

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD265

Title: 639 Enterprise and Community Hub - Interim evaluation

Executive Summary:

Approval is sought to procure and award a contract to deliver an interim evaluation of the GLA funded 639 Tottenham High Road Enterprise and Community Hub. The study will seek to evaluate the overall impact of the projects, its operators, partners and the GLA as client. Consultants will also be asked to utilise the evaluation process to develop a statement of requirements and procurement approach for the future operation of the 639 project from April 2016.

Up to £30,000 is available to fund this work from the Mayor's Regeneration Fund evaluation budget.

Decision:

That the Assistant Director approves expenditure of up to a maximum of £30,000 to procure a consultant to deliver an independent interim evaluation and development of a statement of requirements and procurement approach for the 639 Enterprise and Community Hub.

AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT:

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Debbie Jackson

Position: Assistant Director - Regeneration

Signature:

Date:

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction

- 1.1 Approval is sought for expenditure of up to £30,000, to undertake an evaluation of the 639 community Enterprise Hub. This will utilise up to £30,000 of revenue funding from the MRF programme support Budget referenced in the Mayor's Regeneration Fund MD895. The work will be undertaken between April and June 2015.

Background to the Project (to be evaluated)

- 1.2 The 639 Tottenham High Road Enterprise Centre project is one of a number of projects being funded through the Mayor's Regeneration Fund (MRF) / London Enterprise Fund (LEF) programme.
- 1.3 The 639 project was jointly agreed by the GLA and LB Haringey based on results from consultation with the local community and discussion with the Tottenham Taskforce. The GLA acquired the riot damaged building on Tottenham High Road to provide a range of services and activities, all of which have an employment and enterprise focus. Following a complete renovation of the building, the Mayor opened the 639 Community Enterprise Hub in May 2013.
- 1.4 The 639 Enterprise Centre provides a new space for business, employment and volunteering in the heart of Tottenham. It has been developed as a centre to help local people get started in business and to gain life skills alongside employment skills. A range of space is provided:
- *Affordable office space (incubator space)*
 - *Shared Workspace*
 - *Conference and Board rooms*
 - *Exhibition Gallery*
 - *Cafe*
 - *Tottenham's Living Room: a free-to-hire space for local business, groups and organisations*
 - *Pop-up shops.*
- 1.5 Through partners who are based in the building, employment and training opportunities are provided including work experience, mentoring, volunteering (through Team London) and free business advice.
- 1.6 London Youth Support Trust (LYST) were appointed by the GLA to operate the project. LYST has been granted a three year internal repairing lease of the building running from March 2013 to March 2016. The GLA is grant funding LYST up to £500,000 of revenue funding to operate the building and deliver the project over a three year period.
- 1.7 The overall **vision** is to promote and support small and emerging businesses bringing together all strands of support to enable people to develop and sustain careers, from school leavers' support and training to premises, business mentoring and career development initiatives.
- 1.8 The **objectives** for the 639 project are to:
- Support young people and people at the entry level of jobs / careers
 - Provide enterprise space and support
 - Support the volunteer network
 - Broker employment and business opportunities
 - Offer training and skills development
 - Provision of space for community use.

- 1.9 The following **project outputs** have been agreed for the project and have been profiled over the three year period:
- 225 pre-business start-up assistance*
 - 85 new businesses created (operating for a minimum of 52 weeks)*
 - 4 volunteers to set up their own business*
 - 12 people supported directly into employment through the project*
 - 36 public training events*
 - 40 unemployed into volunteering roles (for one year only*)*
 - 60 volunteers into training and apprenticeships*
 - 8 volunteers into employment (for one year only*).*
- 1.10 LYST are on course to meet the targets set for them at the beginning of the project. And in particular are delivering strongly with regard to start-ups having incubated 23 businesses on site and a further 10 off site.
- 1.11 A Team London officer is working from 639 to encourage volunteering. To date this role has boosted local volunteering with 233 Tottenham residents registered with Team London through 639, partnered with 63 different organisations, often leading to further training and jobs. Due to its considerable success the Team London post has been extended to March 2016.
- 1.12 Whilst the key aspects of the project are progressing well, the intended crèche space has not been successful. Several providers have shown interest but due to the economics of childcare and the need for on-going subsidy the business model has never been made to work. Similarly the 2nd floor co-working space has been slow to build membership and the front 'exhibition space' is not currently sufficiently utilised. These issues have led to perception problems and a criticism of under-utilisation of the 639 building asset (LYST do not need the whole building to meet their targets).

2. Objectives and expected outcomes

- 2.1 Whilst it is intended to deliver enterprise support from the 639 building over the longer term, the current funding agreement and lease with LYST will come to an end in March 2016. The GLA regeneration team is starting to consider how best to take forward the 639 Project beyond this point and what best to do with the building. In line with other MRF investments the 639 project is subject to review and evaluation. This is being brought forward to help establish a forward strategy for the building by August 2015 to avoid disinvestment from the current occupier and enable mobilisation should an alternative route be pursued.
- 2.2 An interim Evaluation will provide an understanding of how the project has been working in practice, and will identify what has worked well and whether there are opportunities for improvement.
- 2.3 An appropriate Forward Strategy is also required to ensure that there is a clear plan for delivery after March 2016 (when LYST's current contract ceases). This study will be central to informing the future strategy for the Enterprise Centre and will set out a clear and timely response to ensure that opportunities for the facility are maximised.
- 2.4 The specific **aims** of this impact evaluation are to achieve:
- *An assessment of the **performance of the 639 Project against its stated objectives**, drawing on qualitative and quantitative impact data to produce informed conclusions on achievements against these key appraisal criteria.*

- An assessment of the **configuration of the project** to understand whether it was set up in the right way to respond to the challenges and issues which existed at the time. This should consider the mix of services which have been delivered and the way in which this has been delivered (e.g. in some cases other providers such as Team London have been brought in to deliver services).
- An assessment of the **effectiveness of the delivery processes** adopted by LYST to implement the programme. This should consider their performance against the role as set out within the contract. This will consider LYST's role in working with partners and managing them (e.g. Team London) and general competency.
- An assessment of the overall **governance arrangements**, specifically the effectiveness of the 639 Board in providing oversight to the project.
- **A robust quantitative economic impact evaluation.** This should include an assessment of whether the programme has achieved value for money in terms of economy, efficiency and effectiveness – assessed using a Cost Benefit Analysis framework.
- Assessment of the **added value realised by the GLA.** This should take into account the GLA's role as owners of the building, their response to the issues in Tottenham and their role in overseeing the project as a whole.
- Identification of **key lessons learnt** as part of a coherent and comprehensive set of conclusions. This should identify what has worked well and what has worked less well throughout the project.
- Development of a forward strategy including a specification or Schedule of Requirements (SOR) and preferred procurement route for the selection of a future operator of the building. Options include working with the current operator and a fully market tested procurement exercise. The forward strategy will provide a clear set of actions, which the GLA and partners can use to inform next steps. This is likely to include advice on procurement as well as future uses for the building.
- Consultants to set out a range of options for the future of the building and the operation, together with their value for money with regards to the future outputs and outcomes they would each produce. This will include, but not be limited to, how best to support an operation such as the current one i.e. the value created by extending the length and form of any future lease.

2.5 In summary the findings of this study will be used to:

- Assist the GLA in overseeing and managing the 639 Enterprise Hub programme
- Demonstrate to the GLA and their stakeholders the impact of the programme
- Inform a forward strategy for the project, including future investment decisions
- Inform decisions on the future operation and management of the centre. Inform procurement of a future operator

3. Equality comments

3.1 This Evaluation will ensure that the 639 project has been developed and delivered in compliance with relevant Codes of Practice and in line with the requirements of the public sector equality duty to ensure that the following issues have been considered. The evaluation will determine whether or not:

- i) All employability programmes have been carried out and monitored to ensure we minimise disadvantages suffered by people who share a protected characteristic. age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation
- ii) All documents and publications: all documents produced have complied with Mayor of London branding guidelines, it being based on guidance from the Royal National Institute of Blind People. Where possible accessible formats have been made available.
- iii) Events: all events have been open to all and, where possible, have encouraged people who share a protected characteristic to participate in any activity in which their participation is disproportionately low.

3.2 While LYST don't share the GLA's public sector equality duty it has been stipulated via contract monitoring that these obligation are delegated. LYSt have been provided with guidance to ensure they meet these requirements.

4. Other considerations

a) Links to strategies and Mayoral and corporate priorities

The subject of the approval is aligned with key policy aspirations of the London Plan and the Mayor's Economic Development Strategy, given their emphasis on the crucial role of the capital's network of town centres to the economic and spatial development of London.

More specifically, it will help deliver on the following Mayoral priorities:

- Improving quality of life for Londoners
- To give all Londoners the opportunity to take part in London's economic success, access sustainable employment and progress in their careers
- To attract investment in the infrastructure and regeneration which London needs, to maximise the benefits from this investment and in particular from the the opportunity created by the 2012 Olympic and Paralympic Games and their legacy.

b) Impact assessments and consultation

The planned evaluation procurement for the 639 Project has been agreed by the Regeneration Budget and Performance Review Board. The GLA ESF team, LB Haringey and GLA economics have been involved in the development of the evaluation brief and will support in the scoring of submissions.

The procurement of consultants is to be via GLA/TfL prescribed processes and officers will liaise with TfL procurement to progress this.

c) Risk

The independent nature of the evaluation could result in findings which may be negative and have reputational implications. However, this is an acceptable risk given that failing to evaluation the impact of the programme could impede the organisations understanding of successful regeneration investment policy.

The evaluation and the associated lessons learnt will inform the Regeneration Unit's approach to investment for any future interventions. There is a risk that due to the constrained timeframes of the evaluation exercise that it may not fully capture the uplift and impact resulting from 639

investment as these can take time to materialise beyond the intervention period. To mitigate this, regular progress meetings will be held with the appointed consultant and delivery partners will be encouraged to make allowances for long term uplift in their self-evaluation activity

5. Financial comments

- 5.1 Approval is sought for the procurement of professional services at a cost of up to £30,000 to deliver an independent interim evaluation and development of a statement of requirements for the 639 Enterprise and Community Hub.
- 5.2 It is expected the commission will be wholly undertaken in 2015-16.
- 5.3 The revenue cost of £30,000 will be funded from the 2014-15 Mayor's Regeneration Fund (MRF) programme support budget.
- 5.4 The use of MRF funds in 2015-16 will be subject to the approval of a budget carry forward request.
- 5.5 All appropriate budget adjustments will be made.
- 5.6 As this decision relates to contracts, officers have to ensure that the requirements of the Authority's Contracts and Funding Code are adhered to.
- 5.7 As these contracts are consultancy based, officers also have to ensure that the requirements relating to consultancy services within the Authority's Financial Regulations and Expenses & Benefits Framework are adhered to.
- 5.8 Any changes to this proposal must be subject to further approval via the Authority's decision-making process.
- 5.9 The Regeneration Team within the Development, Enterprise and Environment Directorate will be responsible for managing this project.

6. Planned delivery approach and next steps

Activity	Timeline
Procurement of contract [for externally delivered projects]	By 16 March
Announcement [if applicable]	NA
Delivery Start Date [for project proposals]	1 April
Final evaluation start and finish (self/external) [delete as applicable]:	June 15
Delivery End Date [for project proposals]	June 31
Project Closure: [for project proposals]	July 15

Appendices and supporting papers: None

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Note: This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:**Is the publication of Part 1 of this approval to be deferred? Yes**

If YES, for what reason: Until the procurement process is complete.

Until what date: (a date is required if deferring) 30 March 2015

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer
to confirm the
following (✓)

Drafting officer:

Jamie Dean has drafted this report in accordance with GLA procedures and confirms that the Finance and Legal teams have commented on this proposal as required, and this decision reflects their comments.

✓

HEAD OF GOVERNANCE AND RESILIENCE:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:

Date: