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Outer London Fund Round 2 Evaluation

A Final Report by
Regeneris Consulting

December 2015

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Executive Summary

- i. Regeneris Consulting was appointed in 2013 to undertake a formative evaluation of Round 2 of the Mayor's Outer London Fund (OLF).
- ii. This report provides the final evaluation of the programme. The evaluation builds on the findings of the interim evaluation (autumn 2013), detailed analysis of programme performance data and consultation and engagement with those involved in delivering the programme and its composite projects.

The Outer London Fund

- iii. The OLF was announced by the Mayor in spring 2011 with the objective of strengthening the vibrancy and growth of outer London's high streets and their environs.
- iv. The £50m fund was to be distributed over two rounds, with delivery of the first round taking place over the course of the 2011-12 financial year and delivery of the second round taking place over a two year period from 2012 to 2014.
- v. Round Two has seen 25 projects delivered across London – these are mapped overleaf. The programme had a total budget of £34.3m, of which 88% was capital funding. Anticipated programme value rose to £57.8m when match funding at the project level was taken into account.

Context

- vi. The development and delivery of the OLF programme came at a time of increasing policy focus on town centres at the national and regional levels and an increasing focus on outer London by the Mayor of London.
- vii. Key London policy documents, including the London Plan, highlight the importance of London's town centres both in terms of quality of place and the overall economic contribution that they make. Despite this, London town centres have been experiencing multiple challenges in recent years (as has been the case with town centre throughout the UK); there was evidence that these challenges were impacting adversely on town centre vibrancy and vitality.
- viii. A report by the Outer London Commission published in June 2010 highlighted a need for partnership working and imaginative measures to enhance the quality of outer London's town centres and their offers. The OLF was developed partly in response to this, with an aim of taking forward the recommendations set out in the report.

Interventions

- ix. A key characteristic of OLF R2 was the design and delivery of interventions which were tailored to the unique and specific conditions of each location.
- x. Despite this, the interventions delivered can broadly be summarised under the following categories:

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- Public realm improvements – comprising a range of interventions including efforts to reimagine town centre space (e.g. reducing car access, creating new public spaces and providing infrastructure for markets) and efforts to improve the town centre environment (e.g. repaving, planting trees, improving the layout and quality of street furniture)
 - Wayfinding and signage – including installation of Legible London signs and more bespoke signage at town centre gateways
 - Shopfront improvements – a range of approaches to improve the appearance of building frontages / shopfronts
 - Other physical interventions – a range of other interventions including building or refurbishing structures, the provision of public art and community safety initiatives
 - Revenue interventions – a broad range of revenue interventions to support capital works, including programmes of events, marketing initiatives, targeted support for town centre businesses and efforts to support new forms of town centre management (e.g. traders associations, town teams and Business Improvement Districts).
- xiii. Within the GLA, responsibility for the OLF sat with the regeneration team. A central **programme team** oversaw the overall delivery of the programme including designing the structure and process of how the programme was to be managed and delivered, providing strategic input into the delivery of the programme (including an additional layer of quality control), and monitoring delivery progress. GLA **project leads** had day to day responsibility for working with the 25 project delivery partners to ensure the successful design and delivery of each project in line with the agreed programme and the original approval. GLA Project Leads were allocated projects on a geographical basis and (with the exception of a number of changes in staffing) worked with these for the duration of delivery.

OLF Round 2 Logic Chain

A logic chain for the programme is set out on page iv. This summarises the context and rationale for the programme, aims and objectives, delivery mechanisms and intended results and outcomes.

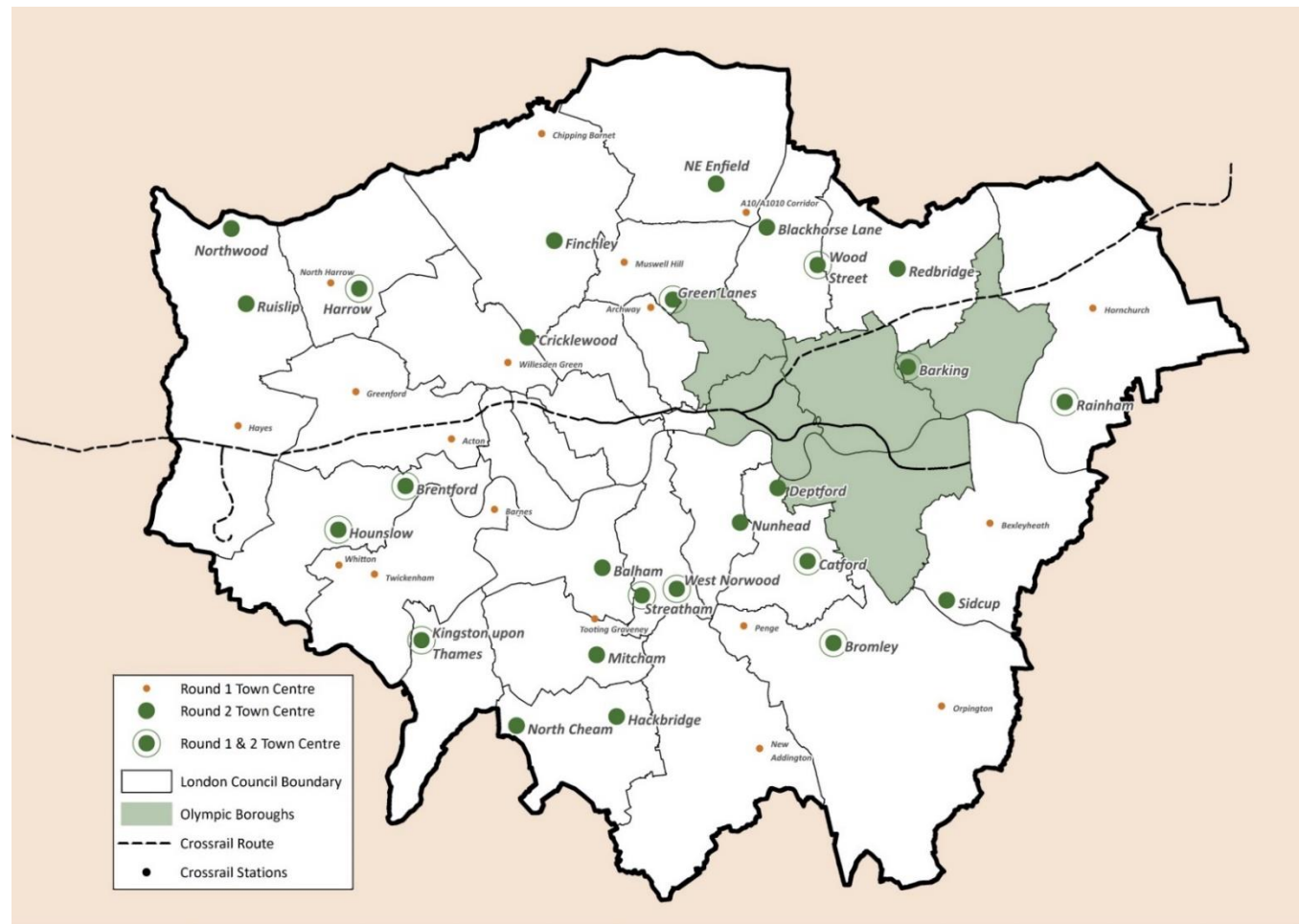
The logic chain has provided a framework for the final evaluation against which to judge programme success and achievements.

Delivery Mechanism

- xi. The OLF programme was developed, funded and administered by the GLA for the Mayor of London.
- xii. Projects were largely delivered by London Boroughs, although in a small number of instances delivery was led by third party organisations.

Outer London Fund Round 2 Evaluation

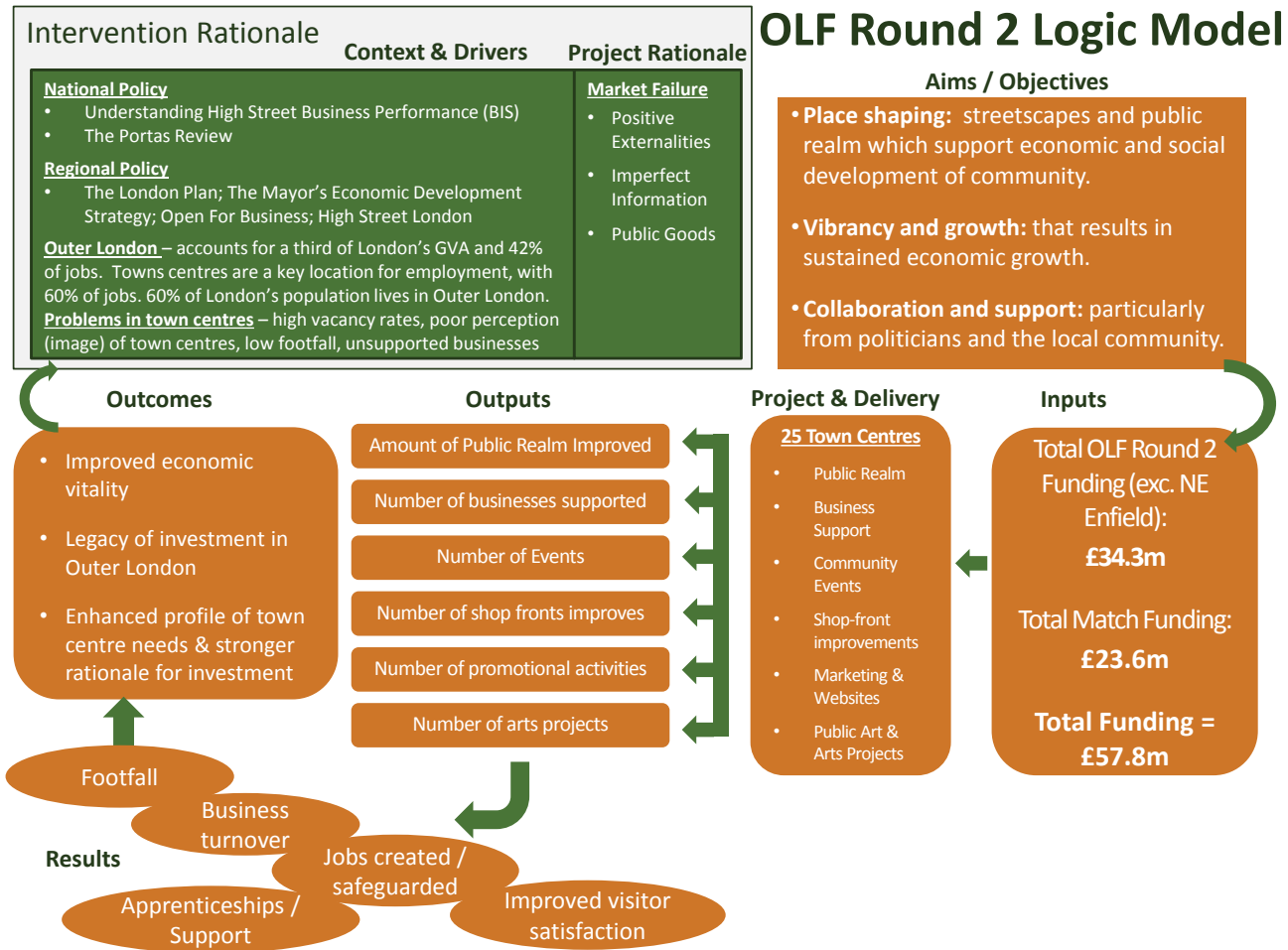
Location of Town Centres who have received funding from the Outer London Fund Round 1 and 2



Note: The North East Enfield project has subsequently been re-classified as a High Street Fund project, outside the OLF R2 programme

Source: Regeneris Consulting

OLF 2 Programme Logic Chain



Source: Regeneris Consulting

Delivery Performance

- xiv. Programme level monitoring data provides a headline overview of the performance of the programme.

Delivery Timescales

- xv. At the inception of the programme in 2012, a two year delivery period was anticipated, with all projects to be completed by March 2014. However, 13 of the 25 projects which received OLF Round 2 funding over-ran, with claims made into the 2014/15 financial year. The most significant overruns were Balham, Green Lanes, Brentford, Harrow, Blackhorse Lane, Hounslow and Rainham, all of which had more than 30% of spend in the final year.

- xvi. Commonly cited reasons for delays (and over-runs) to projects include initial delays in getting grant agreements signed, lengthy processes getting third party agreements in place, engineering problems during the construction of public realm projects, difficulty engaging local stakeholders, resource challenges for councils, and inexperience of councils in managing large-scale capital projects.

Spending Performance

- xvii. The majority of the budgeted OLF R2 pot has been spent – £33.7m (98% of the total budget available). This is expected to rise to £34.0m (99%) when an outstanding claim has been made by Catford. As noted previously, OLF R2 focused primarily on capital projects – at inception, 88% of the programme budget was allocated as capital spend.

In summer 2015 the programmes' match funding total stood at £23.9m (101% of the match originally anticipated). A number of projects have secured higher levels of match than previously anticipated – in some cases this reflects project overspend, but in other cases this reflects additional funding levered in to deliver over and above the original scope of works.

Aggregated Spend on OLF Programme – Original Budget

Funding Type	Budget	Spend	Variance
OLF Funding	£34.3m	£33.7m	-£0.6m**
Match Funding	£23.6m	£23.9m	£0.3m
Total	£57.8m	£57.6m	-£0.2m

*Note: North East Enfield project has been re-categorised as a High Street Fund project and so has now been excluded from OLF programme level monitoring.

**Note: .Programme underspend expected to be closer to £0.3m when Catford final claim is made.

Source: GLA Monitoring Data

Programme Deliverables

- xviii. Key programme deliverables are summarised in the table below. The table shows that the programme has delivered nearly 130,000m² of improved public realm, 70 wayfinding and signage improvements and over 500 shopfront interventions. The programme has also helped to support a large number of events and has helped to support town centre management structures in a number of town centres.

- xix. It should be noted that this data has been aggregated for illustrative purposes only: in many case, projects have categorised / defined their deliverables in different ways and as such the absolute numbers are indicative and should be treated with caution.

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Summary of Programme Deliverables*		
Public Realm	Area of public realm improved	127,600m2
	New or refurbished community space	2,600m2
	Road junctions improved	20
	Pocket parks established	2
	Number of street trees planted	360
	New way finding and other signs installed	70
	Number of bicycle storage spaces provided	20
Buildings	High street frontages improved	510
	Community floorspace created or improved	2,570m2
	Commercial floor space created or improved	800m2
Events	Public events delivered (directly supported)	140**
Business Support	Business support advise sessions, workshops	840
	Young people receiving support / training	640
Management	Business Assoc. established or supported	5
	Town Teams created	4

*Absolute numbers are indicative and should be treated with caution

**Note: This increases to over 800 when events *facilitated* by OLF funding are taken into account

Source: GLA Monitoring Data

Programme Results

- xx. A core objective of OLF R2 was that the interventions would result in economic uplift in the areas targeted by investment.
- xxi. All projects were asked to measure economic uplift via reference to eight economic uplift indicators identified by the GLA during the Grant Agreement process. There are a number caveats regarding the quality of the data subsequently collected by the projects. This

reflects the fact that a range of different approaches have been taken to monitoring performance, some of which appear more robust than others. That said, at headline level there is evidence that programme delivery is starting to impact positively on town centre performance:

- Increasing footfall – 22 of the projects have reported against this indicator to date, and of these 19 have reported improvements in performance
- Town centre vacancy – 20 town centres have reported against this indicator to date and 18 of these have reported an improvement in performance
- Visitor satisfaction – 17 projects have reported against this indicator to date and 15 of these have reported an improvement in performance.

xxii. In addition to the above non-aggregable impacts, projects have reported on a number of indicators which are aggregable at the programme level:

- Taking results figures produced by projects at facing value, nearly 1,100 **jobs have been created or secured**, around 810 **young people have received support** and around 60 young people have been helped into **apprenticeships**.
- While there has been strong over performance in terms of jobs created and young people receiving support, the programme has underperformed in terms of jobs secured. This largely reflects the target setting process – for example, a number of projects (including Balham and Barkingside) misunderstood the definition of this indicator and set jobs secured targets which were unachievable.

Outer London Fund Round 2 Evaluation

Aggregated Project Results - UNADJUSTED		
	Final Target (adjusted from Table 2.2 reflecting 'in-programme' changes)	Achieved (aggregated local results, as reported by projects)
Jobs Created	530	790
Jobs Secured	1,670 (770 exc Balham & Barkingside outliers)	290
<i>Jobs Created and Secured</i>	<i>2,200</i>	<i>1,080</i>
Young People Receiving Support	450	810
Young People in Apprenticeships	60	60 (25 exc. Hillingdon results)**

*Note: All numbers rounded to the nearest 10

**Note: There is some uncertainty over the degree to which the Ruislip Manor and Northwood Hills apprenticeships can be attributed to OLF.

Source: GLA Monitoring Data

- xxiii. It is important to note that the timing of the evaluation means that many of the schemes have only recently finished delivery. As such, this is only an initial estimate results: it would be expected that further impacts will accrue once the schemes have had more of a chance to bed in.

Programme Impacts and Value for Money

- xxiv. The results described above suggest that many of the projects have delivered *local* economic uplift. However, further analysis is necessary to understand the extent to which this local uplift translates into net positive economic uplift *across London*.

- xxv. Given the caveats regarding the consistency and robustness of the results information provided by local authorities, it has been necessary to make significant adjustments to the data in order to estimate net impact across London. Adjustments include the extrapolation of results for projects where data was not provided, adjustment of results where data was deemed unreliable, and further adjustment to take into account additionality across London (i.e. taking into account leakage, displacement, and deadweight).
- xxvi. *Given these caveats in the quality and consistency of the data available, it should be noted that our analysis is intended as a high level estimate of economic impact and value for money rather than a full and robust assessment.*
- xxvii. Once adjustments have been made to the data, we estimate gross results of around 1,200 jobs created and secured (compared to the unadjusted figure of around 1,100). Once additionality adjustments have been applied, we estimate a net London level impact of around 240 jobs created or secured. We estimate that this equates to a net economic impact of around £8.5m per annum to the London economy.

Estimated Employment Impact

		FTE Employment		
		Created	Secured	Total
Gross Results	Project result data	790	290	1,080
	Extrapolated results	660	560	1,210
	Additional results	520	370	890
Net Impact	Net employment impact	140	100	240

Note: All figures rounded to nearest 10

Source: Regeneris Consulting, 2015

xxviii. The above information on impacts and guidance from the HCA¹ on the likely persistence of impacts have been used to estimate value for money of the programme: we estimate a return on investment of £1.28 for every £1 invested in the project. *Again, given the above caveats, these figures are provided for indicative purposes and should be treated with caution.* However, at headline level this is a positive finding: while research on the economic benefits of public realm investment is patchy, research in CLG’s “Valuing the Benefits of Regeneration” suggests an average return of around £1 for every £1 invested in public realm projects.

Overall Programme Performance

xxix. The evaluation finds that the programme has delivered well against its funding criteria, with evidence that the programme has demonstrated strong strategic fit and additionality, is starting to result in tangible economic uplift in London town centres and has helped to stimulate and strengthen partnership working across London.

xxx. The evaluation highlights a number of achievements and barriers to achievement, along with lessons to take forward for future funding programmes:

Key Achievements

xxxi. The evaluation has highlighted a number of key achievements of the programme:

- **Generating momentum across London** – there is evidence that the OLF programme through Rounds 1 and 2 has stimulated significant regeneration activity and momentum across London which would not have taken place in the absence of the programme. There is evidence that this is starting to result in positive economic uplift within the town centres benefiting from funding and that there is a clear physical, economic and strategic legacy locally but also at the London level
- **Ambition and quality of delivery** – the ambition and quality of delivery has been cited as a major achievement both at the programme level, but also at the level of the individual project. This reflects both the scale of delivery (in terms of the funding package and number of individual projects) but also the design of the programme. The GLA placed focus throughout on ensuring that responses were tailored to reflect local conditions / needs; ensuring high standards through design and delivery; and providing flexibility to adapt / revise planned interventions where necessary. The place based approach of the GLA has been key in this, with each project given detailed and tailored support within the framework of the GLA’s area teams

¹ Estimating Cost per Job: Best Practice Note, HCA, 2015

- **Town centre vitality and vibrancy** – in many instances it is too early to ascertain the full impacts of the OLF programme; this will take time to emerge and measure. However, early indications suggest that the programme has helped town centres to improve performance – there is evidence across the town centres that the interventions have resulted in improvements in town centre image and perceptions and that this is starting to translate into economic uplift benefits (as evidenced by increased visitor satisfaction and footfall, and decreasing vacancy, and employment results).
- **Strategic added value** – the programme has also resulted in a strong level of strategic added value. This has represented itself in terms of improved levels of partnership working (both between the GLA and family and local authorities, but also between local authorities and more local stakeholders). In generating regeneration momentum, the programme has also raised the profile of town centre needs and the benefit of investment, which will help local authorities to better make the case for future intervention. This strategic legacy is an important achievement of the programme, as it will help to perpetuate the legacy of specific OLF projects even where additional financial investment is not anticipated.
- **Building capacity across London** – research suggests that the OLF programme (across both funding rounds) has helped to build design and delivery capacity across London. This is particularly the case in terms of capacity for delivery within local authorities, but also within the GLA which has enhanced its body of expertise on approaches to town centre regeneration along with its understanding of local regeneration / economic development aspirations and objectives. The OLF programme has also helped to build the

capacity of a range of external organisations – particularly the case in terms of the numerous design consultancies which have been involved in the programme.

Delivery Weaknesses / Barriers

- xxxii. The evaluation has also identified a number of barriers – both external and internal – which have impacted on delivery. These include:
- **Project design and set up** – there are a number of aspects of programme and project design which have acted as barriers to achievement. These include the extent to which projects were delivery ready and the complexity of some of the projects. Both of these factors impacted on the ability of projects to deliver within the planned 2 year programme timescale.
 - **Project management** – projects came up against a number of project management challenges throughout the course of delivery. These included resource constraints (particularly in cases where OLF funding was not used to procure specialist project management), turnover in staff impacting on project management consistency (both at councils and the GLA), skills challenges (with some councils having a lack of prior experience in the design and delivery of complex capital schemes) and procurement challenges (in a number of cases projects were bound by internal procurement procedures, such as the use of term contractors, which evidence suggests impacted adversely on the quality of delivery and value for money).

- **Project delivery** – a number of barriers were experienced during the project delivery process, including external engineering complexities impacting on delivery timescales, difficulties working with / engaging external partners (particularly where permissions were being sought for use of land / buildings to undertake work) and the length of construction works (resulting in extended periods of disruption in town centres)
- **Monitoring and evaluation** – while all projects were required to monitor performance against economic uplift targets and to complete project self-evaluations, in general it appears that this is an area where projects have encountered difficulties. Difficulties were experienced in the setting of realistic targets at project inception, in the monitoring process and in the final self-evaluation process. This largely appears to be a resource issue, with projects not allocating the necessary resource to undertake these exercises. This has impacted on the ability of projects to robustly demonstrate their impact and could also impact on the extent to which delivery lessons and knowledge are retained going forward.

Lessons Learnt

- xxxiii. The research has identified a number of learning points for future delivery:
- **Structure of programme** – a number of lessons have been learnt regarding overall programme structure, most notably regarding delivery timescales (a need for a detailed and realistic assessment of project complexity and deliverability within the context of programme timescales) and the

importance of selecting projects which have strong strategic fit and a clearly evidenced rationale for intervention

- **The interventions** – lessons learnt regarding the delivery of the interventions themselves include the importance of flexibility in project delivery to allow responses to be tailored to local conditions; the value of engaging with a broad spectrum of town centre stakeholders; the increasing value attached to the development of strong and sustainable town centre management structures; the important role that high quality design and delivery can play in raising standards and aspirations; and the importance of ‘future-proofing’ interventions so benefits are sustainable in the long term.
- **Delivery activities** – lessons learnt regarding delivery activity include the importance of ensuring projects have a realistic project management plan in place at inception to mitigate against resource constraint risks; the importance of ensuring that appropriate skills and expertise are available throughout the design and delivery process; the valuable role that strong governance structures can play in providing strategic oversight; and the important role that strong procurement processes can play in ensuring both quality and value for money within the design and delivery process.
- **Administrative activities** – the evaluation has highlighted the important role that project management stability can play in ensuring a smooth and consistent delivery process. The evaluation has also highlighted the importance of strong structures being put in place to monitor performance – this includes work upfront to establish baseline characteristics (informing the intervention rationale), a realistic approach to target setting (linked to a actionable plan for monitoring

performance against these), and a greater focus at the project level on evaluation (as a way of learning lessons and retaining knowledge). Given the long term focus of many of the interventions, the evaluation has also highlighted the importance of ongoing monitoring to track impact over time.

delivery of a number of successor and complementary programmes, including the High Street Fund (delivery 2015-2016) and the London Regeneration Fund (delivery starting 2016).

Legacy

- xxxiv. There is evidence that OLF has resulted in a tangible and demonstrable legacy, both at the level of individual projects, but also at the programme level.
- xxxv. At the project level, the most tangible legacy of OLF is its physical legacy: the capital focus of the programme has meant that substantial physical enhancements have been delivered across all 25 projects which are helping to sustain and enhance town centre vitality. Perhaps just as importantly delivery has also resulted in strategic legacy: this is particularly the case where delivery has helped to support town centre management structures, but is also the case more generally in terms of enhanced levels of engagement and partnership working between key town centre stakeholders and improved organisational capacity for future town centre delivery.
- xxxvi. At the programme level, the legacy of the OLF is already being realised via the ongoing commitment of the Mayor of London and the GLA to improving London's high streets. OLF has built the capacity and expertise of the GLA's Regeneration Team and directly contributed to a growing body of research and evidence regarding the overarching benefits of town centre regeneration, and knowledge regarding the most effective types of intervention and efficient forms of delivery. Since OLF delivery ended, the GLA has drawn upon this bank of evidence to inform the development and

1. Introduction

- 1.1 Regeneris Consulting was appointed in 2013 to undertake a formative evaluation of Round 2 of the Mayor's Outer London Fund (OLF).

The Outer London Fund

The Outer London Fund (OLF) was announced by the Mayor in spring 2011 with the objective of strengthening the vibrancy and growth of outer London's high streets and their environs.

The £50m fund was to be distributed over two rounds, with delivery of the first round taking place over the course of the 2011-12 financial year and delivery of the second round taking place over a two year period from 2012 to 2014.

Delivered largely by local authorities (working in close partnership with the GLA), the OLF has seen investment in a range of interventions including public realm and wayfinding enhancements, business support activities, events and marketing activities.

Evaluation Purpose

- 1.2 The purpose of this evaluation is to assess the overall performance of *round two*² of the OLF in terms of delivery processes and impacts, and to provide information on lessons learnt and 'what works' to inform future delivery.
- 1.3 The evaluation has included the following work stages and outputs:

- **Interim programme evaluation** – as part of the formative evaluation process, a detailed review of delivery progress was undertaken in 2013. This provided initial feedback on programme performance and recommendations to inform the final year of delivery. *Output: Interim evaluation of the OLF R2 Programme submitted to the GLA in autumn 2013.*
- **Ongoing guidance to OLF R2 projects** – part of the commission was to provide ongoing advice and guidance to each OLF R2 project as they formulated their monitoring and self-evaluation plans. The objective was to ensure consistency in reporting across the programme. *Output: a formal guidance document on project monitoring and evaluation, a running programme of surgery sessions with delivery teams, and written feedback on emerging monitoring and evaluation plans put forward by individual projects.*
- **Final programme evaluation** – reporting on final programme performance in terms of delivery and impacts, and providing lessons for future funding programmes. *Output: final evaluation of the programme contained within this report.*

Evaluation Approach

- 1.4 Our approach to carrying out the interim and final evaluations has been based on the following stages of work:
- **Review of key background documents** – The OLF Round 2 prospectus and the Outer London Commission report have been reviewed amongst other key documents which have informed the development and delivery of the Outer London

² A previous report (September 2012) evaluated the impact resulting from OLF round one.

Fund programme. These have informed a logic chain against which the progress of the programme can be assessed.

- **Stakeholder interviews.** We have spoken to key stakeholders involved in programme development and delivery of OLF Round 2 to understand its performance against the intended objectives. This has included individuals at the GLA (both the programme team and project leads), local authorities and 3rd party organisations (e.g. consultants involved in design and delivery). A list of consultees is included in Appendix A.
- **Review of programme data.** A review of programme related information gathered over the course of delivery by the GLA, including grant agreements and data on spend and outputs.
- **Review of project self-evaluations.** As specified in their Grant Agreements, all OLF R2 projects were required to produce project self-evaluations at the point of delivery completion. Review of these and synthesis of findings has formed a key part of research for the programme level evaluation.
- **Case study analysis** – an in-depth review of nine case study projects to understand performance and impacts. This has included discussions with local authorities, GLA Project Leads and detailed review of background information and supporting statistical evidence. Findings from the case studies are incorporated throughout this report.

- Chapter 5: Programme performance: outputs and impacts
- Chapter 6: Effectiveness of delivery
- Chapter 7: Programme achievements and legacy
- Chapter 8: Conclusions: achievements and lessons learnt.

Report Contents

1.5 This report sets out overarching findings, structured as follows:

- Chapter 3: Project Background and Rationale
- Chapter 4: Programme performance: timescales and funding

2. Programme Overview

2.1 The OLF was set up in 2011 as a programme targeted at enhancing place shaping activity and delivering economic benefits across outer London's town centres. Delivery has been via two funding rounds:

- **Round one:** ran from June 2011 to March 2012, with £10 million was allocated across 30 projects. The focus was on projects which could make a visible (if in some cases temporary) contribution to the vibrancy and self-confidence of high streets. Round 1 projects were largely revenue-based due to the limited time life of the project.
- **Round two:** commenced in April 2012 and was contracted for completion by March 2014. A total of 23 places originally received OLF funding, totalling £31.6m. At a later stage a number of the Mayor's Special Projects were included under the OLF banner, increasing the total to 26 project and funding of £36.2 million. However, one of the OLF R2 projects, North East Enfield, was latterly re-categorised as a High Street Fund project, reducing the OLF R2 budget to £34.3 million across 25 projects³. Under Round 2, the balance shifted towards more substantial physical projects that could deliver lasting improvements: reflecting this, there was a greater focus on capital funding than was the case with Round 1, with delivery over a longer period (2 years).

2.2 This chapter introduces the projects delivered under OLF Round 2.

³ This evaluation focuses on this group of 25 projects, although the delivery experience of NE Enfield has also been taken in to account and is referred to where relevant.

Programme Aims and Objectives

- 2.3 The main **objective** of the Outer London Fund was to: *“strengthen the vibrancy and growth of high streets and their environs”*. Proposals were encouraged which demonstrated *“a holistic approach to making better places, which unlocked barriers to growth and created economic uplift and which celebrated and improved the quality of local life by supporting the thriving hearts of London’s diverse places”*.
- 2.4 Bids were required to meet **five key criteria** as summarised below.

Table 2-1 Bid criteria for the Outer London Fund

Criteria	Description
Geographic Suitability	<ul style="list-style-type: none"> • Focus on places benefiting less directly from Crossrail, the 2012 Olympic investment and other strategic infrastructure and regeneration projects. • Places should <i>mostly</i> be in outer London, not within the immediate catchment of a Crossrail station and not in one of the top Olympic-benefiting boroughs.
Deliverability	<ul style="list-style-type: none"> • Ready to go and deliver within the timeframes. • Clarity about outcomes; well-planned timetables for achieving short & medium term deliverables. • Sufficient delivery capability & understanding of risks.
Vibrancy and growth	<ul style="list-style-type: none"> • Proposed actions should promote the place as a business location, site for residential growth and a focus for the local community. • Anticipated contribution by retail, leisure, culture and arts sectors to balanced growth.

	<ul style="list-style-type: none"> Evidence of the potential for business and residential growth and real economic benefit that can be moved forward in a way that enhances the place and can be achieved at modest public cost.
Place shaping	<ul style="list-style-type: none"> Proposed actions should help shape a better place & be co-ordinated with other change taking place. The place shaping process should enhance assets, take advantage of opportunities for well-designed developments & overcome site specific challenges. Actions should improve the quality of the place in a way that can boost its cultural and economic vibrancy. Innovative projects and approaches to be encouraged, particularly those capable of replication
Collaboration and support	<ul style="list-style-type: none"> Good level of political and community momentum behind enhancing the place and the proposed actions should aim to cater for and provide benefits to various segments of the community. Any informal or formal partnership arrangements for delivery should be evident and it should be clear how these are adding value. Strategic partnerships that address issues caused by administrative and sector boundaries are encouraged. Projects should be willing to collaborate both locally and with the Mayoral organisations, as well as others.

2.6 The map below show the town centres which received funding as part of the OLF programme, with those receiving funding in Round 2 highlighted in green.

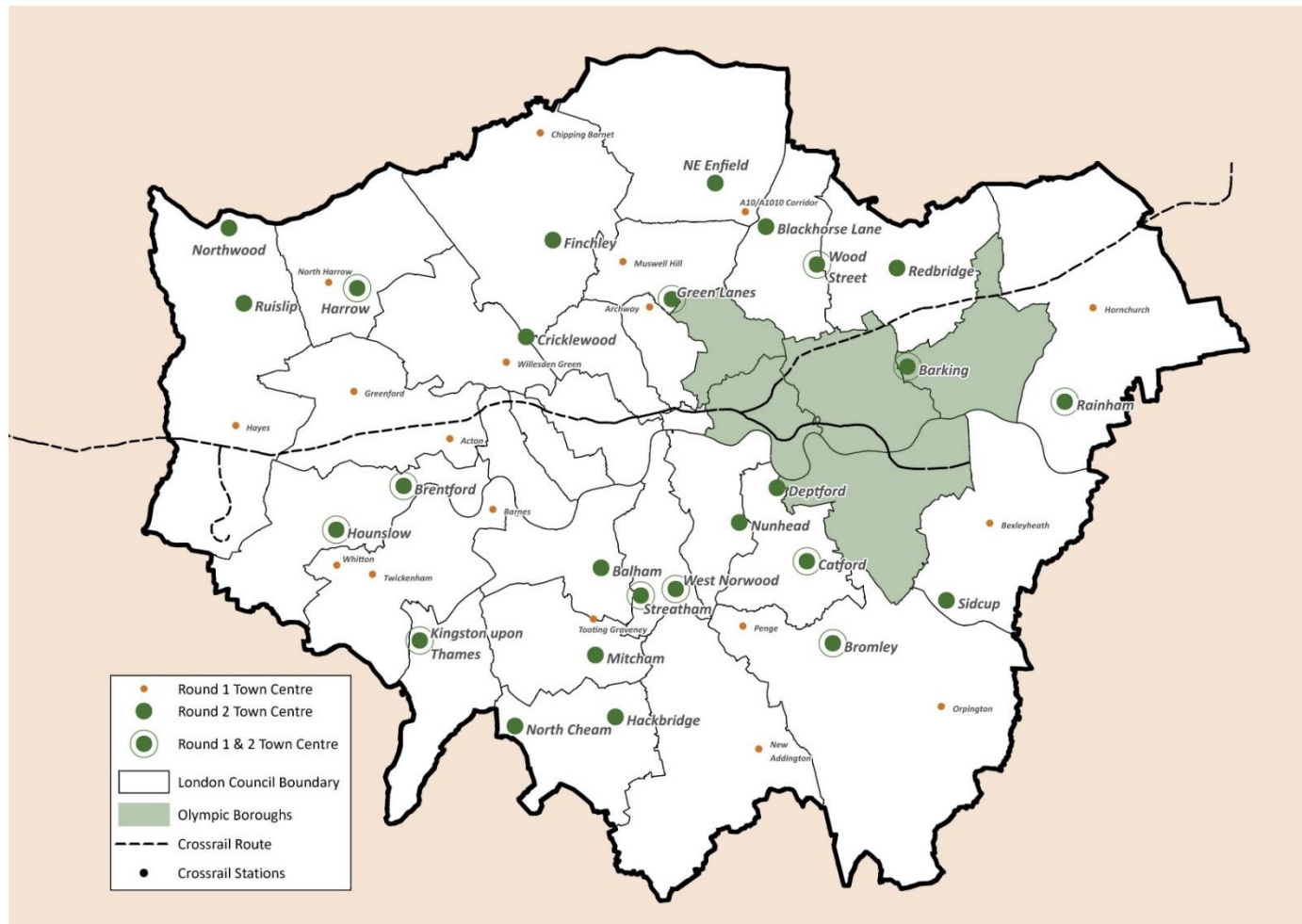
2.7 There is a fairly even distribution across the whole of outer London and also in the north and south, with 14 town centres north of the River Thames and 12 projects south of the River Thames. There is a similarly good distribution across the east and west.

2.8 Projects were selected for a mix of town centres: ranging from very small shopping parades (e.g. Hackbridge) to large metropolitan centres (e.g. Bromley, Hounslow, Harrow).

Projects Awarded Funding

2.5 The OLF Programme was delivered in town centres all over outer London, with a particular focus on town centres that had not benefitted from investment in the 2012 Olympics, Crossrail and other strategic infrastructure and regeneration projects.

Figure 2.1 Location of Town Centres who have received funding from the Outer London Fund Round 1 and 2



Note: The North East Enfield project has subsequently been re-classified as a High Street Fund project, outside the OLF R2 programme

Source: Regeneris Consulting

Outer London Fund Round 2 Evaluation

Table 2.1 Summary of Projects Delivered

Town Centre	Lead Borough	OLF Value (Total)	Capital Funding				Revenue Funding	
			Public Realm	Physical Structures	Shop fronts	Wayfinding & Signage	Events & marketing	Business Support
Balham	LB Wandsworth	£1.44m (£1.95m)						
Barking	LB Barking & Dag.	£1.35m (£1.93m)						
Barkingside	LB Redbridge	£1.93m (£2.31m)						
Blackhorse Lane	LB Waltham Forest	£1.07m (£1.39m)						
Brentford	LB Hounslow	£1.01m (£2.08m)						
Bromley	LB Bromley	£2.00m (£5.08m)						
Catford	LB Lewisham	£1.49m (£2.09m)						
Cricklewood	LB Barnet	£1.68m (£2.27m)						
Deptford	LB Lewisham	£1.51m (£2.21m)						
Green Lanes	LB Haringey	£1.78m (£2.12m)						
Hackbridge	LB Sutton *Led by BioRegional	£0.83m (£3.32m)						
Harrow	LB Harrow	£1.76m (£2.75m)						
Hounslow	LB Hounslow	£2.00m (£2.75m)						
Kingston	LB Kingston	£2.01m (£4.06m)						
Mitcham	LB Merton	£0.71m (£1.55m)						
N.Cheam, W.Park	LB Sutton	£1.18m (£1.91m)						
North Finchley	LB Barnet	£1.07m (£1.45m)						
Northwood Hills	LB Hillingdon	£1.33m (£2.30m)						
Nunhead	LB Southwark	£0.44m (£0.96m)						
Rainham	LB Havering	£0.90m (£2.72m)						
Ruislip	LB Hillingdon	£1.40m (£2.30m)						
Sidcup	LB Bexley	£1.18m (£1.85m)						
Streatham	LB Lambeth	£1.62m (£4.26m)						
West Norwood	LB Lambeth	£1.28m (£1.54m)						
Wood Street	LB Waltham Forest	£1.51m (£1.96m)						

*Note: While included in this table, the NE Enfield project was later reclassified as a High Street Fund project, outside the OLF R2 programme.

Type of Interventions

2.9 A wide range of activities and interventions were delivered as part of OLF Round 2. These can be broadly grouped as capital and revenue-based projects. OLF Round 2 has a greater emphasis on capital projects, following on from Round 1, which focused more on revenue projects.

It should be noted that while this section provides an overview of the types of projects delivered, interventions were in all instances **tailored to the unique and specific conditions of each location.**

Capital Projects

Public Realm

2.10 Public realm projects, generally aim to make town centres a more inviting place for shoppers, encouraging higher footfall and therefore higher retail spend. They include a wide range of improvements including improvements to public space and road infrastructure.

Intervention	Description	Example
Creating / reimagining public space	Improvements to public space, including providing space / infrastructure for markets / events, reducing car access and creating new squares	<ul style="list-style-type: none"> • Barking • Kingston • Wood Street • Catford
Improvements to public realm	Includes renewal and improvement of the streetscene such as repaving streets and decluttering.	<ul style="list-style-type: none"> • Balham • Deptford • Northwood Hills

Improving town centre environment	Includes new trees, street furniture and lighting	<ul style="list-style-type: none"> • Hounslow • Brentford • Mitcham
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Wayfinding and Signage

2.11 Wayfinding and signage projects help to improve the accessibility of town centres for pedestrians.

Intervention	Description	Example
Legible London	An easy to use signage system, rolled out across London.	<ul style="list-style-type: none"> • Bromley • Harrow • Hounslow
Bespoke Signage	Bespoke signage at town centre entry points or at key public spaces	<ul style="list-style-type: none"> • Cricklewood • Bromley • Barking

Shopfront Improvements

2.12 A range of shopfront / shop unit interventions have been delivered via OLF, according to a range of different models. The main objective is to improve the appearance of old shop fronts (with benefits for both business recipients and the overall quality of the town centre) and to try to bring vacant units back into use.

Intervention	Description	Example
Building frontage improvements	Improving the appearance of shop fronts (whole shopfronts, signage, or shutters)	<ul style="list-style-type: none"> • Barking • Green Lanes • Mitcham
Empty shops Initiatives	Redevelopment of empty (and derelict) shops, and	<ul style="list-style-type: none"> • Northwood Hills

	providing affordable rents for new businesses	
Pop-up shops / meanwhile uses	Meanwhile uses to provide flexible space for SMEs and to bring vacant spaces back into uses.	<ul style="list-style-type: none"> • Sidcup

Other Physical Interventions

2.13 Other capital projects that have been undertaken as part of OLF Round 2 funding include:

Intervention	Description	Example
Building or refurbishing structures	Building new structures or refurbished existing structures to help serve business and/or community needs	<ul style="list-style-type: none"> • Enfield Business Centre • Harrow • Rainham
Markets	Projects to refurbish / restore existing markets or to provide infrastructure for new markets.	<ul style="list-style-type: none"> • Kingston • Hounslow
Public Art	Public art projects as a mechanism to enhance the environment, engage local communities and arts groups.	<ul style="list-style-type: none"> • Barking • Balham • Wood Street
Community Safety Interventions	Community safety interventions such as the installation of ALERT boxes, to allow people to report crimes and gain assistance.	<ul style="list-style-type: none"> • Nunhead

Revenue Projects

2.14 While OLF R2 placed a focus on capital investments, most projects included a small amount of revenue funding. This was used in a number of ways.

Events and Marketing

2.15 The most common use of revenue funding has been to support the delivery of programmes of events, ranging from local cultural / arts festivals to major events of regional significance (e.g the Queens' visit to Bromley). In addition, a range of smaller scale marketing activities have also been delivered.

Intervention	Description	Example Project
Events	Festivals or programmes of events to encourage higher footfall in town centres	<ul style="list-style-type: none"> • Barking • NE Enfield • Hounslow • Kingston
Websites	Creating websites to advertise businesses and events in town centres	<ul style="list-style-type: none"> • Sidcup • Wood Street
Visual Merchandising	Encouraging businesses to create more inventive floor plan designs to increase sales	<ul style="list-style-type: none"> • Barkingside • Hackbridge • Northwood Hills
Welcome / promotion strategies	Information leaflets offering visitors greater information on the town centre; shop local schemes	<ul style="list-style-type: none"> • Barking • Kingston • Cricklewood • Northwood Hills

Business Support

2.16 Alongside events, a common use of revenue funding has been for business support activities, often targeted at small independent retailers.

Intervention	Description	Example
Business Support	Providing direct support to town centre businesses ranging from basic advice on business administration to more targeted advice on adapting businesses to changing markets; more general business networking; and events	<ul style="list-style-type: none"> • Bromley • Mitcham • Sidcup • Hackbridge • Streatham
Training	Providing training opportunities for young people / business owners to support enterprise and transition into employment.	<ul style="list-style-type: none"> • Ruislip Manor
Business Directory	The establishment of a directory with all businesses within a town centre to improve awareness	<ul style="list-style-type: none"> • Blackhorse Lane

Town Centre Management

2.17 A number of projects have also used OLF funding to develop town centre management structures, according to two main models:

Intervention	Description	Example
Business Improvement District (BID)	Development of formal, levy raising BIDs, with responsibility for business representation, town centre management and investment	<ul style="list-style-type: none"> • Harrow
Town Teams	Development of new town teams to enhance town centre management, with representation from local authorities, businesses, community and landlords.	<ul style="list-style-type: none"> • Cricklewood • North Finchley
Business Associations	Developing or strengthening of local business associations or forums	<ul style="list-style-type: none"> • Barking • Balham • NE Enfield

Delivery Mechanisms

2.18 The lead organisation for the OLF programme was the GLA, with London Boroughs largely taking the lead on the delivery of individual projects:

Programme Administration

2.19 The OLF programme was developed, funded and administered by the GLA for the Mayor of London. Within the GLA, responsibility for the OLF sat with the regeneration team, with a two tier approach taken to the management and delivery of the programme:

- **Programme team:** the programme team comprised two key project officers and one additional member of staff providing administrative support. The team was responsible for overall

programme management – including designing the structure and process of how the programme was to be managed and delivered, providing strategic input into the delivery of the programme (including an additional layer of quality control), and monitoring delivery progress (including spend and outputs).

- **Project Leads:** day to day responsibility for the OLF projects was spread across eight GLA Project Leads. The roles of these staff members was to work with project delivery partners to ensure the successful design and delivery of each project in line with the agreed programme and the original approval. On a day to day basis this comprised a range of responsibilities including (but not limited to): ensuring quality design standards; managing risks (and escalating these where necessary); ensuring delivery reflected agreed budgets and outputs; procurement oversight; managing changes to approved design / delivery (if applicable); identifying opportunities where additional added value could be achieved; and ensuring appropriate exit plans / forward strategies were in place for projects.

2.20 In addition, there was senior / strategic level input at various junctures throughout delivery. This was particularly the case in terms of design, with close involvement in the programme from the Mayor’s Design Advisory Panel (via its Project Review Group).

The GLA’s Focus on Place

At the heart of the GLA’s approach to the delivery of the programme was a focus on place. Project Leads were allocated projects on a geographical basis and (with the exception of a number of changes in staffing) worked with these for the duration of delivery. Project Leads sat within the GLA’s Area Team, headed up by a number of Area Managers, who had overall responsibility for overseeing delivery across London’s composite sub-regions.

This place based focus was specifically designed to ensure that working relationships with the London Boroughs (and wider partners) was informed by a strong understanding of the local socio-economic and strategic context.

2.21 *More detail on the activities of the programme team and Project Leads is provided in Chapter 6.*

Project Delivery

2.22 As highlighted by Table 2.1, project delivery was largely led by the London Boroughs. The main exception to this rule was the Hackbridge project, where an external organisation (BioRegional) acted as the lead.

2.23 Within London Boroughs, responsibility for delivery varied from project to project, but typically drew in involvement from a number of departments, from economic development and regeneration teams to highways / transportation and arts and culture teams. In a number of instances (including Green Lanes and Kingston), day to day delivery activities were sub-contracted to external organisations (although the London Borough remained the lead organisation ultimately responsibility for delivery).

The Specialist Assistance Team

- 2.24 As would be expected given the nature of the interventions external consultancies played an important role in supporting the London Boroughs with the delivery of their projects.
- 2.25 To assist with the process of identifying and procuring suitable organisations, the GLA established the Specialist Assistance Team (SAT) – an advisory consultant resource providing advice to recipients of OLF (and other GLA funding streams such as MRF) on all aspects of project delivery. The SAT comprised a panel of fifty organisations offering a comprehensive range of skills from design and delivery to monitoring and evaluation. Each project was allocated up to 4 half days’ worth of free advice / guidance from SAT consultants of their choice.
- 2.26 The aim of the SAT panel was to provide advice to OLF recipients in areas of expertise that the GLA, local authorities and partner organisations did not have. As such, the support was targeted at ensuring that GLA money was spent as effectively as possible.

The GLAs’ role in influencing good design

As highlighted by the above, high quality design was a key objective for the GLA running throughout the delivery of the programme.

This reflected Mayoral objectives (as demonstrated by the involvement of MDAG) and the strong focus on quality design within the GLA’s regeneration team.

Project and Programme Outcomes

- 2.27 The GLA asked that projects monitored performance via a series of output and result indicators; aggregation of these project level

indicators provided programme level targets against which to assess performance.

Deliverables

- 2.28 Projects were contracted to perform against a number of indicators which summarised physical aspects of delivery. These varied by project but included:

- Area of public realm improved (m2)
- Number of shop fronts improved
- Number of business/ enterprises supported
- Number of wayfinding installations / signs
- Number of events delivered.

Economic Results and Outcomes

- 2.29 A core objective of OLF R2 was that the interventions would result in economic uplift in the areas targeted by investment.
- 2.30 In order to assess this, the GLA required all OLF Round 2 projects to measure uplift against either some or all of eight economic uplift indicators (which were a mix of outputs and results). Targets for performance against these economic uplift indicators were agreed individually by OLF projects at Grant Agreement stage and formed part of the formal contracts.
- 2.31 The eight economic uplift indicators are set out below. The table identifies four uplift indicators which are considered particularly important (jobs created, jobs secured, support for young people and apprenticeships) – these are indicators which tie in with core Mayoral

objectives and which can be aggregated across all projects to demonstrate the programme level impact of OLF Round 2.

	Project Target? (of 25 projects)	Programme Level Target?
1. Jobs Created *Key Indicator	✓ (23 projects)	✓ (560)
2. Jobs Secured *Key Indicator	✓ (18 projects)	✓ (1,700)
3. Business Turnover	✓ (14 projects)	✗
4. Visitor Satisfaction	✓ (22 projects)	✗
5. Footfall	✓ (22 projects)	✗
6. Vacancy Rates	✓ (23 projects)	✗
7. Young people receiving support / training *Key Indicator	✓ (17 projects)	✓ (430)
8. Young people in apprenticeships *Key Indicator	✓ (18 projects)	✓ (50)

*Note: All numbers rounded to nearest 10

**Note: Table excludes North East Enfield

Source: GLA Monitoring Data

these was to tell the story of project delivery, including challenges faced, achievements, lessons learnt and project legacy.

2.34 The self-evaluation was also an opportunity for projects to report on performance quantitatively, particularly in terms of performance against the uplift indicators agreed with the GLA at inception.

2.32 Ultimate outcomes from OLF Round 2 were expected to reflect the programme aims and objectives, with improvements in the performance of outer London’s town centres and a strategic legacy in terms of raising the profile of the importance of town centre vitality at both at the regional and local levels.

Measuring Project Performance

2.33 As part of their Grant Agreements, OLF R2 projects were required to provide a self-evaluation at project completion. The objective of

3. Programme Background and Rationale

3.1 In evaluating any programme of investment, it is important to first establish and understand the basis and rationale on which the investment is grounded. This section examines in detail the context through which the OLF programme was conceived and delivered.

Socio-Economic Context

3.2 There was no formal geographic boundary for the OLF programme. However, as noted at paragraph 2.3, OLF bidding guidance stated that projects should *mostly* be in outer London.

3.3 Outer London (defined by the London Government Act 1963 as comprising the 20 boroughs outside central London) plays an integral role in the economy of London as a whole:

- **A significant contributor to London's GVA.** Outer London's Gross Value Added represented around a third of London's total GVA in 2007 (at over £80 billion). Outer London's GVA also represents more than half (54%) that of the "home counties" as a whole. There are significant variations across outer London however, with the west and north-west sub-regions accounting for 47%, the east and north east accounting for 27%, and outer south London accounting for a further 26% of outer London's GVA.
- **A significant contributor to London's jobs.** Employment in outer London in 2007 represented 42% of all jobs in London, with 1.97 million people working in these boroughs.

- **Steady employment growth:** Over time, employment growth in outer London has been relatively slow, but steady. Although dated, employment trends for the period 2001 to 2007 showed that employment in outer London grew by circa 0.1% (1,900 jobs) per annum. As with GVA, employment growth across outer London was mixed. Five outer London boroughs experienced higher average growth than both London and inner London. Four had an average employment growth greater than outer London's average, one borough had an average growth below London's average but was still positive, whereas nine boroughs experienced employment decline. To some extent the variation in growth rates reflects the state of industries located in the different boroughs.
- **Population growth:** Outer London is home to around 60% of London's population (4.6 million people). The 1990s saw a sharp increase in the population within outer London, reflecting a "historical" exodus from inner to outer London.

3.4 London has a complex pattern of town centres, all of which are highly diverse given that they perform a different function according to the community and area that they serve. There are five broad types of town centres within London: International (West End and Knightsbridge), Metropolitan (13 town centres), Major (34 town centres), District (over 100 town centres), Neighbourhood/Local Centres. The Central Activity Zone covers a large area of Central London.

3.5 The 2013 London Town Centre Health Check Analysis Report, (Mayor of London, 2014), provided a snapshot of the health of over 200 of London's town centres using a selection of strategic health check indicators. The Health Check analysis found that town centres across London had experienced a challenging time between 2007 and 2012 (partly evidenced by increasing vacancy levels) as a result of a tough

economic climate and the emergence of longer-term structural challenges arising from reduced levels of growth in consumer expenditure and the expansion of internet/multi-channel retailing.

- 3.6 Despite these challenges, there is evidence that London's town centres are beginning to adapt with a pronounced shift towards more-leisure oriented functions, particularly cafes and restaurants, alongside retail, office, residential and civic and community functions.

Policy Context

- 3.7 The development and delivery of the OLF programme came at a time of increasing policy focus on town centres at the national and regional levels and an increasing focus on outer London by the Mayor of London.

National Policy

- 3.8 While the context of London's town centres is very different from that across the rest of the country (reflecting not just the economic dynamics of the city but also London's complex and dense town centre network), it is worth noting that recent years have seen an increasing policy emphasis on town centres at the national level.
- 3.9 The BIS report Understanding High Street Performance⁴ highlighted the challenges facing UK town centres. Between 1998 and 2009 Great Britain's population grew by 3.3 million, resulting in an increase of about £10 billion comparison spend annually. Town centres however,

failed to benefit from this with around 15,000 town centre stores closing down between 2000 and 2009, with estimates of a further 10,000 losses from 2009 to 2011. As this suggests, vacancy rates in town centres increased significantly in the period after the recession in 2008. At the same time, challenges facing independent businesses (including commercial rent and business rates) and the growth of multiples have impacted adversely on town centre identity and diversity.

- 3.10 In response to this context, the Coalition Government (2010-2015) commissioned Mary Portas to undertake an independent review into the future of the UK's High Streets⁵. The report outlined the challenges facing high streets and set out a number of recommendations focusing on town centre management mechanisms (town teams and BIDs), regulatory issues (e.g. parking and regulation of market traders), financial issues (focusing on rent and business rates) and planning (to give more protection to certain uses). In response, between 2011 and 2013, the government provided funding for 27 'Portas Pilots' and 333 Town Team Partners to test different approaches to revitalising the high street⁶.

Regional Policy

- 3.11 At the London level, the development of the OLF was directly influenced by a number of policy documents. Key policy documents including the Mayor's Economic Development Strategy and the London Plan, highlight the importance of London's town centres both in terms of quality of place and overall economic performance.

⁴ Understanding High Street Performance, Department for Business, Innovation and Skills, 2011

⁵ The Portas Review: An independent review into the future of our high streets, Mary Portas, 2011

⁶ The Future of High Streets: Progress Since the Portas review, HM Government, 2013

- 3.12 Perhaps more significantly, a report by the Outer London Commission published in June 2010 highlighted a need for partnership working and imaginative measures to enhance the quality of town centres and their offers. The OLF was developed partly in response to this, with an aim of taking forward the recommendations set out in the report.
- 3.13 These policy documents are set out in more detail overleaf.

Table 3.1 Regional Policy Context

Policy Document	Content
The London Plan: Spatial Development Strategy for Greater London Mayor of London, July 2011	<ul style="list-style-type: none"> • The London Plan argues that the quality of public realm influences and affects people's quality of life. One of the major quality of life issues in the Plan is protecting and enhancing what is distinctive about neighbourhoods while securing that a sense of place and belonging prevail. • One of its objectives is to have diverse, strong, secure and accessible neighbourhoods to which locals feel attached and provide all their uses the opportunity to realise their potential. • Enhance the quality of the public realm through developments that reduce opportunities for criminal behaviour while contributing a sense of security. It argues in favour of a mix of uses to maximise activity throughout the day and night, along with ongoing management and future maintenance costs of the particular safety and security measures. • Outlines the need for partners to work together to realise the potential of outer London recognising and building upon its distinct existing and emerging strategic and local economic opportunities, and transport requirements. Priorities include enhancing the vibrancy of town centres. • Strategic Outer London Development Centres identified for developing sectors which are of importance to the wider London economy.
The Mayor's Economic Development Strategy for London Mayor of London, May 2010	<ul style="list-style-type: none"> • One of the main objectives in this report is to ensure that London has the <i>most competitive business environment in the world</i>, whereas a major cross-cutting theme is to tackle and reduce violent crime. • It is suggested that London has a distinctly mixed performance on indicators of overall quality of life. It is argued that too many parts of the city have uninspired architecture and design which result in lower quality public realm. • Work with boroughs to improve the quality of life both for the benefit of Londoners as well as a key competitive asset for the City. Key aspects to quality of life include the environment, health, crime reduction, and education. • The Mayor will also work with boroughs and key partners to direct investment into employment areas and town centre, the latter of which the Mayor believes should perform a core community and economic role. • In addition the Mayor supports regeneration programmes that are sensitive to their particular place and community. • Outlines the need to direct investment into Strategic Outer London Development Centres.
The Mayor's Outer London Mayor of London, June 2010	<ul style="list-style-type: none"> • Outer London has been relegated to a dormitory suburb role, and its local economies neglected, with the thrust of metropolitan policy focusing on growth in central London. • Town centres in Outer London should be the single most important set of business locations outside Central London.

Outer London Fund Round 2 Evaluation

Commission: Report		<ul style="list-style-type: none">• Highlights a need for partnership working & imaginative measures to enhance the quality of town centres and their offers.
The Outer London Commission	Second Report, November 2012	<ul style="list-style-type: none">• London's network of town centres is unique and faces a distinct set of challenges. As such, town centre renewal requires a varied set of interventions appropriate for each, as opposed to a 'one size fits all' approach.• The Commission recognises the varied uses of town centres in providing leisure, social, civic and other services to communities. Through its public hearings it also considered a number of other uses including the re-development of former municipal buildings and the importance of supporting the night-time economy.• The public meetings highlighted the influence that town centre branding has in clearly articulating local offer.
Open for Business: Empty shops on London's high streets	London Assembly Economic Committee, March 2013	<ul style="list-style-type: none">• This report addresses the specific issue of high vacancy rates along a number of London high streets, the negative impacts this can have, and the measures needed to reverse this trend.• A number of factors, which are causing shops to become and stay vacant include a decrease in high street footfall, the global economic downturn, increasing rents and rates, and difficulties in engaging landlords leading to demand being unmet.• A recommendation given in response suggested that the Future High Street Forum should encourage pop-up shops and meanwhile uses, due to their ability to increase footfall and attention, support innovative and creative shop uses, and help to attract long-term tenants.

Rationale for Intervention

3.14 When considering the role for public sector intervention in the free market, consideration should be given to market failure (i.e. the economic theory given to explain situations where the market fails to allocate resources efficiently due to specific problems within its mechanism). Public sector intervention should only take place when intervention will create a more efficient market and reduce any undesirable outcomes conflicting with society's wider social objectives (e.g. negative externalities generated during the production or consumption stage).

Theoretical Market Failure Rationale

3.15 The key market failure argument behind activities supported by the Outer London Fund is that of externalities. These occur when the costs or benefits from a particular good or service to society as a whole are not adequately reflected in the market price for that good or service. The market is inefficient because these extra costs and benefits are not taken into consideration when the firm or individual decides how the activity should be undertaken.

3.16 The GLA sums up the issue as “externalities arise when there is a difference between the private costs/benefits and the total social or collective cost/benefit of the activity faced by society as a whole. Since an individual looks only at the private costs and benefits, his decisions are not collectively the most efficient⁷.”

3.17 Intervention by the public sector can therefore be justified to address the issue of externalities as there is a risk that otherwise the market

system would encourage too little activity that promoted the existence of positive externalities or too many negative externalities.

3.18 There are a series of **positive externalities** which result from activities supported by the Outer London Fund (OLF). An example of this is shop front improvements where the owner of the shop will only take into account the impacts upon his business (in terms of turnover and the saleability of the property) when deciding to make improvements. However, there may be wider benefits for other nearby businesses in terms of increased turnover and an uplift in property prices. Similarly, if one local organisation arranges an event (e.g. a cultural organisation such as a theatre), they will only take into account the costs and benefits on themselves in terms of additional attendance and spend from consumers at the theatre. However, there may be benefits for other businesses locally as individuals make linked trips to a restaurant as part of their visit into the town centre. These additional benefits are not taken into account and as a result some activities which can benefit the town centre as a whole are under-delivered.

3.19 For a number of the activities supported by the OLF, there is often a **co-ordination** issue preventing firms making the socially desirable levels of investment. In principle, firms could for example join together to promote their town centre to residents and tourists or they could collectively support public realm improvements which would make the town centre a more attractive place to visit. There are however a number of small businesses in the town centre carrying out diverse activities which makes co-ordination of these types of activities difficult and leads to a **free rider** problem. There is little incentive for businesses to join up and invest in activities which benefit the town centre as whole if others benefit for free from their

⁷ The rationale for public sector intervention in the economy II by GLA economics (March 2008)

actions. Businesses are therefore more likely to invest in activities which directly improve their business (such as marketing their firm alone rather than the town centre collectively).

3.20 In addition, there is a case to be made that the Outer London Fund (OLF) will reduce examples of negative externalities. This is particularly the case for crime prevention initiatives which reduce criminal activity in town centres.

3.21 It could be argued that the Outer London Fund is helping to overcome issues around **imperfect information**. For some goods or services the availability of information or information processing difficulties may prevent people from making optimising or rational decisions. This can be a barrier to economic activity as potential gains from trade could be realised if better information allowed people to provide or consume additional goods and services. Imperfect information may contribute in part to stifling levels of business activity. An example of this is if businesses do not understand that an attractive shop which is laid out well can impact on the consumer experience and as a result influence their spend. Alternatively they may not know how to achieve these goals. Intervention is therefore required to provide support to firms which can enhance their business performance and as a result benefit the economy as a whole.

3.22 There are also instances of **asymmetric information** where the seller of the good or service has more information than the buyer. Some markets may know little about areas supported by OLF funding and therefore there is a potential case to be made (though not as strong as other market failure arguments) that intervention is required to provide information which can promote the benefits of visiting these locations.

3.23 Certain high street and public realm improvements are also referred to as a **public good**. These are goods that are impossible to produce for private profit and hence no market exists. Improving public realm and street-scene in publically accessible space is a strong example of this.

3.24 A range of interventions have been supported and the table below summarises the key market failure arguments for each type of activity.

Table 3-1: Summary of Market Failure Rationale for OLF

	Externalities	Coordin- ation	Imperfect Information	Public Good
Events				
Shop fronts				
Business support				
Public Realm				
Marketing / websites				
Public Art				
Partnership development				

Wider Rationale

3.25 The rationale for intervention in the form of the Outer London Fund is set out in the Round two prospectus and a paper requesting the Mayor supports the decision for public sector investment⁸. The key points in these documents are as follows:

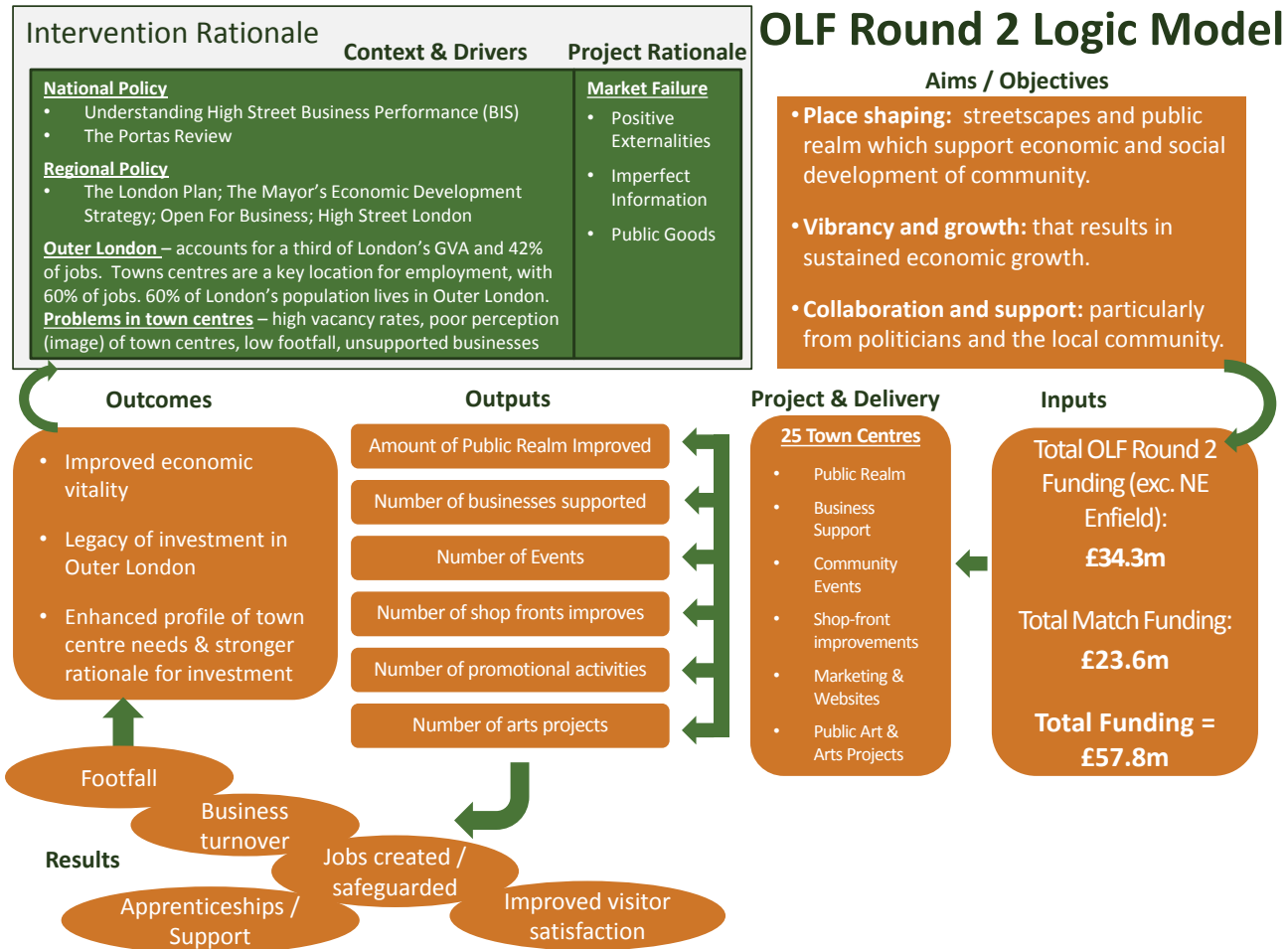
⁸ Request for Mayoral Decision MD840 – The Mayor’s Outer London Fund

- The need to support those parts of London where the public life and everyday economy is supported, including designated town centres. These places can range from parades of shops to major town centres. Funding is required to improve the character, quality and economic vitality of selected high street places. This builds upon the Outer London Commission report which identified that town centres and their high streets are the single most important set of business locations outside of Central London.
- The desire to support economic growth, recognising the important role which Outer London has in achieving this growth. Again, this builds on the findings of the Outer London Commission report which highlights the need for a greater focus on enhancing the economic potential of Outer London boroughs.

Programme Logic Chain

- 3.26 A logic chain for the programme is set out overleaf. This summarises the context and rationale for the programme, aims and objectives, delivery mechanisms and intended results and outcomes. The logic chain provides a framework for the evaluation against which to judge success and achievements.

Figure 3.1 OLF 2 Programme Logic Chain



Source: Regeneris Consulting

4. Delivery Performance: Timescales and Funding

- 4.1 This chapter reviews the project delivery process, focusing on delivery timescales, project funding and delivery mechanisms and partnerships.
- 4.2 When analysing these measures, we have used information that has been collected throughout the duration of programme delivery. This includes the following information:
- Monitoring data from GLA, including funding information;
 - Project self-evaluations, completed after the end of the delivery process.

Delivery Timescales

- 4.3 At the inception of the programme in 2012, a two year delivery period was anticipated, with all projects completed by March 2014.
- 4.4 However, 13 of the 25 projects which received OLF Round 2 funding over-ran, with claims made into the 2014/15 financial year. A list of projects which overran is provided below via reference to the proportion of spend claimed in the 2014/15 financial year⁹. The most significant overruns were Balham, Green Lanes, Brentford, Harrow,

Blackhorse Lane, Hounslow and Rainham, all of which had more than 30% of spend in the final year.

Table 4.1 Summary of projects which overran

Project	Proportion of Spend in 2014/15
Balham	70%
Green Lanes	54%
Brentford	45%
Harrow	44%
Blackhorse Lane	37%
Hounslow	35%
Rainham	31%
Sidcup	14%
Bromley	12%
West Norwood	12%
Streatham	5%
Mitcham	3%
Wood Street	2%

*Note: The North East Enfield project also experienced delays, with around 35% of budgeted spend outstanding after year 2. However, the project was later recategorised as a High Street Fund project and so has been excluded from this table.

Source: GLA Monitoring Data

- 4.5 Commonly cited reasons for delays (and over-runs) to projects include:
- Initial delays in getting grant agreements signed
 - Lengthy processes getting third party agreements in place

⁹ While this is a helpful proxy for overrun, it should be noted that claims could only be submitted after delivery was signed off. As a result, the level of spend lags behind actual delivery.

- Engineering problems during the construction of public realm projects
- Difficulty engaging local stakeholders (including businesses and the public)
- Resource challenges for councils, many of whom are suffering from staff cuts from austerity measures, and
- Inexperience of councils in managing large-scale capital projects.

4.6 These challenges are considered in more detail in later chapters.

Programme Budget

- 4.7 At inception, the total *budget* for the OLF Round 2 Programme (including the 3 Major’s Special Projects) was £62.2m, of which £36.2m was from the GLA, with the remaining amount (£26.0m) provided as match funding. While match was provided by a number of partners, this was largely from London Boroughs themselves and TfL.
- 4.8 The focus of the programme was on capital investment; of all OLF funding 88% (£31.8m) was capital funding, with the remainder revenue (12%; £4.4m).
- 4.9 The North East Enfield project was later reclassified as a High Street Fund project – reducing the overall OLF R2 budget to £34.3m (with a programme value of £57.8m including match).
- 4.10 A summary of the programme *budget* is provided in the table below.

Table 4.2 Aggregated Spend on OLF Programme – Original Budget

Funding Type	Budget (all 26 Projects)	Budget (exc. North East Enfield)*
Capital	£31.8m (88%)	£30.3m (88%)
Revenue	£4.4m (12%)	£4.0m (12%)
OLF Funding	£36.2m (100%)	£34.3m
Match Funding	£26.0m	£23.6m
Total	£62.1m	£57.8m

*Note: North East Enfield project has been re-categorised as a High Street Fund project and so has now been excluded from OLF programme level monitoring.

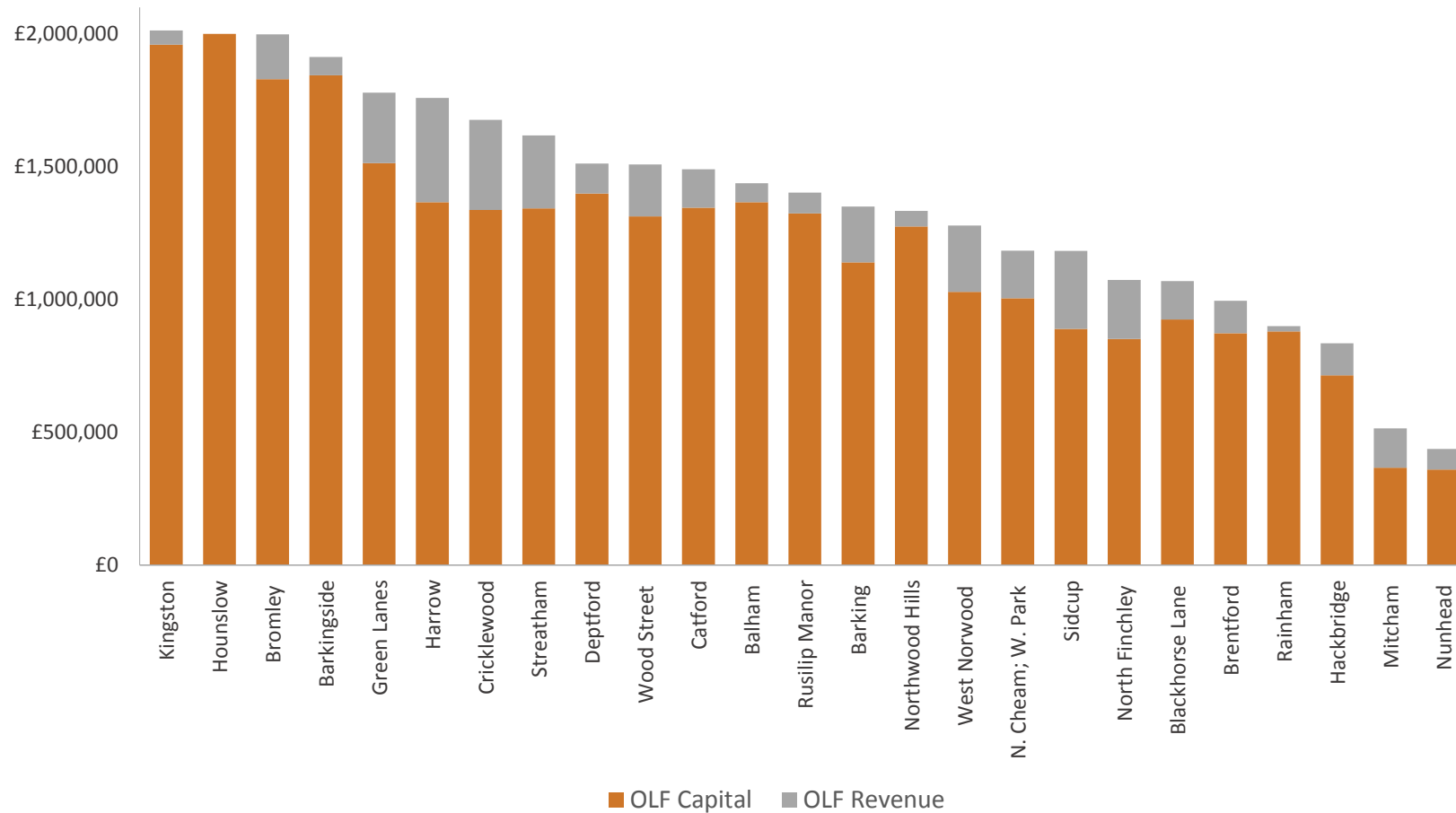
Source: GLA Monitoring Data

4.11 Figures 4.1 and 4.2 provide detail on *budget* at the level of the individual project. This illustrates:

- **The scale of OLF funding:** of the 25 projects (excluding North East Enfield), 20 had OLF funding in excess of £1 million, with four of these either close to or exceeding the £2 million mark. The chart also highlights the focus of the programme on capital funding across all projects;
- **The scale of match:** by analysing the split between OLF funding and match funding, it is clear that some projects were more heavily reliant on OLF Funding than others – for example Barkingside (93%), Green Lanes (88%) and Catford (86%). Other projects have had a much higher proportion of their funding from match sources, including Rainham (83%), Bromley (70%) and Brentford (65%). In the large part, this reflected public realm schemes, where OLF was a contributing source of funding to much larger schemes (often led and funded by TfL and the Boroughs).

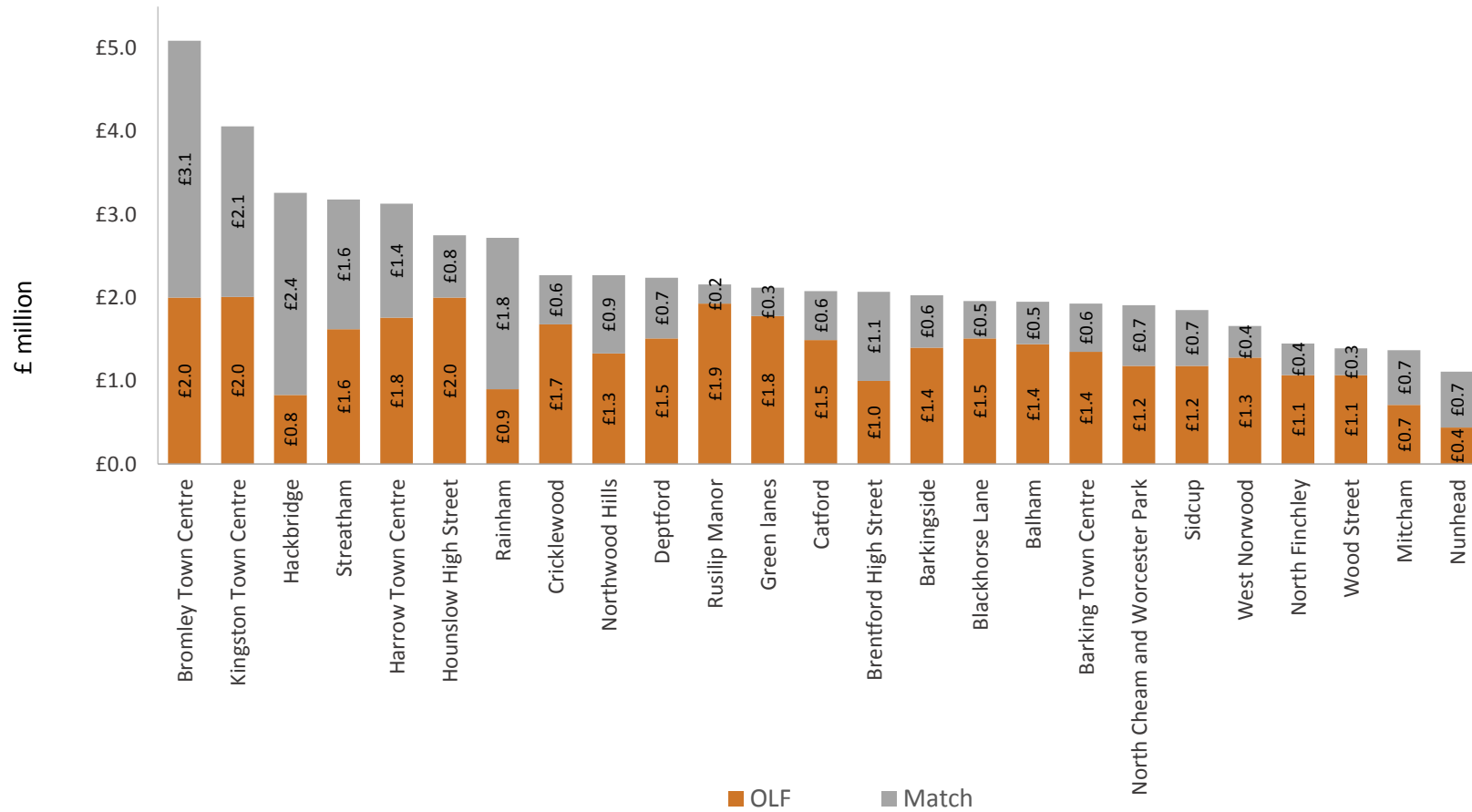
Outer London Fund Round 2 Evaluation

Figure 4.1 OLF Funding (as per original budget) by Project



Source: GLA Monitoring Data

Figure 4.2 Total project value (as per original budget) – OLF and Match



Source: GLA Monitoring Data

Programme and Project Spend

- 4.12 The majority of the budgeted OLF R2 pot has been spent – £33.7m (98% of the total budget available). This is expected to rise to £34.0m (99%) when an outstanding claim has been made by Catford. As noted above, the North East Enfield project has been excluded from these figures having been categorised as a High Street Fund project.
- 4.13 At a project level, the majority of projects spent all of the OLF money awarded to them. The only exception was the Mitcham project which had £0.3m OLF funding withdrawn, as the planned public realm element of the scheme was not ultimately deliverable.
- 4.14 In summer 2015 the programmes' match funding total stands £23.9m (101% of the match originally anticipated). At project level, the picture is more varied:
- There a number of projects where it appears that lower levels of match have been achieved than originally anticipated. However, this largely reflects the ongoing project closure process with a number of projects yet to officially declare match funding; the GLA expects that all projects will confirm their match commitments have been delivered and is continuing to monitor this as part of the project closure process.
 - A number of projects have secured higher levels of match than was originally anticipated. In a number of instances, this has been significant: Rainham and Bromley secured additional match of £2.5m and £1.6m respectively. Increased match reflects a number of factors (both positive and negative):
 - Increased leverage: in a number of instances (e.g Barking and Bromley), the project managed to secure

a greater level of leverage than expected, increasing overall project value

- Project overrun – In other instances, the additional match reflects project overrun. In Balham for example, an additional £0.3m was required to ensure the project was completed as a result of a lengthier than expected construction period.

In-kind staffing costs

There was a significant difference in the delivery approach of OLF Round 2 projects to resourcing project management.

Certain projects (including Sidcup, Streatham and Mitcham) included the cost of staff time as part of the OLF bid. In contrast, other projects (such as Bromley, Deptford, Hackbridge and Rainham) utilised existing staff resource to manage delivery.

The latter approach resulted in considerable in-kind staffing costs to the councils: in the case of Bromley, for example, the team estimate in kind costs of around £90,000, reflecting around 4,000 hours of officer time. In a number of cases, this approach was reported to lead to resource constraints: the ambitious nature of the projects, set alongside existing service commitments, led to pressures affecting the effectiveness of delivery (both OLF project delivery and core service delivery).

Review of self-evaluations suggests that the London Boroughs are now more cognisant of the time commitments such large scale capital and revenue projects require; this is likely to help Boroughs improve efficiency in future project delivery.

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Table 4.3 Summary of Projects Delivered*

	OLF			Match			Total		
	Budget	Actual	£ Variance	Budget	Actual	£ Variance**	Budget	Actual	£ Variance
Barking	£1.35m	£1.35m	£0m	£0.58m	£0.41m	-£0.17m	£1.93m	£1.76m	-£0.17m
North Finchley	£1.07m	£1.07m	£0m	£0.38m	£0.22m	-£0.16m	£1.45m	£1.29m	-£0.16m
Cricklewood	£1.68m	£1.68m	£0m	£0.59m	£0.33m	-£0.26m	£2.27m	£2.00m	-£0.27m
Sidcup	£1.18m	£1.18m	£0m	£0.67m	£0.67m	£0m	£1.85m	£1.85m	£0m
Bromley	£2.00m	£2.00m	£0m	£3.09m	£4.66m	£1.57m	£5.08m	£6.66m	+£1.57m
Green Lanes	£1.78m	£1.78m	£0m	£0.34m	£0.23m	-£0.11m	£2.12m	£2.01m	-£0.11m
Harrow	£1.76m	£1.76m	£0m	£1.37m	£1.62m	£0.25m	£3.13m	£3.38m	+£0.25m
Rainham	£0.90m	£0.88m	£0m	£1.82m	£4.31m	£2.49m	£2.72m	£5.20m	+£2.47m
Brentford	£1.00m	£1.00m	£0m	£1.07m	£1.84m	£0.77m	£2.06m	£2.84m	+£0.77m
Hounslow	£2.00m	£2.00m	£0m	£0.75m	£0.30m	-£0.45m	£2.75m	£2.30m	-£0.45m
Kingston	£2.01m	£2.01m	£0m	£2.05m	£1.59m	-£0.46m	£4.06m	£3.61m	-£0.46m
West Norwood	£1.28m	£1.25m	£0m	£0.38m	£0.47m	£0.09m	£1.66m	£1.72m	+£0.06m
Streatham	£1.62m	£1.59m	£0m	£1.56m	£1.59m	£0.03m	£3.18m	£3.18m	-£0.00m
Catford	£1.49m	£1.19m	-£0.30m***	£0.59m	£0.20m	-£0.39m	£2.09m	£1.39m	-£0.69m
Deptford	£1.51m	£1.48m	£0m	£0.73m	£0.48m	-£0.25m	£2.24m	£1.96m	-£0.28m
Mitcham	£0.71m	£0.40m	-£0.31m	£0.66m	£0.39m	-£0.27m	£1.17m	£0.78m	-£0.39m
Nunhead	£0.44m	£0.42m	£0m	£0.67m	£0.56m	-£0.11m	£1.11m	£0.98m	-£0.13m
Hackbridge	£0.83m	£0.83m	£0m	£2.43m	£0.24m	-£2.19m	£3.26m	£1.07m	-£2.19m
N. Cheam; W. Park.	£1.18m	£1.18m	£0m	£0.73m	£1.03m	£0.30m	£1.91m	£2.21m	+£0.29m
Blackhorse Lane	£1.07m	£1.06m	£0m	£0.32m	£0.22m	-£0.10m	£1.39m	£1.29m	-£0.11m
Wood Street	£1.51m	£1.51m	£0m	£0.45m	£0.33m	-£0.12m	£1.96m	£1.84m	-£0.13m
Balham	£1.44m	£1.44m	£0m	£0.51m	£0.48m	-£0.03m	£1.95m	£1.92m	-£0.03m
Barkingside	£1.93m	£1.93m	£0m	£0.23m	£0.15m	-£0.08m	£2.15m	£2.06m	-£0.09m
Northwood	£1.33m	£1.33m	£0m	£0.94m	£0.67m	-£0.27m	£2.28m	£2.00m	-£0.28m
Ruislip	£1.40m	£1.40m	£0m	£0.63m	£0.91m	£0.28m	£2.03m	£2.31m	+£0.28m
OLF Programme	£34.3m	£33.7m	-£0.6m****	£23.6m	£23.9m	£0.3m	£57.8m	£57.6m	-£0.2m

*Note: North East Enfield excluded from final programme spend data as has been reclassified as a High Street Fund project.

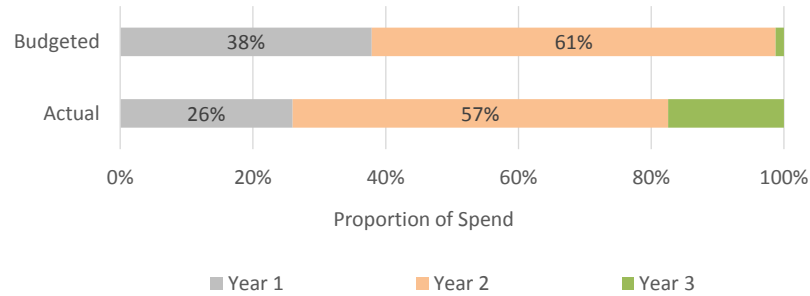
**Note: Match funding is being monitored as part of the ongoing project closure process; it is anticipated that all expected match will be achieved.

***Note: While underspend of around £0.3m is reported it is understood that this reflects an outstanding claim rather than underspend: the full OLF allocation has been spent

****Note: See note above regarding Catford. Programme underspend expected to be closer to £0.3m when Catford final claim is made.

4.15 Largely reflecting the delays in delivery timescales described at the start of this chapter, spend has been claimed over a longer time period than anticipated at outset. As highlighted below, spend was lower than expected in year one and two, with nearly 20% of spend (£6.2 million) slipping into year 3.

Figure 4.3 Spending Timeframes



Source: GLA Monitoring Data

5. Programme Outputs and Impacts

5.1 This section considers the outputs and impacts of the OLF Round 2 programme to date, using the following data collection methods:

- GLA monitoring data, reviewed at the end of the delivery phase
- Self-evaluation forms completed by the main project delivery partner.

5.2 The chapter focuses on the impact of the 25 OLF R2 projects – results and impacts relating to North East Enfield have been excluded.

Programme Deliverables

5.3 Indicative programme deliverables are shown in Table 5.1:

It should be noted that this data has been aggregated for illustrative purposes only: in many case, projects have categorised / defined their deliverables in different ways and as such the absolute numbers are indicative and should be treated with caution.

- Public realm and wayfinding interventions have been a feature of most OLF projects. Nearly 130,000m² of improved public realm have been delivered across the programme, along with 70 wayfinding and signage improvements. Other improvements to the public realm and environment included the planting of numerous trees (360), the delivery of new community space / parks and improvements to lighting

- A further major aspect of delivery was improvements to buildings. Across the programme, there were over 500 shopfront intervention, showing the high level of support from businesses for that aspect of delivery.
- The programme also succeeded in delivering a large number of events – over 140 in total. This was partly influenced by the Cultural Olympiad, a programme of events that accompanied the 2012 Summer Olympics and Paralympics, with numerous councils participating. The number of events increases significantly when events facilitated by OLF funding are taken into account (over 800 in total)
- The programme achieved a large number of business support interventions – over 800 in total.
- A number of Business Associations, BIDs and Town Teams were supported or created.

Table 5.1 Summary of Programme Deliverables*

Public Realm	Area of public realm improved	127,600m ²
	New or refurbished community space	2,600m ²
	Road junctions improved	20
	Pocket parks established	2
	Number of street trees planted	360
	New way finding and other signs installed	70
	Number of bicycle storage spaces provided	20
Buildings	High street frontages improved	510
	Community floorspace created or improved	2,570m ²
	Commercial floor space created or improved	800m ²
Events	Public events delivered (directly supported)	140**
	Business support advise sessions, workshops	840

Business Support	Young people receiving support / training	640
Management	Business Assoc. established or supported	5
	Town Teams created	4

*Note: as noted above, data aggregated for illustrative purposes only. Absolute numbers are indicative and should be treated with caution

**Note: This increases to over 800 when events *facilitated* by OLF funding are taken into account

Source: GLA Monitoring Data

Programme Results

- 5.4 A core objective of OLF R2 was that the interventions would *result* in economic uplift in the areas targeted by investment.
- 5.5 All projects were asked to measure economic uplift via reference to the eight economic uplift indicators identified by the GLA during the Grant Agreement process. The targets set by the projects are summarised in chapter 3; performance to date is summarised below.

Caveats to Analysis

It should be noted that our analysis within this section collates and takes at face value economic uplift information provided by projects within their final self-evaluations. However, the information provided should be treated with caution for a number of reasons:

- **Methodological differences** – while guidance was provided to each projects on the most robust way to monitor uplift, a range of different methodologies have been applied, some more robust than others. In many cases these methodological cases were accepted by the GLA at grant agreement stage. As such, there is a degree of inconsistency when numbers are aggregated across the programme

- **Additionality** – linked to the above, the extent to which projects have assessed additionality (i.e. the extent to which recorded uplift can be attributed to OLF) appears mixed. As such, caution needs to be taken when linking the results recorded directly to OLF investment. This is considered in more detail under ‘programme impact’ later in this chapter
- **Patchy information** – information provided by the projects is patchy: in some instances targets were not set and so there was no formal requirement to measure performance; in other instances information is yet to be provided by projects (for a range of reasons). Again, this means it is difficult to consistently assess performance across the whole programme
- **Timing of evaluation** – research for the self-evaluations was in most cases undertaken only shortly after the completion of the delivery of the most significant elements of the public realm projects. In reality, it is at this stage too early to report with any certainty on the impacts of intervention on the performance of local businesses and the behaviour of town centre users. Follow-on research a year after the end of delivery (and thereafter) is likely to provide a more robust assessment of project impacts.
- **Inconsistent approach to target setting** – there was a lack of consistency in the target setting process, meaning that in many instances, targets set by project were either too ambitious or too conservative. Across the programme, we estimate that targets for jobs created and secured (taken together) were *more than double* what might be expected for a programme of this

scale¹⁰. As a result, the extent to which the programme has delivered against targets does not directly correlate with the extent to which the programme delivered a strong level of impacts or value for money to the public purse. These latter points are considered elsewhere in this report.

Impacts on overall town centre performance

5.6 Six of the economic uplift indicators focus on impacts on town centre performance; these are summarised below.

Town Centre Footfall

5.7 There appears to be signs of positive performance in terms of footfall. 22 of the projects have reported against this indicator to date, and of these 19 have reported improvements in performance.

5.8 In terms of performance against targets, of the projects which set targets, 11 have either met or exceeded these.

Project Performance	Symbol	Count
Reported – Uplift achieved; target met or exceeded	✓✓	11
Reported – Evidence of uplift; target not set / achieved	✓	8
Reported – No Uplift achieved to date; target not achieved	✗	3

¹⁰ Analysis undertaken by Regeneris at Interim Evaluation Stage found that based on standard benchmarks, a programme of this scale might be expected to create / safeguard around 750 jobs. The actual target set when project level targets are aggregated is nearly 2000.

Not reported – Target set but performance data not available / consistent		1
Not reported – No target set		2

Source: GLA Monitoring Data

5.9 Although footfall figures cannot be aggregated to provide an overall figure across London, several town centres have seen a considerable increase in footfall, in particular Brentford, West Norwood and Barkingside.

5.10 Only Barking Town Centre reported a decrease in footfall throughout the duration of the OLF Round 2 Programme (-32%); research by LB Barking suggests this may partly reflect data collection issues.

Footfall analysis: concerns about data reliability

It should be noted that there is concern about the use of footfall as a reliable indicator by which to measure town centre performance. In town centres where footfall cameras are not operational, manual footfall counts are required: this method is often unreliable due to the difficulty in ensuring that time series counts are undertaken under the same conditions as the baseline (i.e. on a like for like basis).

While many of the projects have reported improving footfall performance, there is concern about the reliability of some of the counts undertaken and hence the validity of the data provided – this caveat applies to both instances where footfall increases and decreases have been reported.

Visitor satisfaction

- 5.11 There are also positive signs in terms of visitor satisfaction. 17 projects have reported against this indicator to date. 15 of these have reported an improvement in performance.
- 5.12 In terms of performance against targets, of the projects which set targets, 10 have either met or exceeded these.

Project Performance	Symbol	Count
Reported – Uplift achieved; target met or exceeded	✓✓	10
Reported – Evidence of uplift; target not set / achieved	✓	5
Reported – No Uplift achieved to date; target not achieved	✗	2
Not reported – Target set but performance data not available / consistent		6
Not reported – No target set		2

Source: GLA Monitoring Data

- 5.13 Particularly strong improvements in visitor satisfaction have been reported in Hounslow, Cricklewood and Streatham.
- 5.14 None of the town centres who reported their visitor satisfaction levels recorded a decrease in visitor satisfactions as a result of OLF Round 2 interventions.

Vacancy rates

- 5.15 Performance has also been strong in terms of vacancy rates: 20 projects have reported against this indicator to date and 17.5 of these have reported an improvement in performance.

- 5.16 In terms of performance against targets, of the projects which set targets, 14.5 have either met or exceeded these.

Project Performance	Symbol	Count
Reported – Uplift achieved; target met or exceeded	✓✓	14.5*
Reported – Evidence of uplift; target not set / achieved	✓	3
Reported – No Uplift achieved to date; target not achieved	✗	2.5**
Not reported – Target set but performance data not available / consistent		3
Not reported – No target set		2

*Note: 0.5 relates to North Cheam in the North Cheam and Worcester Park project

**Note: 0.5 relates to Worcester Park in the North Cheam and Worcester Park project

Source: GLA Monitoring Data

- 5.17 Of the projects which exceeded their agreed target, Green Lanes, Catford and Sidcup performed particularly well, achieving the largest reductions in vacancy.

Employment Results

- 5.18 Employment impacts have been measured via reference to both jobs created and jobs secured. These are full time permanent jobs, located within the town centres.

Jobs results reported below are ‘as reported’ by projects; no adjustments have been made to take into account inconsistencies in approach or the extent to which job reported can be directly attributed to OLF.

For an assessment of the London wide impact of the programme, please refer to the next section.

Jobs Created

- 5.19 All town centres which received OLF Round 2 Funding are likely to have seen employment creation, either directly (e.g project delivery team) or indirectly through the interventions undertaken throughout the project due to an improved business environment.
- 5.20 23 projects have reported against this indicator to date with all of these reporting employment creation.
- 5.21 In terms of performance against targets, of the projects which set targets, 12 have either met or exceeded these.

Table 5.5 Overall Project Performance		
Project Performance	Symbol	Count
Reported – Uplift achieved; target met or exceeded	✓✓	12
Reported – Evidence of uplift; target not set / achieved	✓	11
Reported – No Uplift achieved to date; target not achieved	✗	0
Not reported – Target set but performance data not available / consistent		1
Not reported – No target set		1

Source: GLA Monitoring Data

- 5.22 The projects demonstrating the strongest employment creation have been Sidcup, Cricklewood, Hounslow, Streatham and Bromley. Strong employment growth is also reported in Harrow, although it is

noted that a different approach was taken to measuring impacts (which does not take into account the additionality of OLF).

Jobs Secured

- 5.23 16 projects have reported against this indicator so far, with 13 of these reporting uplift.
- 5.24 In terms of performance against targets, of the projects which set targets, 8 have either met or exceeded these.

Table 5.6 Overall Project Performance		
Project Performance	Symbol	Count
Reported – Uplift achieved; target met or exceeded	✓✓	8
Reported – Evidence of uplift; target not set / achieved	✓	5
Reported – No Uplift achieved to date; target not achieved	✗	3
Not reported – Target set but performance data not available / consistent		4
Not reported – No target set		5

Source: GLA Monitoring Data

- 5.25 The projects demonstrating the strongest employment performance in this respect have been Cricklewood, Bromley, Mitcham, Sidcup, North Finchley and Streatham.

Construction / Design Impacts

While not a town centre impact (and hence considered separately to the core jobs created and secured above), by its very nature the delivery of such a large capital programme has resulted in positive impacts for design and construction / delivery firms.

This has not been measured consistently by projects – many projects have not reported on this at all. However, for those which have, around 250 temporary construction and design jobs were supported during the programme.

That said, the true impact is likely to be much larger; we consider this in the next section.

Business Turnover

- 5.26 12 projects have reported against this indicator so far, with all of these reporting uplift.
- 5.27 In terms of performance against targets, of the projects which set targets, 6 have either met or exceeded these.

Table 5.7 Overall Project Performance

Project Performance	Symbol	Count
Reported – Uplift achieved; target met or exceeded	✓✓	6
Reported – Evidence of uplift; target not set / achieved	✓	6
Reported – No Uplift achieved to date; target not achieved	✗	0
Not reported – Target set but performance data not available / consistent		4
Not reported – No target set		9

Source: GLA Monitoring Data

Business turnover - caveats to analysis

Projects reported that business turnover was a particularly difficult indicator for which to gather information given sensitivities in asking businesses for turnover data.

Skills and Employment Impacts

- 5.28 Two of the GLA's eight economic uplift indicators focus on skills and employment impact; these are summarised below.

Young People Receiving Support

- 5.29 The interventions of the OLF Round 2 programme have helped to provide business training / support to young people.
- 5.30 19 projects have reported against this indicator so far, with 17 of these reporting uplift.
- 5.31 In terms of performance against targets, of the projects which set targets, 9 have either met or exceeded these.

Table 5.8 Overall Project Performance

Project Performance	Symbol	Count
Reported – Uplift achieved; target met or exceeded	✓✓	9
Reported – Evidence of uplift; target not set / achieved	✓	8
Reported – No Uplift achieved to date; target not achieved	✗	2
Not reported – Target set but performance data not available / consistent		1
Not reported – No target set		5

Source: GLA Monitoring Data

- 5.32 In total over 600 young people have been supported. Areas contributing strongly to the target include Barkingside, Northwood Hills, Ruislip Manor, Wood Street and Kingston.
- 5.33 One of the caveats of this data is that it does not reveal how effective the support for young people has been, and for what duration support has been given.

Apprenticeships

- 5.34 The interventions of the OLF Round 2 programme have also led to opportunities for young people to enter into apprenticeships.
- 5.35 18 projects have reported against this indicator so far, with 14 of these reporting uplift.
- 5.36 In terms of performance against targets, of the projects which set targets, 7 have either met or exceeded these.

Project Performance	Symbol	Count
Reported – Uplift achieved; target met or exceeded	✓✓	7
Reported – Evidence of uplift; target not set / achieved	✓	7
Reported – No Uplift achieved to date; target not achieved	✗	4
Not reported – Target set but performance data not available / consistent		1
Not reported – No target set		6

Source: GLA Monitoring Data

- 5.37 Nearly 60 apprenticeships were created during the interventions of the programme. Projects which created the most apprenticeships for young people were Ruislip (24) and Northwood Hills (10). However,

there is some uncertainty over the degree to which the apprenticeships for these two projects can be attributed fully to OLF.

Town Centre	Number of apprenticeships created
Ruislip	24
Northwood Hills	10
Barkingside	5
Cricklewood	5

Source: GLA Monitoring Data

Wider indicators of uplift

- 5.38 In addition to these core indicators of uplift, projects also reported a range of other impacts which demonstrate uplift. These include:
 - Investor interest – a number of areas have reported increased investor investment as a result of OLF works. This is both in terms of high street investment (partly reflected in the vacancy rate analysis above and experienced by multiple projects), but also in terms of more strategic investment (i.e. helping to enhance the prospect for major regeneration / mixed use development – e.g the Asda development in Barking and the proposed High Street Quarter in Hounslow).
 - Uplift in commercial property prices – a number of projects reported uplift in property values, reflecting increased demand and increased confidence in locations. This was particularly the case in locations where change was ‘transformational’ (e.g the enhanced streetscene in Bromley’s East Street and Balham’s Hildreth Street). That said, this also represents a risk, with some projects noting

that in the long term this may impact upon the ability of new independent businesses to set up and thrive

- Accessibility / congestion benefits – a number of projects included road / junction improvements, which have resulted in improvements in accessibility and congestion. Rainham in particular reported that improvements have had a positive impact in reducing congestion; this is expected to help make the town centre more attractive in the long term.
- Environmental impacts – a number of projects have delivered environment focused schemes, including business support and efforts to link local high streets to green space. There was a particular focus on the environment in Hackbridge; here it has been reported that interventions have resulted in energy savings of 36 tonnes of CO2. Efforts to improve access to greenspace will result in longer term health and wellbeing benefits for local residents.

Future Impacts

- 5.39 It is too early to understand the *full impact* of the OLF interventions on town centres. Benefits relating to interventions which sought to improve town centre image and perception are likely to take time to accrue and as a result there is also likely to be a time lag before tangible economic uplift is realised.
- 5.40 For the majority of projects, this was reflected in consultations / surveys work, with businesses noting that while they have not experienced any uplift in performance to date, they are positive about the nature of the improvements delivered, and are confident that this will help performance to improve in the coming years. In West Norwood (to take one example), 29% of businesses surveyed expected there to be future benefits to their firm, while in Sidcup,

around 30 jobs were expected to be created in the coming year as a result of the interventions (in addition to those already created / secured).

Summary of Results

- 5.41 In summary, it appears that OLF projects have generally performed well against their targets, for the most case demonstrating evidence of emerging economic uplift including increases in visitor satisfaction and footfall, decreases in vacancy, and evidence of positive employment results.
- 5.42 The performance of all projects against their targets is summarised in the table below.

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Table 5.11 Summary of Projects Performance against Result Targets

	Jobs Created	Jobs Secured	Turnover	Visitor Satisfaction	Footfall	Vacancy	Young People Supported	Apprenticeships
Barking	✓			✓✓	✗	✓✓	✓	
North Finchley	✓✓	✓✓		✓✓	✓✓	✓✓	✓✓	✓✓
Cricklewood	✓✓	✓✓	✓✓	✓✓	✓	✓	✓✓	✓
Sidcup	✓✓	✓✓	✓	✓✓	✓✓	✓✓	✓✓	✓
Bromley	✓✓	✓	✓✓	✓	✗	✗	✓✓	✓
Green Lanes	✓	✓	✓	✓✓	✓	✓	✓	✓✓
Harrow	✓✓					✗		
Rainham				✓	✓✓	✓✓		
Brentford	✓	✓		✓	✓✓	✓✓		
Hounslow	✓✓	✓		✓✓	✓		✓	✓✓
Kingston	✓✓	✓✓			✓	✓	✓✓	
West Norwood	✓✓	✓✓	✓✓	✗	✓✓	✓✓	✓	✓
Streatham	✓✓	✓✓	✓✓	✗	✓✓	✓✓	✓	✗
Catford				✓✓	✓		✓	✓
Deptford	✓	✗		✓	✗	✓✓	✓	✗
Mitcham	✓	✓✓	✓✓		✓✓	✓✓	✓✓	✓
Nunhead	✓✓		✓	✓	✓		✗	✗
Hackbridge	✓	✓		✓✓	✓	✓✓		✓
N. Cheam; W. Park.	✓		✓		✓✓	✓✓ NC ✗WP	✗	
Blackhorse Lane	✓	✓✓	✓	✓✓	✓✓		✓✓	✗
Wood Street	✓✓	✗	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓
Balham	✓		✓		✓	✓✓		
Barkingside	✓	✗			✓✓		✓✓	✓✓
Northwood	✓					✓✓	✓	✓✓
Ruislip	✓✓					✓✓	✓	✓✓

Key

no target set

target set but performance data not available / consistent

✗ no uplift achieved to date; target not achieved

✓ evidence of uplift; target not set / achieved

✓✓ uplift achieved; target met or exceeded

Source: GLA Monitoring Data

5.43 Aggregated results at the programme level are set out in the table below.

Programme Level Results – use with Caution

We have aggregated project level results to understand implications for programme level performance.

It should be noted that for this part of the analysis, we have taken project results at face value and have made no adjustments to account for methodological differences or to ensure consistent consideration of OLF additionally.

For these reasons, the findings in this section do not equate to the London wide economic impact of the programme. This is explored separately in the next section, where adjustments are made to the data to estimate net economic impact.

5.44 Despite the largely positive performance at the project level in terms of economic uplift, at the programme level performance against uplift targets is more mixed. Taking results figures produced by projects at facing value, nearly 1,100 jobs have been created or secured, around 810 young people have received support and around 60 young people have been helped into apprenticeships.

5.45 While there has been strong over performance in terms of jobs created and young people receiving support, the programme has underperformed in terms of jobs secured.

5.46 This reflects a number of factors:

- Incomplete monitoring – first, it should be noted that the figures represent only a partial assessment of results. As highlighted in the table above, many projects have not submitted information regarding performance against certain indicators. For those which have, the degree to which results

represent a full assessment of impact (as opposed to merely a demonstration of achievement against prescribed targets) is mixed.

- Target setting and definition issues – underperformance for jobs secured largely reflects the fact that two projects set unrealistic targets as a result of misunderstanding the definition of the indicator (Balham, target of 600; Barkingside – target of 300; Nunhead, Bromley and Harrow all in excess of 100). Removing the Balham and Barkingside targets alone would more than half the programme level target. The definition of indicators was an issue more widely, with many projects setting targets without a full understanding the definition of the indicator or indeed baseline conditions.
- Project planning – while many projects include apprenticeship targets within their grant agreements, consultation with many suggested that they had not considered how these might be achieved, such as by incorporating commitments within contracts; by the time this was brought to the attention of projects in many instances it was too late.
- Timescale of evaluation – again it is important to note that the timing of the evaluation means that many of the schemes have only recently finished delivered. It would be expected that further impacts would accrue once the schemes have had more of a chance to bed in.

Table 5.12 Aggregated Project Results - **UNADJUSTED**

	Final Target (adjusted from Table 2.2 reflecting 'in-programme' changes)	Achieved
Jobs Created	530	790
Jobs Secured	1,670 (770 exc Balham & Barkingside outliers)	290
<i>Jobs Created and Secured</i>	<i>2,200</i>	<i>1,080</i>
Young People Receiving Support	450	810
Young People in Apprenticeships	60	60 (25 exc. Hillingdon results)**

*Note: All numbers rounded to the nearest 10

**Note: There is some uncertainty over the degree to which the Ruislip Manor and Northwood Hills apprenticeships can be attributed to OLF.

Source: GLA Monitoring Data

Programme Impacts and Value for Money

- 5.47 The results described above suggest that many of the projects have delivered *local* economic uplift. Further analysis is necessary to understand the extent to which this local uplift translates into net positive economic uplift *across London*.

Overview of Approach

- 5.48 Our assessment of London wide impact takes a bottom up approach, using the local employment results described above to estimate the overall economic value generated by the programme, in terms of Gross Value Added (GVA).

- 5.49 GVA has been estimated by applying an average ratio for GVA per job in the retail sector in London to the employment secured and created figures.

- 5.50 However, given the caveats regarding the consistency and robustness of the results information provided by local authorities, it has been necessary to make significant adjustments to the data in order to estimate net impact across London. Adjustments include:

- Adjustment / extrapolation of results – it has been necessary to provide desk-based estimates of impact for a number of projects:
 - 1). Extrapolation of results for projects which have not reported on employment impacts, either because a target was not set (e.g. Brentford) or due to difficulties in undertaking monitoring (e.g. Balham)
 - 2). Adjustment of results for projects where a different methodology has been used to estimate impacts (e.g. jobs created in Harrow)

For these projects we have provided desk based estimate of jobs or secured based on average gross unit costs (cost per job) achieved across projects for which data is available.

- Attribution of results to OLF (deadweight) – while many projects have reported on employment impacts, many have not taken into account the extent to which these are directly attributable to OLF. Based on review of the self-evaluations we have made judgements on which projects have taken into account additionality; for those which haven't we have adjusted results based on the average additionality reported across other schemes. This essentially provides a deadweight adjustment.

- Other additionality adjustments – we have then made additional adjustments to convert the gross project results to net London level impacts. Our additionality assumptions have been based on guidance from the HCA¹¹):
 - **Optimism Bias:** adjustment to take into account the possibility of over optimism collection of results. Applied at a relatively high figure of 10% to reflect the fact that the assessment is based on survey work which often results in higher levels of optimism
 - **Leakage:** benefits which accrue outside the impact area – in this case London. Applied at a medium rate of around 25%, reflecting the fact that some salary benefits are likely to leak outside the region (particularly for town centres in far outer London)
 - **Displacement:** impacts which reduce economic activity elsewhere in London. Applied at the standard figure for medium-high levels of displacement of 60%. This recognises the difficulty in generating new / additional retail spend within a defined area.

In this instance, we have not made adjustments for substitution (not deemed to be an issue in the context of the types of intervention delivered) or to build in potential multiplier impacts.

Results of Modelling – Estimated Impact across London

- 5.51 Once adjustments have been made to the data, we estimate gross *results* of around 1,200 jobs created and secured (compared to the unadjusted figure of around 1,100).
- 5.52 Once additionality adjustments have been applied, we estimate a net London of around 240 jobs created or secured. We estimate that this equates to a net economic impact to the London economy of around £8.5m per annum. Again, it is important to note that this assessment provides only an indication of the scale of impact which has accrued *to date*; evidence provided by projects highlights an expectation that benefits will continue to build over the coming years.
- 5.53 *Given the caveats in the quality and consistency of the data, it should be noted that these figures are intended as a high level estimate of economic impact rather than a full and robust assessment.*


Table 5.13 Estimated Employment Impact

		FTE Employment		
		Created	Secured	Total
Gross Results ↓	Project result data	790	290	1,080
	Extrapolated results	660	560	1,210
	Additional results	520	370	890
Net Impact	Net employment impact	140	100	240

Note: All figures rounded to nearest 10

¹¹ HCA Additionality Guide, 4th Edition, accessed at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/378177/additionality_guide_2014_full.pdf

Table 5.14 Estimated GVA Impact

		GVA (£) per annum
Gross Results	Project result data	£38.0m
	Extrapolated results	£42.6m
	Additional results	£31.3m
		
Net Impact	Net GVA impact	£8.5m

Source: Regeneris Consulting, 2015

Temporary Design / Delivery Impacts

The £60m (including match) OLF programme has generated significant design and delivery activity for London firms. This has provided a significant benefit in terms of supporting London's creative, design and construction firms – not just in terms of the direct economic value supported, but also in terms of capacity building and strengthening expertise in innovative forms of town centre delivery.

While some projects measure these impacts (see results), this was done somewhat inconsistently. To give an indication of the scale of activity supported by OLF spend, we have applied standard assumptions regarding average output per employee in the construction sector.

From this, we estimate that the £31.4m capital OLF spend was enough to support 140 temporary jobs per annum over the 3 year delivery period; this increases to an average of 230 jobs per annum (for 3 years) when capital match funding is included. These jobs will

generate additional GVA impacts for the London economy over and above those town centre impacts described above.

Estimated Value for Money

- 5.54 We have used the net London level economic impact figures set out in Chapter 5 to estimate the effectiveness of the programme in cost benefit and value for money terms.
- 5.55 In net terms, we estimate that the programme has created or secured around 240 jobs across London at a net unit cost of £235,000. We have based our estimate on an assumption that benefits generated will persist for 10 years. This assumption of persistence is based on recent guidance from the HCA¹².
- 5.56 The calculations give a return on investment of £1.28 for every £1 invested in the project. It should be noted that this is based on already achieved impacts and does not include possible future impacts. As such, the return on investment would be expected to improve should additional benefits emerge in coming years. *Again, given the data caveats it should be noted that these figures are intended as a high level estimate of value for money rather than a full and robust assessment.* However, this is a positive finding: while research on the economic benefits of public realm investment is patchy, research in CLG's "Valuing the Benefits of Regeneration" suggests an average return of around £1 for every £1 invested in public realm projects.

¹² Estimating Cost per Job: Best Practice Note, HCA, 2015

Table 5.15 Programme Value for Money

Total Project Cost (inc. match)		£57.6m
Net programme impact	Net jobs created and secured	240
	Net GVA per Annum	£8.5m
	GVA generated over 15 years (discounted)	£73.6m
Cost benefit & Value for Money	Net Unit Cost (cost per job)	£235,000
	GVA per £ invested	£1.28

Source: Regeneris Consulting, 2015

Future Performance Tracking

- 5.57 As highlighted throughout this chapter, our assessment of programme results and impacts is highly caveated; this can only be considered an indicative estimate of impact as a result of the timing of the evaluation and the consistency and quality of the data provided by projects.
- 5.58 To achieve a truer picture of the impact of OLF investment, follow up monitoring will be required. This will allow both additional time for benefits to accrue but will also enable alternative and independent data sources to be utilised to assess impact. This should include:
- IDBR and BRES data – official ONS statistics which provide local level information on employment and business change. It has not been possible to include them within this evaluation as both datasets have a time lag which mean that uplift associated with OLF will only show in future releases.
 - Vacancy rate data – it is also recommended that future updates on programme performance use a single and independent data source (e.g Local Data Company) to understand how vacancy rates have changed in London's town centres since the GLA investment programme commenced. Use of a single data source will ensure a

consistent approach to measuring change – both in terms of methodology but also timescales.

- 5.59 Use of both these data sources will also allow for an assessment of the counterfactual; that is, what has happened in town centres which has not received OLF investment compared to those which have.
- 5.60 Crucially, it will also help the GLA to consistently track the performance of all London's town centres over the long term; this will enhance the relevance of the evidence that already exists within the periodic releases of the GLA town centre health check evidence base and in doing so will help the GLA to make decisions regarding the targeting of future investment.

6. Programme Effectiveness

6.1 This chapter considers the delivery process of the OLF programme, focusing on the effectiveness of the interventions, the effectiveness of the delivery mechanisms and the added value realised through the programme.

Programme and Project Design

Overall Programme Design

6.2 Our research has identified a number of findings regarding the overall design of the programme:

- **Programme duration** – as highlighted by analysis in Chapter 4, 20% of total OLF spend across 14 projects slipped into a third year of delivery. Reasons for slippage are considered in detail elsewhere, but in many instances reflected the complex nature of the capital schemes being delivered. At headline level, extension of the programme into a third year did not impact adversely on overall delivery: the GLA showed flexibility and worked with projects to agree funding carry-over and ensure completion. That said, there were administrative impacts: in some instances delivery team members had been employed only for a fixed 2 year contract, and in other instances difficulties were reported in ring-fencing local authority match funding to allow carry-over into another financial year.
- **Type of funding** – as set out previously, Round 2 placed a greater degree of focus on capital projects than Round 1.

However, many projects have indicated that they would have benefitted from higher proportions of funding to support revenue projects while major capital works were ongoing.

Project Selection

6.3 The GLA adopted a strategic approach to project selection:

- **Geographic targeting of funding** – the geographic spread of OLF projects is displayed in chapter 2. The map shows that the OLF achieved its objectives of a good geographic spread of projects across outer London, largely avoiding areas benefiting from the Olympics and Crossrail. Only one project (Cricklewood) involved cross-Borough working. It should be noted that the geographic spread of projects was largely a function of local decision making by the Boroughs in terms of the bids that they put forward to the GLA. Local authorities appear to have taken differing approach to selecting projects: while some selected projects which were already envisaged as part of long term regeneration programmes (e.g. a total of 12 projects had already received OLF R1 funding), other Boroughs put forward projects for town centres which had received no recent investment. While the GLA can influence project selection to a certain degree by specificities set out in the funding prospectus, ultimately, the pool of projects reflects local prioritisation and strategy.
- **Delivery Readiness** – partly linked to the above, the projects selected varied in the extent to which they were delivery ready. In a number of instances, projects required detailed design and consultation before delivery could commence. While delivery readiness was not a requirement in the project selection process (indeed design was always envisaged to be a key element of the programme), projects requiring detailed

design work were typically more complex and resource and time pressured in nature. In a number of these instances project timescales slipped into a third financial year and in certain cases, planned strands of activity were not delivered.

- **Delivery momentum** – those areas where projects formed part of a longer-term strategy appear to have been more successful. Generally speaking, projects which had been in receipt of previous investment appear to have been better prepared to deliver: in Barking (among other projects) for example, OLF R1 had been used to develop projects for future delivery; these existing plans, along with established relationships with the GLA and knowledge of delivery requirements, were instrumental in ensuring an efficient delivery process for Round 2. It should be noted, however, that this was not universal: while Hounslow High Street was in receipt of Round 1 funding, delivery of the round 2 project encountered significant delays. This may have partly reflected high turnover in staff within Hounslow during the delivery period, affecting the extent to which OLF R2 was a natural continuation of delivery.

Project Design and Interventions

- 6.4 A number of overarching points are apparent regarding the design of individual projects:
- **Strategic fit** – projects appear to have been most effective when they have been developed within a strong strategic framework, responding to clear (and pre-existing) objectives and aspirations. This has ensured that interventions delivered are relevant and well thought through – and appropriately tailored to respond directly to local needs and challenges. It has also improved the ability of projects to efficiently re-

allocate funding (within the same strategic framework) where originally planned strands of delivery were unable to progress.

- **Concentration of activity** – research also suggests that OLF interventions have had most impact (in perception terms) where they are concentrated within relatively tightly defined areas. This has been particularly pertinent in some of the larger town centres: in Bromley, for example, it appears that the interventions clustered in a tight area around Bromley north have had more of a transformative impact than the rest of the interventions spread relatively thinly across the rest of the town centre area. That said, a number of projects highlighted that OLF has enabled the delivery of small scale interventions such as signage and trees which often get overlooked. While these may not appear impactful on their own, it is important they are viewed as a component part of a wider package of interventions, which together improve the cohesiveness of the public realm.

- 6.5 The different interventions delivered – and relative effectiveness of these – is considered in the table below.

Table 6.1 Effectiveness of the Interventions

Type of Intervention	Approach/s Adopted	Effectiveness of Delivery
Public realm / streetscene	<ul style="list-style-type: none"> For most OLF R2 projects, public realm works formed the major component of delivery activity, accounting for the majority of funding and delivery resource. The ambition of schemes varied from minor junction / crossing improvements to major decluttering schemes and schemes to reduce car access. In a number of instances OLF funding was used to contribute towards (or extend) pre-existing TfL / London Borough schemes (e.g Bromley, Rainham). 	<ul style="list-style-type: none"> The public realm projects have been the most challenging to deliver within the programme timeframe. It has been the area most subject to delays, reflecting the often complex nature of the work and multiple partners involved. In general however, public realm improvements have been successfully delivered and to a high quality (not withstanding certain design and delivery issues considered later) OLF funding has shown strong additionality: in many instances delivering schemes which otherwise wouldn't have been delivered, helping to extend pre-existing schemes and in doing so delivering greater critical mass. OLF has been a crucial leverage tool in this respect: in Streatham, for example, a relatively small amount of funding (£300,000) successfully unlocked TfL funding of around £5m. The legacy of public realm schemes appears to be the strongest where it has effected a change in how town centres are used – for example, reducing car access or pavement widening allowing for outdoor seating (e.g. Bromley, Balham), or creation of event spaces (e.g Hounslow). That said, the long term success of these interventions will depend on effective stewardship by local authorities. This is particularly the case in the latter example, where a sustainable revenue stream will be required to ensure that the space continues to be used for its intended purpose.
Buildings, markets and empty shops	<ul style="list-style-type: none"> A number of physical interventions were delivered, including improvements to the business centre in north-east Enfield, the delivery of a pavilion in Harrow, improvements to the Ancient Market in Kingston, infrastructure for a new market in Hounslow and efforts to bring empty shops back into use (e.g. Sidcup). 	<ul style="list-style-type: none"> Generally speaking, these interventions appear to have a strong legacy: providing a physical asset which will act as a direct focal point for local economic / community activity. That said, in most of these cases, ongoing operation of the asset will require revenue resource; as such, long term planning is required to ensure these interventions remain effective and sustainable in the long term. It is clear that <i>street market</i> interventions require detailed planning and engagement with the existing town centre community: a balance needs to be achieved which ensures that the market reflects the profile of town centre users (both current but also aspirational), but does not adversely impact on the trade of core town centre business base (e.g. by duplicating services). Instances where new markets have been supported (e.g. in Hounslow) appear to date to have been relatively successful in diversifying town centre uses, attracting new town centre users, and directly supporting additional economic activity within the town centre. That said, their overall success will only become clearer in the longer term – ongoing monitoring will be needed to understand how 'embedded' they

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		become within the town centre both in terms of direct visitor numbers, but just as crucially, in terms of impact on the wider town centre environment.
Wayfinding / signage	<ul style="list-style-type: none"> Across most projects wayfinding improvements were delivered in the form of Legible London. 	<ul style="list-style-type: none"> Legible London is seen by most as a strong element of delivery, not only helping to improve local wayfinding, but also providing cohesiveness at the London level While this is considered a successful element of delivery, a number of local authorities reported difficulties engaging with the Legible London team at TfL, resulting in delays. Anecdotally this reflected the fact that OLF resulted in a large number of orders being placed with Legible London at the same time.
Shopfront improvements	<ul style="list-style-type: none"> Many of the Round 2 projects delivered shopfront schemes; these varied in nature from full shopfront replacements, to new signs and shutter improvements (Barking) Approaches to projects varied; in some instances, open calls were put out to businesses, in other instances, improvements were targeted at specific parades / units. 	<ul style="list-style-type: none"> Shopfront improvements appear to be a successful element of delivery, providing enhancements in the physical environment, but also helping local authorities to engage more closely with local businesses. Local engagement has been key across the shopfront improvement projects: this has enabled delivery to be tailored to match local characteristics and needs. Flexibility in project design (to allow delivery to be tailored to local conditions) has played a key role in underpinning success. Interventions appear most impactful where delivered in concentrated blocks (e.g. whole shopping parades (e.g. Cricklewood). Many of the schemes suffered initial delays as it took time to gain the trust of businesses and generated momentum. However, the ultimate success of the improvements is demonstrated by the fact that in many cases schemes became oversubscribed, levered in a greater than expected level of match from businesses and in some instances galvanised non-recipients to invest separately in their shopfronts (e.g. Sidcup; Blackhorse Lane).
Events	<ul style="list-style-type: none"> Most projects delivered events, particularly during the first year of delivery when capital works were in the design / consultation stages. These varied in nature and in terms of scale; while some were one off events, others were scheduled as part of wider town centre 'festivals' 	<ul style="list-style-type: none"> In many instances, events have been highly successful; many local authorities view these as a critical element of delivery, animating high streets while disruptive capital works are underway and helping to change perceptions about how town centres are used Particularly effective events appear to be those which draw in a range of local groups around a common theme and which have a legacy; a particularly successful example was the varied but targeted events programme in Streatham – the programme achieved strong buy in (and hence attendance numbers) by engaging a broad range of town centre stakeholders. Some areas suggested that whilst the Olympic events may have been successful, these tended to be one off events which did not connect as well with the rest of the programme.
Marketing	<ul style="list-style-type: none"> A range of marketing activities have been undertaken, from development of websites and 	<ul style="list-style-type: none"> Generally speaking, consultation has suggested that this element of delivery has been less value adding than other aspects, with concern regarding the overall legacy or long term

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	business directories to the production of promotional material.	sustainability of these interventions. This is particularly these case for the production of promotional material.
Business support	<ul style="list-style-type: none"> • Business support schemes were relatively small scale in all instances (reflecting the small pot of revenue funding) • In many instances support was targeted at small, independent retail businesses 	<ul style="list-style-type: none"> • Feedback suggests that in general the quality of business support provided was strong and value adding. This appears to be largely down to the quality of external delivery providers which were praised for the relevance and value added of their support. • That said, it appears to have been most effective were it was targeted at a specific group of businesses, facing a specific set of issues; in instances where the support has been more general (open to anyone), it is more difficult to see the legacy. It should also be noted that there is limited value in one off business support sessions; for businesses to see real value more intensive support is often required.
Town centre management	<ul style="list-style-type: none"> • A range of town centre management mechanisms have been delivered / enhanced, including the setting up of BIDs (e.g Harrow), town teams (e.g. Cricklewood and North Finchley) and less formal town centre action groups (e.g. Hounslow). 	<ul style="list-style-type: none"> • Where town centre management mechanisms have been put in place / enhanced, this has provided one of the stronger legacies of OLF. Long term provision for town centre management (and investment in the case of BIDs) is a key outcome in the context of resource pressures facing local authorities.

Delivery Processes

- 6.6 As previously noted, the GLA was the lead organisation for the programme, with delivery of individual projects largely led by local authorities.

GLA Delivery activities

- 6.7 As the lead organisation for the programme, the GLA has played a key role in defining its success.

Programme Level Activity

- 6.8 At the programme level, the GLA has been responsible for the setup of the programme and overseeing delivery.
- 6.9 Programme level activities appear to have been delivered effectively, with positive feedback received in this regard from London Boroughs.
- 6.10 However, it is worth highlighting a number of programme level factors which impacted on delivery and which provide learning points for future funding programmes:
- **Signing of grant agreements** – for a number of projects, the grant agreement process (after funding had been agreed) was relatively lengthy. In a number of instances, this took up to 6 months – a significant time period in the context of a 2 year programme. While some projects started delivery before this was in place (i.e. at their own risk), a number of areas were not able to commence with delivery (which resulted in delays). This is difficult to mitigate: lengthy grant agreement processes for programmes of this type are not atypical and reflected a complex range of legal and administrative factors (on both the grantee and grantor sides), rather than the

efficiency of the programme systems. As such, it is important that a realistic assessment of the time it will take to sign grant agreements is built in to the project plan from the start.

- **Economic uplift indicators and monitoring timings** – as set out in Chapter 2, the GLA identified 8 economic uplift indicators against which it wished projects to measure performance at completion. Many of the projects noted that while they expected to see uplift in the long run, this would take time to accrue and therefore it was difficult to measure performance against these soon after the end of project delivery (often when capital works and associated disruption had only recently completed). Again, this is difficult to mitigate given the requirement for the GLA to evaluate and demonstrate impact at programme end. However, it emphasises the importance of working closely with projects during the grant agreement stage to agree appropriate methodologies and timescales for monitoring activity.
- **Target setting** – across the projects, there was a lack of consistency in approach to setting economic uplift targets. While projects were responsible for setting their own economic uplift targets, in many cases this appears to have been done without reference to GLA guidance on how the indicators were defined and how they should be monitoring. While the GLA then reviewed the targets as part of the grant agreement process, there was not a consistent approach to moderation, particularly for employment impacts. As a result, the targets set by different projects were inconsistent and in a number of cases unrealistic. Ultimately, this has made it difficult for projects and the programme to gain a true sense of performance in impact terms.

- **Role of monitoring and evaluation** – all projects were asked to complete project self-evaluations at completion, which summarised performance against economic uplift targets and wider project performance. During the course of delivery, all projects benefitted from a series of ‘monitoring and self-evaluation’ surgery sessions at which projects were supported to put in place strong plans to undertake research on performance at completion. However, this was given little formal weighting (with no funding requirement attached to self-evaluation and no identified ‘consequence’ of non-delivery); partly as a result of this, the monitoring and self-evaluation process undertaken by local authorities has been of mixed quality. While all projects have ultimately delivered self-evaluations, in many cases a robust and consistent approach has not been taken to measuring performance against economic uplift targets. To a large degree this is reflective of the capacity and commitment of the local authorities; that said, a more firm steer at the programme level could be beneficial in ensuring the delivery of strong project evaluations.
- **Monitoring procedures** – OLF Round 2 Projects were required to complete monthly monitoring forms setting out project expenditure and progress in terms of delivery. A number of projects noted that they found this onerous and resource intensive. That said, numerous other projects noted that monitoring procedures were ‘as expected’ and less complex than on other grant programmes (such as ERDF). In addition, projects reported that they found the GLA became more flexible as the delivery process went on, seemingly as relationships strengthened and confidence and trust in the ability of projects to deliver increased.
- **Contracting** – under the formal contracting procedures put in place, claims could only be submitted for grant funding to be paid after work had been completed / milestones reached. A number of projects noted that this led to some difficulties and delays as it often took a while for contractors to submit invoices for works undertaken. Some Boroughs reported that this placed a financial burden on local authorities (albeit temporary), with some difficulties experienced in reaching agreement with finance offices / departments. However, it should be noted that these contracting procedures were in line with internal (as established) GLA processes and were set out clearly at grant agreement stage.
- **Flexibility** – most of the projects noted that the GLA has shown considerable flexibility during the course of the delivery process. In day to day project management, GLA Project Leads worked closely with projects to develop design proposals; and where necessary plans were allowed to evolve from those originally set out in bids. In many instances where original plans were not deemed deliverable, funding was reallocated to related strands of delivery (if a good case could be made for this). It appears that this flexibility has been crucial in ensuring effective use of funding and in minimising delivery inefficiencies. That said there are also lessons to be learnt; consultation has highlighted a number of instances where funding was diverted to related strands of delivery which (hindsight suggests) were less value adding or coherent in the overall project context. In these instances there may have been a case for GLA to withdraw funding, unless a stronger proposal could be put forward / agreed.

Day to Day Project Management

- 6.11 Projects generally found day to day project management to be very good, reporting that they appreciated the hands on approach by GLA Project Leads (including regular meetings and feedback).
- 6.12 The place based approach adopted by the GLA appears to have been particularly effective: ensuring that Leads were allocated projects on a geographical basis helped to ensure that their working relationship with the Boroughs was informed by a strong understanding of the local area and wider functional relationships. The GLA's Area Managers added an additional layer of place based expertise on top of this, providing further knowledge and expertise.
- 6.13 Projects found GLA input to be most effective when there was consistency in project management throughout the course of delivery (and in some cases through from OLF R1). This ensured that strong relationships were developed, with a shared understanding of local objectives and context. In a number of instances there were multiple changes in project management personnel during the course of delivery; while unavoidable, feedback suggests that stability should be sought where possible.
- 6.14 A number of projects also felt that there could be greater opportunities for knowledge sharing amongst OLF Round 2 projects. While platforms such as the High Street Network were well received, more regular events (particularly with opportunities for informal networking) could have assisted projects to understand what is being delivered elsewhere and to learn from these.

Ensuring Quality

- 6.15 As previously noted, the GLA placed a large degree of emphasis on ensuring quality – from design through to delivery:

- GLA Project Leads supported projects with design elements on a day to day basis and were responsible for agreeing and signing off all designs for delivery
 - As noted at paragraph 2.24, the Specialist Assistance Team (SAT) was set up to make available expert advice from a range of firms across the professional spectrum to projects. Many of the projects used this service and found it to be beneficial, particularly in the design phase of delivery
 - The Mayors Design Advisory Group was used to review and provide feedback on designs for major schemes. Again, this process seems to have been well received; projects felt that the advice and suggestions which are received during these meetings was beneficial.
- 6.16 Projects were largely happy with the design input of the GLA and recognised the value added this provided. Significantly, there is evidence that the GLA's approach in this regard has had a positive impact on the overall quality of delivery (and hence the success of the programme overall) – *achievements in this regard are considered in detail in Chapter 7*. That said, a number of *process* considerations were identified by consultees in this regard:
- A number of consultees were surprised by the level of involvement that the GLA took in day to day design activities. This was particularly the case for local highways / transport teams used to the more hands off approach taken by TfL, with a number of consultees suggesting that GLA became too closely involved in the minutiae of design.
 - Relationship between design consultants, Boroughs and GLA – Boroughs largely welcomed the involvement of the SAT team and the design expertise it provided. That said, in a number of instances projects reported frustration regarding

the relationship between design consultants and the GLA: in these instances, the consultants were perceived to be viewing the GLA as the client rather than the local delivery team, with concerns raised over responsiveness and project ownership.

- Linked to the above points, a number of Boroughs emphasised the fact that Boroughs are ultimately responsible for the long term stewardship of the interventions delivered and this must remain a key factor influencing all design and delivery activities.

6.17 Despite the above, it is important to note that many Boroughs welcomed the overarching design input of the GLA and noted that it has resulted in higher quality schemes than would have been delivered otherwise (this is considered in more detail in Chapter 7).

Delivery by Local Authorities

6.18 As noted above, the vast majority of projects were led by local authorities.

Delivery Models

6.19 While delivery models employed by local authorities varied, in the majority of instances, delivery was led by local economic development or regeneration teams, drawing in resource / expertise where necessary from other departments (most often highways and transportation, but also planning, leisure services and arts and culture teams).

6.20 In the main, this model of delivery appears to have worked well although in certain instances projects suffered from delays as a result of difficulties in departments working closely together where prior working relationships did not exist.

6.21 In most cases, local project managers were appointed and given responsible for the day to day management of projects including in maintaining contact and relationships with the GLA. As reported above, the strength of these relationships has been a key factor in the delivery process and is an important legacy of the programme (with greater shared understanding of local strategic objectives and enhanced capacity for future collaborative working).

Project Resourcing

6.22 Resourcing has been a key factor defining delivery performance. In certain instances, projects have reported considerable resource constraints during the delivery period, which has affected the efficiency of delivery.

6.23 In part this reflects the resourcing models used by projects: projects were required to set out delivery practicalities within their bid and while some projects applied for OLF to cover project management costs (often 'buying in' project managers for the 2 year contract), other projects opted to cover delivery via existing resource.

6.24 Establishing a realistic resource plan for delivery is clearly of critical importance, particularly for complex capital projects such as those delivered under OLF. In Bromley, for example, project delivery was resourced from existing staff members and in kind costs have been estimated at around £90,000. In practical terms, these resource pressures have not only affected the delivery of the OLF projects, but also ability to deliver core service activities.

6.25 Staff turnover was a key challenge encountered throughout the delivery of the programme: while some projects benefited from relatively stable and consistent delivery teams, others experienced ongoing staff turnover. While programme and project levels mechanisms were in place to protect the delivery process in these

instances, it is difficult to fully mitigate against the impacts of staff turnover on the efficiency and momentum of delivery.

Expertise and Capacity

- 6.26 It appears that for many projects, the delivery of the major capital schemes under OLF R2 has been a considerable challenge and has resulted in a certain degree of 'learning on the job'. This reflects the fact that for many Boroughs there has been no recent track record of delivering these types of complex schemes.
- 6.27 With this in mind, the close involvement of the GLA and design firms has played an important role in sharing the burden and in helping to share expertise.
- 6.28 Delivery appears to have been particularly effective where specialist project managers were bought in to oversee the duration of the project from design through to delivery; consultation highlighted in particular the importance of having resource with experience of *delivery* involved from the early design stages to ensure that the transition from design to delivery is smooth.
- 6.29 Considering all the above, it is clear that the delivery of over £50 million across outer London in round 2 has significantly enhanced design and delivery expertise within London Boroughs; this has the potential to prove an important legacy of OLF. There are, however, threats to this legacy: in a number of instances, resource constraints within councils mean that project managers / delivery teams have already been disbanded with the implicit risk that knowledge and expertise build up over the past two years is lost.

Governance and Engagement

- 6.30 Consultation has highlighted the important role that strong governance can play in ensuring effective delivery. Governance

structures varied from project to project: the most effective models appear to be those which included senior officers from different directorates which were able to resolve any communications issues and which had the authority to assist with decision making.

- 6.31 In a number of instances, project governance also included local councillors: generally this was seen as beneficial, ensuring strong political buy-in to the delivery process. However, in certain instances this led to the 'politicising' the delivery process and clouding the decision making process, resulting in delays.
- 6.32 The same is true of wider engagement. Many projects successfully engaged multiple stakeholders in the design process and in certain instances, the consultation process resulted in delays, resulting from differences in opinion from different stakeholder groups and difficulties in resolving these. Despite this, there was agreement that wider engagement and consultation was strongly beneficial overall (particularly in the more complex capital projects) in helping to improve design and ensure stronger buy-in and ownership.

Procurement and Contracting

- 6.33 In certain instances (e.g. Balham), a single consultancy was procured to lead the process through from design to delivery, with additional firms then sub-contracted as and when necessary. In other instances projects ran multiple procurement processes, with different practices taking the lead on different strands of delivery. From a headline point of view, it appears that the former approach has been the more efficient, resulting in less administrative burden for local authorities.
- 6.34 Approaches to procurement varied from one project to the next (reflecting varying local authority procurement procedures). Many projects ran open procurement processes to appoint designers and contractors: while this approach was resource intensive (and in

certain cases led to delays), evidence suggests that it helped to ensure the selection of contractors which were suited to the specifics of each scheme. Conversely, challenges were faced in certain instances where term contractors were used: there are instances where this resulted in a lower level of delivery quality at less value for money than might have been the case had more specialist contractors been used (reflecting the highly bespoke schemes being delivered).

The GLA and TfL's Architecture, Design and Urbanism Panel (ADUP) was set up in 2014 to support local authorities in their procurement processes: while most OLF procurement was complete by this point, ADUP is targeted at assisting local authorities in the procurement of suitably qualified consultancies and contractors in the future.

- 6.35 A number of local authorities noted the importance of contracts being designed effectively to limit the potential for overrun (or at least limit the risk to the local authority) – in Balham, for example, a single construction firm was contracted to deliver all strands of delivery, with a single completion date. When one strand of delivery was delayed for external reasons, they were able to push back on all elements of delivery, resulting in overrun and burdening the council with additional financial costs.
- 6.36 Many of the projects experienced the need to carry over funding when delivery went beyond the intended 2 year period. A number of projects highlighted that this presented internal challenges regarding uncertainty over the ability to ring-fence local match funding allocated for OLF delivery. While on this occasion all projects managed to get internal agreement to carry funding over, it was seen as a potential risk for future projects and further highlighted the importance for greater realism about likely delivery time periods at inception.

Monitoring and Evaluation

- 6.37 As noted above, all projects were required to monitor performance against economic uplift targets and to complete project self-evaluations.
- 6.38 In general, it appears that this is an areas where projects have encountered difficulties:
- In the initial target setting process, many projects appear to have set targets without first establishing the baseline position. This made it difficult to set realistic targets, but also made it difficult to measure performance. In addition, a number of projects misunderstood the definitions of economic uplift indicators provided by the GLA and set targets which were unrealistic and unachievable.
 - Projects were provided with free guidance and advice on monitoring performance throughout the delivery process. However, analysis of final results suggests that the monitoring undertaken by projects has been inconsistent and often lacking in robustness. This partly reflects the fact that projects saw final monitoring as a resource intensive burden, which had not been accounted for in original costings. In many instances, the monitoring process was also affected by the fact that project delivery teams disbanded at the end of the formal delivery period, before final monitoring was due to take place.
 - All projects have now produced self-evaluations, although the depth and insight provided by these is varied. Again, this partly reflects that these were often seen as an additional and unforeseen administrative burden, rather than as an opportunity to take stock and ensure that lessons learnt

during the delivery process were collated and used to inform future delivery.

Delivery by 3rd Party Organisations

While delivery was largely by London Boroughs, in a number of instances third party organisations took the lead. In Hackbridge, BioRegional acted as delivery lead. In Kingston-upon-Thames and Green Lanes, the London Boroughs were the official lead, but elements of project management activity were sub-contracted out to consultancies.

Consultation has suggested that delivery by a third party in Hackbridge has helped in the delivery process. Consultation suggests that plans were well developed at inception and there was pragmatism in delivery. Perhaps most importantly, BioRegional contributed specialist expertise which helped to strengthen the environmental focus of the project (a focus which set the project apart from many of the other OLF R2 projects). That said, it is important to note that the project remained the overall responsibility of LB Sutton and the local authority still played a major role in project delivery – both in terms of overall oversight and quality control but also on the administrative side of things.

The OLF R2 experience suggests it is worth exploring the third party leadership model for future delivery (whether alone or as part of a wider partnership), particularly where this approach will enhance levels of specialist expertise or experience.

Role of wider partners

- 6.39 While OLF was largely delivered by the GLA and London Boroughs a broad range of wider partners were also involved in delivery.

- 6.40 One of the key partners across many of the projects was TfL – involved in many of the public realm schemes, but also in the roll out of Legible London. Relationships with TfL appear to have worked effectively. That said, a number of projects noted that there were difficulties working with the Legible London team which seemed slow and sometimes unresponsive. Anecdotally it was suggested that this reflecting the burden placed on Legible London by the large number of OLF projects.
- 6.41 More generally, all OLF projects appear to have engaged closely with a range of local partners in design and delivery activities; this has been a key strength of the programme and is considered in more detail in the next section.

Strategic Added Value

- 6.42 Strategic Added Value (SAV) arises where a project has an impact in influencing the work of other organisations in an area, which creates additional benefits beyond those provided by delivery of the project itself.
- 6.43 As explored below, there are numerous instances where the OLF programme has resulted in strategic added value.

Strategic Leadership

Strategic Leadership is related to the articulation and communication of economic development needs, opportunities and solutions to partners in the region and elsewhere.

- 6.44 The OLF Programme has been an example of strong strategic leadership.

- 6.45 The Mayor of London and GLA identified a series of issues and challenges facing London town centres and developed a targeted investment programme to address these (covering OLF Rounds 1 and 2). The delivery process has resulted in a range of new and innovative solutions which have in many cases successfully targeted the issues they were intended to address.
- 6.46 Throughout the delivery process, the GLA (and Boroughs) have been successful using OLF as a platform via which to articulate the needs of town centres and possible solutions:
- On a practical level, this has been demonstrated by the GLA’s profile raising and knowledge sharing activities – such as 2014’s Summer of High Streets which included the ‘High Street Conversation’ events and also provided an additional £25,000 for town centre events to raise the profile of OLF projects
 - At the more overarching level, the strategic and policy context has continued to evolve to build on the OLF context – this is demonstrated by ongoing policy focus on town centres (e.g Mayor’s Action for High Street and Accommodating Growth in Town Centres) and the development of ‘successor’ funding streams to OLF such as High Street Fund and London Regeneration Fund.
- 6.47 Evidence suggests that the delivery of the programme has had a tangible effect in terms of helping to increase the profile of town centre needs and challenges within London Boroughs. In certain instances this has been demonstrated by Boroughs allocating additional funding to address issues.
- 6.48 One of the legacies of OLF is a body of intelligence about the models and practices which can be effectively delivered in town centres in response to identified issues. This body of evidence and best practice

is already being taken forward within London: not only through the High Street Fund and London Regeneration Fund programmes, but also by London Boroughs as they roll out town centre investment in non-OLF town centres (for example LB Hillingdon has developed a self-funded shop-front improvement scheme which has delivered over 100 shopfront improvements).

Strategic Influence

Strategic Influence relates to stimulating activity that defines the distinctive role of partners, gets them to commit to shared strategic objectives and to behave and allocate their funds appropriately.

- 6.49 The OLF programme appears to have been successful in influencing a range of partners to contribute their time to projects in Outer London.
- 6.50 At the programme level, the GLA has used OLF as a platform to engage more closely on town centre issues with both regional partners (mainly TfL) and London Boroughs. The GLA has exerted a strong level of influence on these partners, seeking buy in to overall ambitions and objectives regarding the role of town centres and the quality of physical interventions put in place. The strong relationships forged between the GLA and London Boroughs is an important legacy, with a greater understanding of shared objectives and greater potential for future collaborative working.
- 6.51 At the project level, the development and delivery of most projects has drawn in a range of external partners including cultural and arts organisations (particularly in events) as well as retail and leisure businesses (particularly via shop front improvement and business support schemes).

- 6.52 New partnerships have also been established, including BID's, town teams and town centre boards; all of these have resulted in closer partnership working and will help to maximise the legacy of the OLF interventions.

Leverage

Leverage is the provision of financial and other incentives to mobilise partner and stakeholder resources – equipment, people as well as funding.

- 6.53 Through the OLF programme the GLA has secured strong levels of leverage, with wider partners buying into the overarching objectives of the programme, both in financial and resource terms.
- 6.54 This is primarily demonstrated by the strong level of match funding achieved by the programme: match funding levered in by the programme has increased the size of the programme pot by around 70%, with London Boroughs and TfL the main co-investors.
- 6.55 The programme has also helped to lever in additional funding and resources for town centres more indirectly. While no evidence has been collected on the overall scale of this, numerous projects have reported securing additional council funding to deliver additional town centre interventions outside the scope of the OLF project – this has been seen in both in OLF town centres (eg. Bromley and Balham) and non-OLF town centres (eg shopfront improvements in Walthamstow).
- 6.56 There is also evidence that the results of OLF have helped to stimulate private investment in town centres: in a number of instances, there have been report of the private sector making new investments as a result of the investment and improvements being delivered around them. This ranges from local independent businesses upgrading their

own shopfront, to new investments into town centres by multiples as a result of improved confidence relating to OLF investments.

Synergy

Synergy is the using of organisational capacity, knowledge and expertise to improve the design and delivery of interventions amongst partners.

- 6.57 The OLF programme has demonstrated synergy via the coherency it has added to town centre investment activity across London.
- 6.58 There is evidence that the programme (and individual projects) built on existing strategy, achievements and knowledge, in particular using the platform provided by OLF R1 interventions (where relevant) as a basis for intervention.
- 6.59 The close involvement of the GLA throughout the process has helped to ensure that delivery across all projects has reflected overarching GLA objectives and standards regarding design and delivery. There is evidence that this has resulted in a higher standard of design and delivery than might have otherwise been the case.
- 6.60 This quality of design has helped to deliver an element of consistency across town centres; further consistency / coherency has been delivered by the roll out of London wide standards such as Legible London. Locally, OLF appears to have resulted in a more co-ordinated approach being taken to address local issues than would otherwise have been the case, allowing for the delivery of a suite of interventions improving both the physical environment while also supporting businesses and users.
- 6.61 Given the nature of the programme, potential for cross-Borough working was limited (Cricklewood being the only cross Borough

project). Despite this, there have been a number of opportunities for Boroughs to knowledge share – for example via the GLA’s High Street Network events (which received positive feedback as a platform for sharing information and raising ambition) and 2014’s High Street Conversation events. Post-delivery the GLA has also worked to share knowledge and best practice from OLF, particularly when developing successor programmes such as HSF and LRF. That said, feedback from Boroughs has suggested that a greater number of opportunities for knowledge sharing in a more informal way during the core delivery period would have been valuable.

Engagement

Setting up mechanisms and incentives for more effective and deliberative engagement of stakeholders in the delivery of regional and sub-regional priorities and programmes.

- 6.62 At the project level, the OLF programme has been extremely successful at stimulating greater levels of engagement.
- 6.63 Perhaps the most tangible examples of this are the instances where new town centre management mechanisms have been established: In Harrow the OLF funding played a direct role in the establishment of a BID, while in Bromley, it has helped to support the BID set up process.
- 6.64 Many of the OLF projects set up formal groups / boards to steer the delivery of the OLF programme, bringing together senior council officers (including representatives from different departments), councillors, businesses and community representatives. This has helped to ensure that projects have been developed in collaboration with the wider community, enhancing chances of successful delivery and legacy.

- 6.65 There is also evidence that these engagement mechanisms have a strong legacy potential: in the case of BIDs, a sustainable mechanism is now in place for the long term stewardship of town centres; while in several instances (e.g Hounslow), town centre boards are now looking at ways to intervene in non-OLF town centres.

7. Programme Achievements, Weaknesses and Legacy

7.1 The purpose of this section is to draw out the key trends and issues arising from analysis in the previous sections. The aim is to identify aspects of the programmes performance that could help improve future delivery.

Key Achievements

Generating Momentum across London

- 7.2 The OLF programme through Rounds 1 and 2 has stimulated significant regeneration activity and momentum across London.
- 7.3 There is strong evidence that the OLF programme has shown strong additionality: in many instances the programme has delivered investment in areas which would not otherwise have received any investment; in other instances OLF has added critical mass to existing regeneration activities which would otherwise have been smaller in scale (and, by proxy, less effective). Common feedback from London Boroughs has been that the OLF has helped to tackle long standing issues (both physical and more structural) which would otherwise have gone untouched given ongoing (and increasing) resource constraints within local authority spending.
- 7.4 The programme appears to have been particularly effective in those areas which received both OLF R1 and R2 funding – in several of these areas (Barking being a particularly strong example), a long term regeneration momentum has been achieved, with R1 interventions

setting up Round 2 investment and stimulating longer term planning after the completion of OLF R2.

- 7.5 In many instances, there is evidence that the momentum generated by OLF will continue after the programme has ended: with investment planned by London Boroughs both in OLF town centres and non-OLF town centre; this is considered in more detail under legacy below.

Ambition and Quality of Delivery

- 7.6 The ambition and quality of delivery has been cited as a major achievement both at the programme level, but also at the level of the individual project:
- **Scale of delivery** – at headline level, the OLF R2 programme has seen the delivery of nearly £34m (and just under £60m including match funding) across 25 outer London locations since 2012. This closely matches original objectives: only a very small proportion of funding was clawed back by the GLA where certain strands of delivery were not achievable (the fact that clawback powers were applied in these instances further demonstrates the GLA's high standards for delivery). Notwithstanding delays / overruns on a number of projects, the scale and quality of delivery is a clear achievement given the complex nature of many of the interventions (e.g large capital works) and the lack of prior expertise in delivering such projects across many of the London Boroughs.
 - **Tailored responses to local needs** – the OLF R2 programme has seen the delivery of a broad and innovative suite of interventions. This recognised that while the physical environment (public realm; wayfinding etc) is important, additional action is needed to support businesses (e.g

shopfront improvements and business support) and to change the way town centres are used (e.g. events and marketing). In many instances OLF allowed the delivery of smaller scale interventions which are often missed at the bigger picture / strategic level but which have a crucial role to play. Giving projects the opportunity to deliver a suite of such interventions showed strong additionality, allowing projects to *tailor the response* to the specific needs of their location and ensure that potential benefits of physical interventions are maximised for all user groups. At the same time, the programme has helped to deliver a level of coherency across London – both in terms of a higher quality of design (see below) but also in the implementation of London level standards such as Legible London.

- **Quality of Design and Delivery** – throughout the programme, a high level of emphasis has been placed on high quality delivery, with a particular focus on design (reflecting Mayoral design objectives). Consultation suggests that design aspirations have been achieved: many London Boroughs noted that a higher quality of design has been delivered than would have been the case under a London Borough led scheme. A large part of this reflects the design expertise provided by GLA Project Leads and the involvement of innovative and ‘fresh’ design consultancies (often via the SAT panel).
- **Flexibility of delivery**– the OLF R2 programme remained relatively flexible. Once projects were awarded funding, the GLA worked closely with the delivery team to work up design and to ensure delivery was correctly targeted. Where this was not the case and strands of activity were deemed not deliverable, projects were often given the opportunity to identify other possible uses for the funding in the town

centre. This pragmatic approach recognised that plans set out in project bids and grants agreements often required further development; flexibility ultimately ensured a more efficient use of funding in identifying and adapting weaker aspects of delivery. Again, the design and delivery expertise of the GLA Project Leads (and the close relationship forged with project delivery teams) was an important aspect of this approach.

Impacts: evidence of economic uplift and strategic impacts

7.7 In many instances it is too early to ascertain the full impacts of the OLF programme; this will take time to emerge and measure. However, early indications suggest that the programme has helped town centres to improve performance:

- **Improvement image and perceptions** – many of the projects have reported that the most significant impact at this stage has been improvements in image and perception, as evidenced by surveys of local businesses and town centre users. There are a number of aspects to this:
 - Physical improvements – numerous projects describing changes as ‘transformational’ and resulting in a ‘step change’ in the quality of the town centre
 - The role of town centres – a major theme across OLF projects has been to change the way town centres are perceived by users, moving from purely retail centres to more diverse centres offering a range of retail and leisure activities. Consultation has highlighted numerous instances where strong progress towards this has been achieved, with evidence that delivery has strengthened previously peripheral parts of town centres, attracted increase leisure uses, and

enlivened town centres through events and engagement projects. Over the longer term, there is confidence that these improvements in image and perception have the potential to result in a tangible legacy of economic uplift.

- Perceptions regarding the stewardship of town centres – tackling issues in town centres where there was a previous sense of underinvestment.
- **Economic impacts** – as set out in Chapter 5, there is evidence the programme is starting to translate into economic uplift benefits for outer London town centres. Many town centres have reported increased visitor satisfaction and footfall, and decreasing vacancy. There is also evidence of employment creation, resulting in net economic uplift across London. While it is expected that these benefits will strengthen over time, strong town centre management and ongoing strategy and investment will be required to maximise and sustain the benefit.
- **Strategic impacts** – as discussed in the previous chapter, the programme has resulted in strong level of strategic added value. This has represented itself in terms of improved levels of partnership working (both between the GLA and family and local authorities, but also between local authorities and more local stakeholders). In generating regeneration momentum, the programme has also raised the profile of town centre needs and the benefit of investment, which will help local authorities to better make the case for future intervention. This strategic legacy is an important achievement of the programme, as it will help to perpetuate the legacy of specific OLF projects even where additional financial investment is not anticipated.

- 7.8 Again it is important to note the additionality of the programme: our research has suggested that in the absence of OLF, investment in the town centres would have been limited and these impacts would have been unlikely to accrue.

Building capacity across London

- 7.9 Research suggests that the OLF programme (across both funding rounds) has helped to build design and delivery capacity across London:

- **Local authority capacity** – many of the OLF projects have been delivered by local authorities; consultation suggests that in many instances there was a lack of experience within these of delivering large and complex projects encompassing a suite of interventions. Notwithstanding resource challenges faced by delivery teams along the way, the successful delivery of the programme has by implication improved the capabilities and experience within London Boroughs. This is not just the case in terms of project delivery, but also in understanding and responding to local town centre needs at the more strategic level. The challenge now will be to retain and capitalise upon that increase in capacity in the context of public sector resource constraints. However, even in instances where OLF project managers have already moved on, the legacy and experience of OLF should remain via the valuable bank of knowledge contained within evaluation documents and also within the GLA's growing library of town centre regeneration guides, research and policy documents. Perhaps equally crucial in this respect is the legacy of improved relationships with town centre stakeholders and the GLA. Subsequent and forthcoming rounds of GLA investment (such as the High Street Fund and the London

Regeneration Fund) should help to further embed these relationships and ensure that capacity gained via OLF is perpetuated.

- **GLA knowledge of London Boroughs** – as noted above, the expertise of GLA Project Leads has been a key aspect of OLF, helping projects to work through design to delivery. Consultation suggests that the process has helped to build capacity within the GLA itself, with the project team in tune with the internal challenges and pressures facing local authorities and the implications this has for delivery activity. At a more strategic level, the programme has also strengthened the relationship between local authorities and the GLA, with a shared understanding of local regeneration / economic development aspirations and objectives. This will be important in helping the GLA to target future spending and delivery activity appropriately.
- **External organisations** – the OLF programme has also helped to build the capacity of a range of external organisations. This is particularly the case in terms of the numerous design consultancies which have been involved in the programme – in many cases via the GLA’s SAT panel. By actively engaging firms across a range of areas of professional expertise, the GLA has helped to facilitate new relationships between the private sector and local authorities and has helped to expose local authorities to ‘fresh’ and ‘innovative’ ideas and ways of thinking. Exposure to OLF projects has also helped members of the SAT panel to develop their own experience and expertise, which is an important legacy for future delivery activity across London.

Delivery Weaknesses / Barriers

- 7.10 Analysis of performance data, consultation with several key stakeholders and our own understanding of the London economic development context has identified a number of factors – both external and internal – which have impacted delivery against the projects aims and objectives. These are outlined below:

Programme and Project Design and Set Up

- 7.11 There are a number of aspects of programme and project design which have acted as barriers to achievement:
- **Delivery readiness** – while in many instances OLF R2 projects were well developed and ready to go (particularly those projects which had received OLF R1 funding), in several other instances designs and plans were less well worked up. As a result, a larger amount of time was spent in the first year of delivery on project development and design, ultimately impacting on delivery timescales. Delays were particularly apparent where extensive consultation exercises needed to be undertaken. It should be noted that design was always expected to be part of the OLF programme; however, the experience suggests that in certain instances projects underestimated the complexity of the design process and the timescales required to move through design to delivery.
 - **Complexity of delivery** – as noted above, delivery of a large and complex programme was a key achievement. However, at the project level, the complex nature of several of the projects was a significant challenge. This was the case for example in Bromley, where the project comprised multiple interventions spread across a large town centre area. The delivery of each of these interventions was resource

intensive, with detailed design work, partner engagement and administrative requirements typically required to facilitate successful project delivery. When set in the context of resource pressures facing many delivery teams (considered below), this complexity ultimately resulted in delays.

- **Delivery timescales** – linked to both of the above, findings suggest that a number of projects underestimated the scale and complexity of project delivery within the context of the 2 year programme. As highlighted in Chapter 4, delivery of more than half of the OLF projects ran into a third year: this reflected a range of factors including slow start up (e.g. signing of Grant Agreements); design and delivery complexities (see above and below) and resource pressures (again, see below). There is no evidence that this impacted on the quality of delivery and the GLA were flexible to allow carry over to ensure completion. However, this did result in challenges for local authorities relating to their own match funding commitments (and ability to carry this over) and project resource (in some instances project managers were contracted to finish at the end of year 2). This highlights the importance of realistic appraisal of project delivery timescales (taking into account both internal and external influences) at both bid stage and during subsequent planning.

Project Management

7.12 Projects came up against a number of project management challenges throughout the course of delivery:

- **Resource constraints** – as discussed in the previous chapter, a common theme across many OLF projects was the resource challenges they faced in project delivery. This was particularly the case in instances where projects did not have OLF funded

project management resource and resulted in in-kind staffing costs. In a number of instances this put pressure on internal resources, impacting both on OLF delivery but also on the delivery of core service activities.

- **Turnover in staff** – a further challenge faced throughout the project has been turnover of staff – both at the London Boroughs and at the GLA. While in many instances unavoidable, research suggests that this resulted in disruption and delays during delivery. Staff turnover may also impact on project legacy (in terms of knowledge and experience) although the physical and strategic legacy of OLF will minimise this risk;
- **Skills challenges** – as described in the previous chapter, in many instances there was limited prior experience of delivering large scale capital interventions in town centres. In many instances London Boroughs bought in the necessary project management expertise and facilitated partnership working between relevant council departments; however, in several instances, projects might have benefited from a greater level of delivery expertise at an earlier stage in the project during planning and design.
- **Design and delivery procurement** – procurement approaches (across both design and delivery) varied across all projects; these reflected local authority policy and hence were largely non-negotiable. That said certain procurement approaches appear to have been more limiting than others. This is exemplified by LB Hounslow's two projects: in Brentford, the appointment of a specialist contractor resulted in a scheme delivered efficiently and to a very high standard; in Hounslow Town Centre, the use of a newly appointed term contractor was less suited to delivering a large, complex and bespoke

public realm project to a high standard. Lessons were also learnt regarding the importance of smart contracting. This was demonstrated in Balham where a single contractor was appointed under one contract to deliver all strands of activity; when one aspect of delivery was delayed for external reasons, the contractor was able to push back on all elements of delivery, resulting in delays across the project. Going forward, the establishment of the GLA and TfL's Architecture, Design and Urbanism Panel (ADUP) in 2014 will help to support local authorities in their procurement processes: this comprises a panel of firms across the skills spectrum who are appropriately qualified to support delivery of the Mayor's regeneration programmes (as well as other public sector full and part-funded projects and initiatives).

- **Relationship between project managers, GLA and design consultants** – many of the projects emphasised the positive role that the GLA and design consultants played in project design and delivery. However, there was a feeling among some projects that greater clarity was needed in the role of the London Borough as the client, given their ultimate responsibility for long term stewardship of the interventions. A number of examples were cited where there was concern that design consultants treated the GLA rather than the London Borough as the client. *That said*, it should be noted that the GLA was clear from the start of the process (including within Grant Agreements) that OLF would be delivered with a high level of GLA scrutiny and involvement, as a fundamental element of the drive to ensure high quality delivery.

Project Delivery

7.13 A number of barriers were experienced during the project delivery process:

- **External factors** – a number of the most significant barriers encountered related to external factors were out of the hands of the project delivery teams. This included events such as burst water mains caused by inaccurate ground surveys. While these were unavoidable, they did further emphasise the tight period of delivery: in many cases initial delays in design meant that the delivery period was constrained, with limited contingency built in for unforeseen events.
- **Working with partners** – partnership working has been one of the main strengths of the programme. That said, a number of difficulties were experienced during the course of delivery. A common theme across many projects was the difficulties encountered in negotiating with 3rd parties such as Network Rail and private landowners. It appears that these difficulties were largely unforeseen at project inception, but ultimately had a major impact on delivery. In a number of instances negotiation resulted in major delays (e.g. negotiations with supermarkets in Balham). In other instances they resulted in non-delivery of strands of activity (e.g. proposed signage in Barking and Bromley), or changes in design (e.g. proposed lighting in Harrow). There is also some evidence that the scale of OLF delivery impacted on the capacity of certain partners to deliver – a number of projects, for example, reported delays in the design and delivery of signage from Legible London who were working with multiple OLF projects at the peak of the delivery period.

- **Length of construction works** – in a number of instances, the delivery of OLF capital works has been a relatively lengthy process which has resulted in considerable disruption in town centres. Consultees across a number of projects reported significant disruption for local town centre businesses and users over this lengthy period. While many of the projects made strong efforts to communicate and engage with businesses and users to make them aware of the works and long term benefits, several projects reported that delivery of the project had damaged relationships with businesses (certainly in the short term).

OLF Legacy

- 7.14 As set out in Chapter 3, OLF was established in the context of a series of structural challenges facing London’s town centres including both local issues (the quality of the physical environment) and external factors (including competition from online retail and shopping centres).
- 7.15 A number of additional challenges have emerged / strengthened in the period since the programme commenced:
- Increased pressure on commercial space – numerous projects have reported the increasing pressure on commercial space in town centres as a result of permitted development rules. There is a concern regarding the permanent loss of commercial space and implications this has for future town centre competitiveness
 - Increased pressure on council resources – over the course of the OLF programme, resource pressures on local authorities have increased, impacting directly on the likelihood of future

local investment in town centres in terms of capital and revenue activities (e.g. town centre management).

- 7.16 While the response to these challenges will need to be long term in nature, there is evidence that OLF has resulted in a tangible and demonstrable legacy, both at the level of individual projects, but also at the programme level:

Project legacy

- 7.17 At the project level, a variety of different types of legacy are apparent:
- **Town teams / BIDs** – in a number of projects, such as Harrow and Bromley, OLF has helped to result in the establishment of town centre management structures. This is generally perceived to be a strong legacy, providing a long term mechanism for management activities and (in the case of BIDs) a mechanism to secure future investment. This long term stability is seen as an important legacy;
 - **Physical legacy** – reflecting the nature of the investment, OLF R2 has left a strong physical legacy. There are a number of considerations in this:
 - Legacy is most tangible where a physical asset (e.g. Enfield Business Centre) or space (e.g. Lowfield Park in Harrow; Bell Square in Hounslow) has been provided. Despite this, the operation of these often requires a strong flow of revenue funding; the ultimate success of the project will hinge on the ability of Boroughs to generate a sustainable flow of revenue in the long run;

- While there is also a physical legacy for wider public realm and way-finding works, this is perhaps most tangible and impactful in instances where the focus has been on reimagining town centre space (e.g in Bromley and Balham where public realm improvements have helped to encourage more leisure uses).
- With all public realm improvements, legacy will partly be defined by the ability to ensure long term stewardship and maintenance – this has already been brought into focus in a number of instances (e.g vandalism of Legible London signs in a number of locations).
- More generally, public realm improvements should be viewed as a component part of long term regeneration aspirations, rather than as generating an immediate and identifiable legacy themselves.
- **Strategic legacy** – many of the OLF projects have identified a strong strategic legacy. This has manifested itself in a number of ways:
 - There is evidence that OLF activity has pushed high street investment up the agenda for certain local authorities, which has resulted in funding being levered in for the delivery of additional activities. Bromley is a good example of this, with plans to continue public realm works further down the high street. There is also evidence that OLF has raised standards regarding the quality of delivery which will help to drive up quality in future delivery by local authorities.
 - There is strong evidence that the OLF projects have resulted in a legacy of stronger relationships between London Boroughs and local businesses / stakeholders, increasing confidence in the local authorities ability to intervene productively and helping other stakeholders to take a more active role in town centre stewardship. This will help in the efficiency of future town centre management and intervention.
 - There is also evidence that OLF interventions have resulted in a legacy of improved confidence in town centre locations and that in certain instances, this has helped to stimulate additional private investment – both from existing occupiers and new inward investment. In some respects, this can be seen as a self-perpetuating legacy, with continued investment helping to improve confidence further.
 - As noted above, there is also an important legacy in terms of the improved knowledge and experience of delivering complex town centre regeneration projects within local authorities – this will be crucial in helping to perpetuate success and in improving the efficiency of future delivery.

Programme legacy

- 7.18 At the programme level, the legacy of the OLF is already being realised via the ongoing commitment of the Mayor of London and the GLA to improving London’s high streets. OLF has built the capacity and expertise of the GLA’s Regeneration Team and directly contributed to a growing body of research and evidence regarding the overarching benefits of town centre regeneration, and

knowledge regarding the most effective types of intervention and efficient forms of delivery. Since OLF delivery ended, the GLA has drawn upon this bank of evidence to inform the development and delivery of a number of successor and complementary programmes.

- 7.19 In summer 2014 the GLA held its **Summer of High Streets**, a programme of events aimed at celebrating London's high streets and in particular the 70 high streets which have received investment under the Mayor's investment programmes (including OLF and the Mayor's Regeneration Fund). This provided £25,000 additional funding for events in OLF town centres and also saw the delivery of the High Street Conversations – a programme of knowledge sharing events for London Boroughs and delivery professionals.
- 7.20 Also in summer 2014, the GLA published "**Accommodating Growth in Town Centres**", which examines the changing role of town centres and, in particular, their potential to accommodate additional housing and employment growth / density.
- 7.21 Building on this report, the Mayor published "**Action for High Streets**", which sets out the value and potential of London's high streets and the case for investing in them. The report emphasises the Mayor's objective to continue to improve high streets, with a focus on diversifying the town centre offer via housing and employment growth.
- 7.22 The Mayor's ongoing funding programme reflect these commitments to town centres and high streets.
- 7.23 The **High Street Fund** was launched in autumn 2014 and is in many respects the successor to OLF. A list of 42 projects were announced in spring 2015 for delivery over a 1 year period to 2016. These covered funding of £9m, with 25 larger Borough led projects and 17 community led projects. Proposed interventions are similar in nature

to those seen under OLF, including physical enhancements, support for businesses and efforts to animate high streets.

- 7.24 Subsequently, the **London Regeneration Fund** was launched in summer 2015. This has made £20 million capital funding available to support innovative and place-based projects across London's high streets and places of work. Successful projects are expected to be announced during winter 2015/16.
- 7.25 The Mayor is also currently progressing his plans for London's **Housing Zones**. While these are led by the need to deliver a greater quantum of housing across London, they are also influenced by the Mayor's ambitions to change the role that London's high streets and town centre play; many of the housing zones announced to date are in town centre locations and are playing a major role in local ambitions for town centre regeneration. In town centres such as Barking, Harrow and Hounslow, the recent award of housing zones (with the implicit prospect of future population growth) offers a direct opportunity to build upon initial momentum generated locally by OLF investments, securing a stronger town centre economy in the long run.

8. Conclusions: Overall Performance and Lessons Learnt

- 8.1 The analysis in the preceding chapters has allowed us to identify a number of conclusions regarding project performance and lessons learnt for future delivery.

Overall Performance against Funding Criteria

- 8.2 The OLF Round 2 prospectus stated five criteria by which prospective projects would be assessed in terms of suitability for funding and support.
- 8.3 Performance of the programme against these criteria is summarised below.
- 8.4 The table demonstrates that the programme has largely **delivered strongly against its funding criteria**, with evidence that the programme has demonstrated strong strategic fit and additionality, is starting to result in tangible economic uplift in London town centres and has helped to stimulate and strengthen partnership working across London.

Table 8.1 Performance against Programme Funding Criteria

Criteria	Assessment
<p>Geographic Suitability – focus upon locations which are mostly in outer London, not within the immediate catchment area of a Crossrail station, and not in one of the top Olympic-benefitting boroughs</p>	<ul style="list-style-type: none"> • The town centres which have received funding are largely in outer London, away from Crossrail stations and away from locations directly benefitting from Olympic investment. • Four inner London boroughs have received funding (Lambeth, Lewisham, Wandsworth and Southwark) for six projects. However, all of these projects are located in the ‘outer’ part of these boroughs. • Two of the six boroughs which benefitted from Olympic investment – Barking and Dagenham and Waltham Forest – received OLF Round 2 funding. However, none of the town centres which have received funding in these boroughs (Barking, Wood Street and Blackhorse Lane) have directly benefitted from 2012 investment. • Three of the 11 boroughs which will directly benefit from Crossrail have received OLF Round 2 funding. However, none of these town centres (Sidcup, Rainham and Barking) are due to benefit directly from Crossrail. • Aside from this it should be noted that the geographical spread of projects reflected projects put forward by London Boroughs, and hence local prioritisation and strategy.
<p>Deliverability – projects should be ready to go and it should be evident that they can deliver within the timeframes.</p>	<ul style="list-style-type: none"> • Ultimately, the programme experienced delays: 14 projects ran into a third year of delivery, with 20% of spend claimed in 2014/15. These delays reflected a number of reasons: i) the complexity of some of the large scale capital works (issues emerged in terms of procurement, design and planning); ii) capacity issues within local delivery teams; c) initial delays signing grant agreements (delays of up to 6 months for some projects). • For the most part, delivery was most efficient where detailed plans were already agreed, where there were pre-existing relationships; and where there was strong internal knowledge / expertise of the requirements of project delivery. In many instances these were projects which had previously delivered OLF R1 projects. • For other projects, significant design work was required after inception (often including consultation); this was a time consuming process which ultimately delayed delivery timescales. In some instances certain strands of delivery were deemed un-deliverable, with funding diverted elsewhere or taken back by the GLA • Notwithstanding these considerations, delivery should be deemed a success: across the programme, 97% of funding was ultimately delivered.
<p>Vibrancy and growth – actions should promote the place as a business location, site for residential growth, and focus for the local community.</p>	<ul style="list-style-type: none"> • Evidence presented throughout this evaluation has highlighted that, whilst it is still early days, evidence of positive economic uplift is starting to emerge across outer London’s town centres as a result of programme delivery. • Survey work carried out by projects generally highlights strong levels of satisfaction with the investments from both town centre users and businesses. Linked to this, many of the projects reported increased levels of confidence in town centres from businesses and investors as a result of OLF interventions, resulting in new investment (e.g businesses opening). • Although the quality of the evidence provided is mixed, it does appear that this is starting to result in economic uplift: including evidence of decreasing vacancy rates in some town centres and increasing footfall in parts of town centres where change has been particularly transformational. Evidence collected by London Boroughs also suggests that the programme has resulted in a strong amount of employment creation, although the extent to which this can be claimed as additional (i.e. directly resulting from OLF) is questionable.

Place shaping – actions should help shape a better place and be co-ordinated with other change taking place.

✓✓
Objective
Met

- Aside from this, however, it is important to emphasise that the real benefit of OLF investment will only be realised over the longer term. Many of the interventions delivered should be viewed as part of a wider programme of regeneration activity which will affect change only over the long term. In these instances, the value of OLF investment has been to help change perceptions about the role of town centres (i.e. supporting a much broader function than one of just retail centres). The delivery of events, performance spaces and activities to support an enhanced leisure / recreation offer have been targeted at changing such perceptions; and (on the basis of evidence provided by local authorities) have been successful in working towards these objectives.
- Stronger and ongoing monitoring systems will be required to be able to track the trajectory of town centre performance and the overall effectiveness of OLF investments over these longer time periods.
- As suggested by the above, evidence collected by delivery teams suggests that OLF investment is starting to result in positive change in outer London’s town centres and this partly reflects the strong place making activities delivered by the programme
- Part of this reflects the physical changes delivered via the OLF programme: the focus on capital projects and the delivery structure which has been put in place by the GLA (which is hands-on and allows access to expert advice) has ensured that physical interventions have been delivered to a high quality and in a way which contribute to overall town centre coherency and place shaping objectives.
- At a more structural level, the interventions put in place by OLF have helped to change perceptions regarding how town centres should be used: be it via the creation of more opportunities for leisure / recreation activities, via welcoming strategies (signage) or via programmes of events to animate space and attract new users.
- In general, there is evidence that delivery has been closely co-ordinated with wider change taking place –this has been particularly the case where delivery has been informed by an overarching local regeneration plan, or in instances where interventions were worked up during OLF Round 1 delivery. Consultation has highlighted numerous projects where OLF interventions are seen as ‘stepping stones’ within a wider programme of regeneration activity (to be continued via planned future investment via New Homes Bonus and Housing Zones). Where future investment is not planned, the legacy will be partly dictated by the ability of the local authority and town centre partners to sustain relationships and continue to identify opportunities for collaborative working / investment.

Collaboration and support – there should be a good level of political and community momentum behind enhancing the place and the proposed actions should provide benefits for various segments of the community.

✓✓
Objective
Met

- There is evidence that the projects have performed strongly in terms of engagement and have resulted in the strengthening of local partnerships / relationships.
- The delivery of the programme has directly strengthened relationships between the **GLA and London Boroughs**, helping to deliver improved understanding and sharing of objectives; this has helped both in project delivery but has the potential to improve the targeting and effectiveness of future intervention.
- A number of projects have demonstrated instances where OLF Round 2 delivery has led to greater **strategic or political support**, with greater awareness of the need to support town centre renewal. This is an important legacy: strengthening the potential for future investment / intervention in local town centres.
- Many of the OLF Round 2 projects have also seen stronger relationships built with **local businesses**; this has particularly been the case with shopfront improvements schemes and via public realm works. Again, this has been a positive achievement given that in many town centres there had been limited past engagement with the business base

- Many projects have also seen local **community** involvement both in delivery of some projects (e.g. Kingston TC which has recruited a number of volunteers) and in design and planning (e.g. consultation events in Balham).
 - There has also been engagement with **wider strategic partners** such as TfL and Network Rail. However, it is noted that difficulties were sometimes experienced working with these wider partners (particularly Network Rail), with adverse impacts for project delivery.
 - Clearly, the relationships and partnerships built via OLF are one of the key achievements of the programme. This is particularly the case where formal structures have been established (e.g. BIDs, town teams). Building upon these relationships and ensuring they are maintained and strengthened will be a key priority for local authorities in sustaining the legacy.
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Lessons Learnt

- 8.5 Directly reflecting the achievements and barriers to achievements described in the previous section, the research has identified a number of learning points for future delivery:

Structure of Programme

- **Capital / revenue funding** – the focus of the programme on capital funding has enabled the delivery of a series of major and transformative physical schemes. That said, local authorities emphasised the important and complementary role that revenue funding can play in helping to affect change; many local authorities thought that a greater amount of revenue funding would have been beneficial.
- **Delivery timescales** – evidence suggests that a number of projects were overly ambitious in terms of the scale and complexity of delivery planned within a programme. Although overruns did not ultimately impact on the quality of delivery, more realism about delivery timescales for major capital project, could have reduced the administrative burden and cost created by overruns.
- **Delivery readiness** – linked to the above, there were numerous OLF R2 projects which required extensive design work (and often consultation) after grant agreement stage to progress to delivery. While design was also envisaged as being part of the programme, it seems in some instances the complexity and time requirements of moving from design through delivery was underestimated. Ensuring a greater degree of delivery readiness at project selection could help to ensure efficiency at the programme and project levels. This could include multiple rounds of delivery; projects

where Round 2 plans were worked-up during Round 1 appear to have been delivered most efficiently.

- **Strategic fit** – as might be expected, delivery also appears to have been most effective where it has aligned with long term strategic ambitions (as opposed to more ad-hoc, short term responses). Emphasising the importance of strategic fit (and ensuring there is a strong logic model for investment) should be a priority for future project selection.

The Interventions

- **Importance of engagement** – one of the common strands running across all OLF projects was strong engagement and partnership working with local businesses and stakeholders; this has helped to ensure buy in to objectives and designs and has helped to smooth the delivery process. The relationships forged appear to be one of the strongest elements of the OLF legacy and provide a strong platform for future partnership working in town centres. That said, engagement strategies need to be set within realistic timeframes, recognising the difficulties in consulting with and getting agreement from often complex groups of stakeholders
- **Town centre management** – linked to the above, a number of projects have seen the creation of town centre management structures (e.g BIDs or town teams); in the context of resource pressures facing local authorities, these outcomes are seen as particularly impactful, providing a platform for the long term and sustainable stewardship of town centres.
- **Role of design quality** – the GLA placed emphasis on high quality design throughout OLF; while at times this created delays in the delivery process, there is evidence this has been successful in helping the GLA and Boroughs

to deliver more strongly against place making objectives than might otherwise have been the case.

- **Long term sustainability** – it is also critical that interventions remain practical and are sustainable in the long term. The legacy of the investment will ultimately be defined by the ability of councils to maintain interventions (particularly those which require revenue streams such as event spaces) in the face of ongoing resource pressures.
- **Funding flexibility** – flexibility has been a feature of the delivery process: projects evolved during the design process as plans were worked up in more detail. The close partnership working between the GLA, Boroughs and design firms in this respect has ensured that funding has been used more efficiently than might have been the case had a more rigid funding structure been applied. That said, there are also instances where funding was diverted to strands of delivery which were less integral in terms of overall project coherency / less well thought through; it is possible that more could have been done to identify such risks and, if necessary, withdraw funding for that part of the scheme.

Delivery

- **Resourcing** – while some projects used OLF funds to cover project management costs, it appears that some projects were unaware that OLF could be used in this way and subsequently experience internal resource pressures. Greater clarity at bidding stage would have been beneficial – along with close scrutiny by both the GLA and Boroughs themselves about likely delivery resource requirements
- **Realism about complexity of delivery** – linked to the above, a greater degree of realism is required from

projects regarding the resource intensive nature of capital projects, particularly those involving consultation and / or external partners. OLF has provided a learning curve in this respect, and it is important that lessons learnt are taken on board by the Boroughs and the GLA for future delivery.

- **Skills and expertise** – the delivery of OLF has highlighted the complex nature of capital projects and the importance of being able to draw upon strong project management and delivery skills / expertise. OLF has clearly helped to build capacity in this respect across London Boroughs; it is important that where possible this pool of expertise is used productively to enhance the efficiency of future programmes (both locally and regionally). Working closely with Boroughs to ensure lessons learnt and knowledge gained from OLF remains embedded locally (underpinning future delivery) will be key; the GLA has already made progress in this respect, having drawn strongly upon the experience of OLF to inform the development of successor programmes such as HSF and LRF, including giving clear guidance to prospective projects on best practise and what works.
- **Procurement for design and delivery** – in general, it appears that delivery was most effective where strong procurement processes were run; given the bespoke nature of many of the projects, delivery appears to have been weaker where term contractors (as opposed to more specialist contractors) have been used. Delivery has also highlighted the importance of smart contracting which anticipates and has contingency for potential risks. The GLA's ADUP framework provides a good platform to strengthen procurement processes in future delivery.
- **Governance** – many projects have put in place governance structure comprising senior officers /

politicians to oversee delivery. This appears to have been an important mechanism to support the decision making process and to resolve any issues which emerged.

- **Knowledge sharing** – while projects found forums such as the High Street Network and High Street Conversations a useful platform for knowledge sharing, many projects noted that more opportunities and in less formal format (e.g. networking events or an online forum) would have proved beneficial as the delivery process progressed.
- **Third party delivery** – while there have only been a few examples of third party delivery in OLF R2, the evidence suggests that this can be beneficial in contributing specialist experience or expertise (either in a particular topic area or in delivery more generally). The GLA is already exploring this model further via the community organisation strand of HSF delivery.

Administrative

- **Project management stability** – generally speaking projects were delivered more efficiently where there was stability in project management (both on the part of the Borough and the GLA), allowing co-working relationships to develop. While in many instances personnel changes are unavoidable, where possible efforts should be made to ensure consistency / stability.
- **Target setting** – the ability of projects to effectively demonstrate their performance has been hampered by the inconsistent and in some cases unrealistic approach taken to target setting. This can be countered by:
 - Focused research undertaken up front to understand local baseline characteristics (projects);

- Establishing the best indicators via which to measure performance bearing in mind caveats to the use of certain indicators / methodologies such as manual footfall counts (projects and GLA);
- Setting and moderating appropriate targets (projects and GLA), and;
- Establishing agreed frameworks for monitoring performance (projects and GLA).

- **Self-evaluation** – all OLF projects completed self-evaluations albeit to a varied depth and standard. This often reflected resource constraints. Ensuring that projects set aside a small budget for self-evaluation would help to counter this and may help local authorities to attach additional value to the exercise as a mechanism to take stock and learn lessons.
- **Importance of ongoing monitoring** – the real impacts of programme such as OLF will only emerge over the long run. Ongoing and effective monitoring is required to track this change and should be seen as crucial in helping Boroughs to understand their local areas and challenges faced. Continuing to emphasise to Boroughs the value in undertaking regular and consistent town centre health checks can play a part in this.
- **Ongoing and future evaluation** – linked to the above, future evaluation at the programme level would be strengthened by access to more consistent time-series data on town centre performance. This would allow performance in town centres to be tracked over time and would also help to provide a counterfactual (i.e. comparing performance in those town centres in receipt of investment to those not in receipt). The GLA's town centre health check (2009, updated in 2013) provides a basis for this – the next update of this dataset will provide

a strong platform for an empirical review of the impact of all GLA regeneration investment across London's town centres.

Appendix A - Evaluation Consultees

A.1 Extensive consultation has been undertaken throughout the evaluation process including for both interim and final reporting. This has included:

Workshops

- GLA Project Leads – held in January 2014 and April 2015
- Case study workshops with London Boroughs – help with LB Bromley, LB Barking, LB Barnet, LB Harrow, LB Hounslow, LB Kingston-upon-Thames, LB Enfield, and LB Wandsworth in summer 2013 and April 2015.

Project Surgery Sessions

- Two rounds of surgery sessions for projects to assist with monitoring and evaluation planning:
 - First round held in May 2013; one to one sessions with all 26 projects (i.e including NE Enfield)
 - Second round held in January 2014; one to one sessions with 23 projects

One to One Consultation

- GLA Project Leads – one to one sessions with GLA Project Leads (for case study projects) in April 2015
- Design firms – engagement with a number of design consultancies including Retail Revival, Adams and Sutherland, David Kohn, Studio Egret West, Metropolitan Workshop, We Made That.

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Summer of High Streets



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