

Item No: 1	Classification: OPEN	Date: 6 March 2007	Meeting Name: Regeneration & Resources Scrutiny Sub-Committee
Report Title:		London Development Agency – its work within Southwark: background information	
Ward(s) or Group affected:		All wards	
From:		Regeneration & Neighbourhoods Department, Southwark Scrutiny Team	

1. **Background:**

1.1 **The LDA**

- is one of nine UK Regional Development Agencies (RDAs), established by Government to transform England’s regions through sustainable economic development;
- one of the four “functional bodies” that comprise the GLA group. Accountable to the Mayor alongside Metropolitan Police Authority, London Fire and Emergency Planning Authority and Transport for London;
- has a key role in delivering the Mayor’s vision and priorities for London, assisting the Mayor develop his strategy for London’s sustainable economic development, and in delivering Mayoral priorities for London and Government priorities for RDAs;
- has delegated responsibility for drafting the Mayor’s Economic Development Strategy [the Mayor is required by law to produce this];
- contributes to the delivery of other Mayoral strategies, including the London Plan and environmental strategies;
- is subject to scrutiny by the London Assembly;

1.2 In July 2006 the Mayor’s powers were extended [Appendix A]. Accordingly, the LDA’s role in supporting the areas of skills, planning, waste and housing has grown;

1.3 The Greater London Authority Act 1999 requires the Mayor and the GLA Group [including the LDA] to have regard to the achievement of health, equality of opportunity and sustainable development in all GLA activities.

2. **Selected LDA Policies & Strategies**

2.1 Economic Growth

2.2 **The Economic Development Strategy (EDS):** the LDA produces the EDS on behalf of the Mayor of London. (For the full strategy: <http://www.lda.gov.uk/server/show/nav.001005006004>.) Its four main themes are:

2.2.1 Investment In Places And Infrastructure

The Strategy has identified three goals to be achieved by investing in London's places and infrastructure. These are to:

- support the delivery of the London Plan;
- to promote sustainable growth and economic development;
- deliver an improved and effective infrastructure to support London's future growth and development;
- deliver healthy, sustainable, high quality communities and urban environments.

N.B. The London Plan identifies a number of 13 Opportunity Areas for intensification and growth across London: 2 of these are in Southwark (Elephant & Castle and London Bridge).

2.2.2 Investment In People The Strategy has identified three goals for improving the quality of their lives. They are to:

- tackle barriers to employment
- reduce disparities in labour market outcome between groups
- address the impacts of concentrations of disadvantage.

2.2.3 Investment In Enterprise London's economy is increasingly being driven by competitive, high-wage businesses that are more productive than average UK businesses. To maintain this success, four main goals have been put in place. They are to:

- address barriers to enterprise start-up, growth and competitiveness
- maintain London's position as a key enterprise and trading location
- improve the skills of the workforce
- maximise the productivity and innovation potential of London's enterprises.

2.2.4 Investment In Marketing And Promotion The 3 goals are to:

- ensure a coherent approach to marketing and promoting London
- co-ordinate effective marketing and promotion activities across London
- maintain and develop London as a top international destination and principal UK gateway for visitors, tourism and investment.

2.7 Corporate Plan

2.8 The London Development Agency (LDA), like other Regional Development Agencies and in line with Government requirements, produces a Corporate Plan every year (<http://www.lda.gov.uk/server/show/nav.001005006003>). It describes

how the LDA will use its funds and provide support over the next three years, i.e. to:

- deliver objectives set out in the Economic Development Strategy.
- deliver the Mayoral priorities over a three year timeframe
- meet output targets set by the Mayor and agreed with Central Government.

The Agency is currently consulting on its next corporate plan (2007-10).

2.9 London Employment and Skills Taskforce for 2012

This report (<http://www.lda.gov.uk/server/show/ConWebDoc.1646>) sets out how London can use the special opportunities presented by the London 2012 Olympic Games and Paralympic Games - the spotlight it throws on the city, the deadline it sets, its uniqueness - to make a permanent reduction in the level of worklessness across the city, starting now. It sets out a vision of how London will be different as a result of the Games, and outlines an action plan to realise this vision.

3. Current LDA projects in Southwark

3.1 London South Central

3.2 This programme arose in 2003 as a means of investing LDA single programme funds, and is a capital and revenue programme investing c. £15m in the transformation of the north of Southwark and Lambeth and the NE corner of Wandsworth. The scheme's strategic objectives (adopted in 2004) were:

3.2.1 Address employability and skills issues to attract new employers and offer local communities the chance to access secure and well-paid jobs.

3.2.2 Support existing SMEs to meet the challenges of the changing nature of London South Central's economy and encourage the formation of new SMEs in ways that deliver real competitive advantage.

3.2.3 Tackle transport issues which currently hinder business competitiveness, limit access to jobs and reduce quality of life for local people.

3.2.4 Create first-class environments across London South Central that are attractive and efficient for business.

3.2.5 Promote improvements to the public realm/open space to make the area more attractive for existing and future residents, businesses and visitors.

3.2.6 Identify and promote London South Central's unique and diverse advantages as a place to live, work, study and visit.

3.3 Essentially, the programme seeks to promote better public realm and infrastructure to make the most of a central London setting, and to ensure that residents and businesses are able to take advantage of the proximity of the Central London economy.

- 3.4 The capital programme includes investment Vauxhall, Waterloo Development Framework, South Bank Centre and Coin Street. For Southwark, £1.8m is committed to remodelling of the southern roundabout at E&C (and associated works).
- 3.5 The revenue programme has invested in projects to develop employment and enterprise, including approximately one third of the cost of Southwark Works"! 2006-08, support for the award-winning "Workplace Co-ordinator" model of job brokerage in Arts & Culture, Construction (Building London, Creating Futures), Hospitality, Finance and Health. Investment in skills and business support has so far amounted to c. £5m 2005-08. Other projects led by Southwark include a childcare support scheme (include bursaries to support entry into training and jobs).
- 3.6 A further £1.4 m enterprise programme (2007-09) will shortly be commissioned, concentrating on better business networking, outreach to support start up and existing SMEs and developing youth enterprise (with a high priority on Peckham in the latter activity).
- 3.7 **Other local LDA investments:**
- 3.8 **Revenue:**
- 3.9 Palestra Regeneration Benefits: job brokerage and training programme designed to maximize benefits to Lambeth & Southwark residents of the LDA's move to the Palestra building, delivered by South Bank Employers Group.
- 3.10 Southwark's Construction Workplace Co-ordinator project (Building London, Creating Futures) receives LDA/European Social Fund investment in construction training for residents.
- 3.11 Childcare Affordability Programme
- 3.12 **Capital/Infrastructure:**
- Tate Modern extension
 - Borough Market
 - Crystal Palace Park
- 3.13 **Elephant & Castle - Business Continuity**
- 3.14 Southwark Officers have begun discussions with LDA on the development of the Business Continuity Charter; LDA has offered to invest in business support measures as outlined in the charter; initial investment has taken the form of funding independent legal advice on tenancy and lease matters. Further measures are in development.
- 3.15 **London 2012**

3.16 Southwark's sole involvement with LDA thus far has taken the form of contracting with LDA to train unemployed residents as Olympic volunteers. LDA research findings include:

- The 2012 Games is estimated to need 60,000 person years of employment in the construction industry between now and 2012 (NB a person year is the equivalent of one person employed for a full year).
- A further 40,000 jobs are estimated to be created in both staging the Games, and showcasing London by way of the leisure and tourism industries.
- Up to 70,000 volunteering positions are estimated to be created, creating an enthusiasm and confidence amongst those taking part.
- The Games is likely to catalyse and support the wider regeneration of the Thames Gateway and also safeguard jobs in the London economy more generally.
- The Opportunities to be harnessed are greater than the quantitative information would suggest, in terms of the motivating potential for the Games for individuals to participate and take forward the experience of being part of something so positive and successful.

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CONSULTATION WITH OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	Comments Sought	Comments included
Borough Solicitor & Secretary	No	No
Director of Regeneration & N'hoods	No	Officer comments included
Chief Finance Officer	No	No

APPENDIX A – Summary of London Mayor’s new powers [July 2006]

In summary, the Mayor’s new powers and roles are as follows:

1. Housing

- Responsibilities of the London Housing Board will transfer to the Mayor.
- The Mayor will prepare and publish a statutory London Housing Strategy and a strategic Housing Investment Plan, setting out the priorities to meet the housing needs of all Londoners.
- The Mayor will decide the broad distribution of the affordable housing part of the Regional Housing Pot in line with the strategy. In short, the Mayor will decide in broad terms how public money for new affordable housing will be spent.

2. Learning and Skills

- The Mayor will have a statutory duty to promote skills in London and will chair a new London Skills and Employment Board, drawn from business and other key sectors.
- The Mayor will prepare a new statutory Skills Strategy for London setting priorities and budgets.

3. Planning

- The Mayor will be able to direct changes to boroughs' programmes for the local development plans they produce.
- The Mayor will have a stronger say on whether draft local development plans are in general conformity to his London Plan.
- The Mayor will have the discretion to determine planning applications of strategic importance.

4. Waste

- The Mayor will lead a London-wide waste and recycling forum, working in collaboration with the boroughs to improve performance in waste management and recycling. The forum will manage a new London waste and recycling fund.
- London’s waste authorities will be required to be in general conformity with the Mayor’s Municipal Waste Management Strategy, backed up by the Mayor’s power of direction.
- The Mayor and Government will work together closely on the London component of the Waste Infrastructure programme.
- Stronger powers for the Mayor to determine strategic waste planning applications.

- A requirement for the boroughs to act in general conformity with the Mayor's Waste Strategy.

5. Culture

- The Mayor should also appoint the Chairs and some board members of the Arts Council London, the London Regional Sports Board and Museums, Libraries and Archives London.
- The Greater London Authority should consult arts, sport and other cultural delivery bodies in the future development of the Mayor's Cultural Strategy and national and regional strategic cultural bodies should consult the Greater London Authority on their strategies, where there is a London impact.

6. Health

- The Mayor will prepare a strategy to tackle London's health inequalities and promote the reduction of health inequalities in London.
- The Regional Director for Public Health (RDPH) in London will act as Health Adviser to the Mayor and Greater London Authority Group.

7. Climate Change and Energy

- The Mayor will prepare and publish a statutory Climate Change and Energy Strategy for London, stating how the capital should minimise emissions of carbon dioxide by the use of energy in London, help to eradicate fuel poverty; and harness economic opportunities for London from investment and innovation in energy technologies and energy efficiency.
- He will also prepare and publish a statutory Climate Change Adaptation Strategy setting out how the capital should adapt to the effects of climate change.
- The Greater London Authority will be subject to a specific duty to take action to mitigate the effects of climate change and help London adapt to its unavoidable impacts.

8. Water

- The Secretary of State will have regard to the Mayor's Water Action Framework when framing guidance to regulators in preparation for a review of water price limits.

The package of changes in respect to functional bodies, and additional powers for the Mayor in appointing to the bodies' boards, are intended to give the Mayor greater freedom of choice and more influence over delivery. The key changes are:

- The Mayor will have the discretion to appoint political representatives to the TfL Board.
- The Mayor will either appoint the Chair of the MPA or assume the role of Chair himself.

- The Mayor will appoint two members of the LFEPA Board, and will be able to direct and issue guidance to the Authority.

The key changes in relation to the London Assembly are:

- The Assembly will be able to set its own budget and will publish an annual report setting out its work and achievements over the previous twelve months.
- The Assembly will be able to hold confirmation hearings for key appointments the Mayor proposes to make.
- The Mayor will be required to have specific regard to the views of the Assembly and the functional bodies in preparing or revising his strategies. He will need to provide reasoned justifications where he is not acting on their advice.
- The Mayor and Assembly will jointly appoint the Authority's statutory posts. Most other Greater London Authority staff will be appointed by the Head of Paid Service.

Source: http://www.london.gov.uk/view_press_release.jsp?releaseid=8621