, by providing a space for community events
- Making a difference for local businesses, providing workspace for scale-up businesses in the food sector
- Making a difference for families, by providing a space for events which families can enjoy.

15. Statutory Officer Clearance

Name: Dawn Calvert

Chief Financial Officer

Date: 6 March 2018

Name: Matthew Adams

on behalf of the
Monitoring Officer

Date: 5 March 2018

Ward Councillors notified:

**NO, as it impacts on all
Wards**

EqIA carried out:

YES

EqIA cleared by:

J.Morgan – DETG Chair,
People Directorate
Alex Dewsnap – DETG
Chair, Resources and
Commercial Directorate

16. Contact Details and Background Papers

Contact: Peter Wright, Interim Specialist (Programmes), 020
8424 1519, peter.wright@harrow.gov.uk

Background Papers:

Appendix 1: GLA Good Growth Fund Prospectus -

https://www.london.gov.uk/sites/default/files/good_growth_fund_prospectus.pdf

Appendix 2: Grant Agreement Template -

https://www.london.gov.uk/sites/default/files/ggf_grantagreementtemplate.pdf

Appendix 3: EQIA – Appendix 3 – see enclosure

**Call-In Waived by the
Chair of Overview and
Scrutiny Committee**

NOT APPLICABLE

[Call-in applies]