

Levelling Up Fund – Round 2 Application Guidance

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Introduction

Prior to completing the online application form, applicants should read the LUF [Round 2 Prospectus](#), [Technical Note](#) and this Application Guidance.

This guidance note supports applicants from across the UK to complete their application. Recognising the different local government landscape in Northern Ireland, there are some aspects of the application that will be specific to Northern Ireland bids. Where this is the case, it will be made clear in the question being asked.

Please note that this document is a guide, rather than an exhaustive list of requirements.

Word counts are included for several questions throughout the application, these are provided as a guide only. The level of detail you provide in the online application form should be proportionate to the amount of funding that you are requesting. For example, bids for more than £10m should provide proportionally more information than bids for less than £10m.

Whilst there are some annexes that we ask applicants to complete (via the [pro forma documents](#) supplied) and some additional documents we request as evidence, applicants must point to specific additional text that they have submitted if they wish it to be considered in the assessment. Any answer referencing any information contained in annexes must be relevant to a specific question in the application form and referenced within the answer.

The application portal opens on Tuesday 31 May 2022 and will close at **12:00 noon, on Wednesday 6 July 2022**. Please ensure that the online application is complete and all supporting documents are uploaded by this deadline.

All of the proformas referred to in the table below can be downloaded in a zip file on [Application guidance](#) page along with the [Costings and Planning workbook](#).

Part 1 - Gateway

Applicants will be asked a series of questions to ensure that they have met all the eligibility requirements for the bid type. This information sits outside the scoring framework but will affect how the bid is processed. The application will not be able to proceed until all the relevant eligibility checks have been met.

Allowance checks in England, Scotland and Wales only.	
Please confirm which bid allowance you are using: <ul style="list-style-type: none">• Constituency allowance• Transport allowance	This is to determine which bid allowance the local authority is using. For further details on Transport or Constituency bid allowances please see the Technical Note .
Constituency allowance	

<p>For bids using the transport allowance, is your bid at least 90% investment in the transport theme with the remaining investment related to the transport element of the bid? Y/N</p>	<p>It is a requirement that bids using the transport allowance are at least 90% investment in transport.</p> <p>If No, bid is not eligible.</p>
N/A	
Bids from a single applicant, excluding large transport and large culture bids	
<p>Please confirm that the bid does not exceed £20 million. Y/N</p>	<p>Single bids cannot exceed £20 million unless they meet the criteria for a large transport or large culture bid.</p> <p>If No, and the bid does not meet the criteria for a large transport or large culture bid then it is not eligible.</p>
Yes	
Package Bids	
<p>Do you have more than three component projects? Y/N</p>	<p>It is a requirement that package bids have no more than three component projects.</p> <p>If Yes, the bid is not eligible.</p>
No	
Joint Bids	
<p>For a joint bid in England, Scotland, and/or Wales, please confirm the names of the other local authorities you are working jointly with and confirm which bid allowance they are using to support this bid.</p>	<p>The reason we ask for the names of the other participating local authorities is to ensure that the letters of support match with the name(s) provided.</p> <p>The reason we ask which bid allowances are being used is to ensure that all participating local authorities have sufficient allowance to apply.</p>
N/A	
<p>For a joint bid in Northern Ireland, please confirm the registered names of the other organisations you are working jointly with.</p> <p>Please confirm if any of your partners are from the non-public sector.</p>	<p>It is a requirement that you provide the names of all the applicant organisations that you are jointly working with. Please ensure that the legally registered names are provided.</p> <p>Please note that all non-public sector lead applicants and partners on joint bids are required to meet the Northern Ireland Gateway criteria for non-public sector bids.</p>

<p>All joint bids. Do you have the support of the other organisations you are working with and have a signed pro forma to this effect from each organisation? Y/N</p>	<p>Joint bids must have the support of all participating organisations. We will check that evidence of support has been provided from all parties.</p>
<p>N/A</p>	
<p>For bids in England, Scotland, and/or Wales, please complete pro forma 2.</p> <p>For bids in Northern Ireland, please complete pro forma 3.</p>	<p>For bids in England, Scotland, and/or Wales, please complete pro forma 2.</p> <p>For bids in Northern Ireland, please complete pro forma 3.</p> <p>If No, bid is not eligible.</p>
<p>N/A</p>	
<p>Joint bids with only one component project. Please confirm that your bid does not exceed the maximum threshold allowable for joint bids with only one component project.</p> <p>I am submitting:</p> <ul style="list-style-type: none"> a joint bid that contains only one component project with one other applicant organisation and can confirm that the bid overall does not exceed £40 million grant value. Y/N a joint bid that contains only one component project with two or more other applicant organisations and can confirm that the single component project within the bid (and therefore the bid overall) does not exceed £50 million grant value. Y/N 	<p>It is a requirement that joint bids do not exceed the maximum allowable threshold for the bid type. This question is for joint bids that have a single component project.</p> <p>Each applicant can request a maximum of £20 million of funding in a joint bid.</p> <p>A joint bid from two applicants can request a maximum of £40 million.</p> <p>A joint bid from three or more applicants can request up to £50 million.</p> <p>No more than £50 million of investment may be requested for any one individual component project within a joint bid.</p> <p>If No, bid is not eligible.</p>
<p>N/A</p>	

<p>Joint bids with multiple component projects. Please confirm that your bid does not exceed the maximum threshold allowable for joint bids that contain multiple component projects.</p> <p>I am submitting:</p> <ol style="list-style-type: none"> 1. a joint bid that contains multiple component projects with one other applicant organisation and can confirm that the bid overall does not exceed £40 million grant value. Y/N 2. a joint bid that contains multiple component projects (maximum of three) with two or more other applicant organisations and can confirm that no 	<p>It is a requirement that joint bids do not exceed the maximum allowable threshold for the bid type. This question is for joint bids that have multiple component projects.</p> <p>Each applicant can request a maximum of £20 million of funding in a joint bid.</p> <p>A joint bid from two applicants could request a maximum of £40 million.</p> <p>A joint bid with multiple component projects from three or more applicants can request up to £60 million.</p> <p>No more than £50 million of investment may be requested for any one</p>
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<p>single component project within the bid exceeds £50 million grant value. Y/N</p> <p>- a joint bid that contains multiple component projects (maximum of three) with two or more other applicant organisations and can confirm that the total for the overall bid does not exceed £60 million grant value. Y/N</p>	<p>individual component project within a joint bid.</p> <p>If No, bid is not eligible.</p>
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N/A

Large transport bids (from a single applicant) >£20 million

<p>Please confirm that the bid does not exceed £50 million.</p> <p>Y/N</p>	<p>It is a requirement that large transport bids do not exceed £50 million.</p> <p>If No, the bid is not eligible.</p>
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N/A

<p>Please confirm that at least 90% of the investment is in the transport theme. The remaining investment must be related to the transport element of the bid?</p> <p>Y/N</p>	<p>It is a requirement that large transport bids are at least 90% investment in transport.</p> <p>If No, the bid is not eligible.</p>
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N/A	
Large cultural bids (from a single applicant) >£20 million	
Please confirm that the bid does not exceed £50 million.	It is a requirement that large culture bids do not exceed £50 million.
Y/N	If No, the bid is not eligible.
N/A	
Please confirm that at least 90% of the investment is in the cultural theme with the remaining investment related to the cultural element of the bid.	It is a requirement that large culture bids are at least 90% investment in culture.
Y/N	If No, the bid is not eligible.
N/A	
Transport bids from the Northern Ireland Executive (NIE)	
For transport bids in Northern Ireland from the Northern Ireland Executive (NIE), do you have the support of the relevant local council(s)?	All transport bids from the Northern Ireland Executive (NIE), must have the support of the relevant local council(s). We will be checking that evidence of support has been provided.
Y/N	
Please complete pro forma 4 .	Please complete pro forma 4 .
	If No, the bid is not eligible.
N/A	

Any bid with a transport element

<p>For bids in Northern Ireland with a transport element, which are not from the Northern Ireland Executive (NIE), do you have the support of both the NIE and the relevant local council(s)?</p> <p>Y/N</p> <p>Please complete pro forma 4.</p>	<p>All bids with a transport element in Northern Ireland, which are not from the Northern Ireland Executive must have the support of the relevant local councils (if the applicant is not the relevant local council) and the Northern Ireland Executive. We will be checking that evidence of support has been provided.</p> <p>Please complete pro forma 4.</p> <p>If No, the bid is not eligible.</p>
N/A	
<p>For bids in England, Scotland, and/or Wales, where you (the applicant) do not have statutory responsibility to deliver all of the transport elements of your bid, please confirm that you have the support of all the authorities with the relevant statutory responsibility before proceeding.</p> <p>Y/N</p> <p>Please note that this also a requirement for all bids using a transport allowance.</p> <p>Please complete pro forma 1.</p>	<p>It is a requirement that large transport bids have the support of the relevant statutory authorities for transport. Please note that this also a requirement for all bids using a transport allowance.</p> <p>We will check that evidence of support has been provided. Please complete pro forma 1.</p> <p>If No, the bid is not eligible.</p>
Yes – signed pro forma 1 attached – see Appendix B1	
<p>1.1 Gateway Criteria for all bids. Please tick the box to confirm that some LUF grant funding will be defrayed in the 2022/23 financial year.</p> <p>Eligible expenditure in 2022-23 could include capital development costs.</p>	<p>Please ensure that you have completed in full the relevant Costings and Planning workbook.</p> <p>Single bids should complete the Costings and Planning Workbook (Single Bids).</p> <p>Package bids should complete the Costings and Planning Workbook (Package Bids).</p> <p>The funding profile tab should clearly show some LUF grant defrayed within the required timeframe.</p> <p>It should be evident that LUF grant is being used towards project costs that</p>

	<p>have been paid in the 2022/23 financial year.</p> <p>Please note that project costs in 2022-23 could include capital development costs.</p> <p>If this Gateway Criteria is not met then the bid will not proceed to assessment.</p>
Yes	
<p>1.2 Gateway Criteria for single and joint bids where the lead applicant and any partner organisations are higher education / university, private and/or third sector organisations in Northern Ireland bids only.</p> <p>Please confirm that you have attached audited financial statements covering the last three financial years (or audited annual accounts for registered charities).</p> <p>For the applicant (if applicable) Y/N</p> <p>For partner organisation(s) (if applicable) Y/N</p>	<p>This Gateway Criteria applies to single and joint bids where the lead applicant is a higher education / university, private and/or third sector organisations and for joint bids where both the lead applicant and any partner organisation(s) are a higher education / university, private and/or third sector organisation.</p> <p>Audited financial statements covering the last three financial years (or audited annual accounts for registered charities) must be provided for all non-public sector applicants and non-public sector partner organisations in joint bids (where the lead is also a non-public sector organisation).</p> <p>If the audited financial statements / annual accounts are not provided the bid will fail this Gateway Criteria and will not proceed to assessment.</p>
N/A	

<p>1.2.1 Gateway Criteria for single and joint bids where the applicant and/or partner organisations are higher education / university, private and third sector organisations in Northern Ireland bids only.</p> <p>Please provide evidence demonstrating that your organisation (as the applicant) and/or your partner organisations (for joint bids) has experience of delivering two capital projects of similar size and scale in the last five years.</p> <p>For the applicant (if applicable)</p>	<p>This Gateway Criteria applies to single and joint bids where the applicant is a higher education / university, private or third sector organisation and for joint bids where both the applicant and the partner organisation is a higher education / university, private or third sector organisation.</p> <p>For joint bids all non-public sector lead applicants and non-public sector partner organisations (where the lead is also non-public sector organisation) must provide details to demonstrate that they have successfully delivered two capital projects of a similar size and scale in the last five years.</p>
<p>For the partner organisation(s) (if applicable)</p> <p>Partner organisation evidence should be copied from pro forma 3.</p>	<p>Supporting evidence could include case studies or promotional materials. All non-public sector applicants / partner organisations should demonstrate their experience in procurement, risk management and timely deliverability.</p> <p>If this gateway criteria are not met the bid will not proceed to assessment.</p>
N/A	

Project Centre Limited Mutual Ventures Limited	
Where is your bid being delivered? England, Scotland, Wales or Northern Ireland.	Please confirm where the bid is being delivered by ticking the box.
England	
For Northern Ireland only , please confirm lead applicant type; Northern Ireland Executive Third Sector Public Sector Body Private Sector Local Council Higher Education/University Other (please state)	Please confirm your organisation type. Other must be specified.
N/A	
For Northern Ireland only. If third sector, private sector, higher education/university or other please provide charity and/or company registration number. Charity number: Company number:	If third sector, private sector, higher education/university or other please provide charity and/or company registration number. We will check your accounts/financial statements against this number to confirm that we have the correct paperwork.
N/A	
For all bids. If VAT is applicable to your organisation please provide VAT number:	Please provide VAT number if applicable.
205596069	

Part 2 - Subsidy control and State aid analysis

If the Levelling Up Fund is used to provide a subsidy, expenditure must be compliant with the UK's obligations on subsidy control. All bids that have the potential to be a subsidy must consider how they will deliver in line with subsidy control principles (or State aid for aid in scope for **Northern Ireland only**) as per [UK Government](#)

[guidance](#).

All applicants must establish if the direct award of LUF funds could constitute a subsidy. It is vital that all applicants complete this section of the application form.

Where applicants do not adequately demonstrate that the LUF award is compliant under the UK Subsidy Control Regime or State aid rules then the project could be considered ineligible and the application may be rejected.

<p>2.1. All applicants must establish if the direct of award of LUF funds from UK Government to you (as the applicant) could constitute a subsidy.</p>

<p>Applicants must consider whether any of the planned activities meet each of the four key characteristics which indicate if it would be considered a subsidy.</p> <p>If any of the four responses is a 'No' then the award is not considered to be a subsidy.</p>	
<p>2.1.1 Is the support provided by a 'public authority' and does the support constitute a financial (or in kind) contribution such as a grant, loan or guarantee?</p>	<p>Y/N response required.</p>
<p>No</p>	
<p>2.1.2 Does the support measure confer an economic advantage on one or more economic actors?</p>	<p>Y/N and typed response required.</p>
<p>No</p>	
<p>2.1.3 Is the support measure specific insofar as it benefits, as a matter of law or fact, certain economic actors over others in relation to the production of certain goods or services?</p>	<p>Y/N and typed response required.</p> <p>Please confirm if the award will confer a benefit or not and provide details setting out why this is the case.</p>
<p>No</p>	
<p>2.1.4 Does the support measure have the potential to cause a distortion in or harm to competition, trade or investment?</p>	<p>Please confirm if the award has the potential to cause harm to or distortion of competition, trade and investment providing details setting out why this is the case.</p>
<p>No</p>	
<p>2.1.5 Did you respond 'Yes' to all the above? If so, the planned activities meet all four key characteristics which indicates it would be considered a subsidy.</p>	<p>For public sector applicants, if the response to this question is:</p> <ul style="list-style-type: none"> - YES please go to question 2.2. - NO please go to question 2.4 <p>For non-public sector applicants, please go to question 2.3</p>

No	
<p>2.2 Please demonstrate how the direct award of LUF monies from UK Government to you (as the applicant) has been considered under each of the subsidy principles.</p> <p>This will involve consideration of the how the subsidy can be provided in accordance with the following Subsidy Control principles listed in the Subsidy Control Bill:</p> <p>If the proposed LUF activities do represent a subsidy and all principles have been met, the LUF application will be considered compliant.</p> <p>Please separate your response where there are multiple awards of subsidy.</p>	
2.2.1 Subsidies should pursue a specific public policy objective to remedy an identified market failure or to address an equity rationale such as social difficulties or distributional concerns ("the objective")	Applicants need to provide details as to how the subsidy can be provided in accordance with the Subsidy Control principles listed at Article 366 of the EU-UK Trade and Cooperation Agreement.
N/A	

Please demonstrate how your bid meets this principle.	Please separate your response where there are multiple awards of subsidy.
N/A	
<p>2.2.2 Subsidies should be proportionate and limited to what is necessary to achieve the objective</p> <p>Please demonstrate how your bid meets this principle.</p>	Applicants should provide details as to whether the subsidy to be provided is proportionate and limited to the activity and objectives it is seeking to achieve.
N/A	
<p>2.2.3 Subsidies should be designed to bring about a change of economic behaviour of the beneficiary that is conducive to achieving the objective and that would not be achieved in the absence of subsidies being provided.</p> <p>Please demonstrate how your bid meets this principle.</p>	<p>Applicants should identify all the beneficiaries of the subsidy who are economic actors.</p> <p>Please provide details as to how providing the subsidy to the beneficiaries will result in a change to each of the beneficiary's current economic behaviour.</p>

<p>2.2.4 Subsidies should not normally compensate for the costs the beneficiary would have funded in the absence of any subsidy.</p> <p>Please demonstrate how your bid meets this principle.</p>	<p>Please confirm how you consider any subsidy to be additional to what the beneficiary would otherwise undertake e.g. subsidy is for activity that is not already happening or is outside of usual business activities.</p>
N/A	
<p>2.2.5 Subsidies should be an appropriate policy instrument to achieve a public policy objective and that objective cannot be achieved through other less distortive means.</p> <p>Please demonstrate how your bid meets this principle.</p>	<p>Please demonstrate how the subsidy will be an appropriate policy instrument to achieve a public policy objective and that objective cannot be achieved through other less distortive means.</p>
N/A	
<p>2.2.6 Subsidies should be designed to achieve their specific policy objective while minimising any negative effects on competition or investment within the United Kingdom.</p> <p>Please demonstrate how your bid meets this principle.</p>	<p>Applicants should set out how the subsidies will meet the policy objective while minimising negative effects on competition or investment within the United Kingdom.</p>
N/A	
<p>2.2.7 Subsidies' positive contributions to achieving the objective should outweigh any negative effects, in particular the negative effects on trade or investment between the Parties.</p> <p>Please demonstrate how your bid meets this principle.</p>	<p>Applicants should set out the subsidies positive contributions to achieving the objective should outweigh any negative effects, in particular the negative effects on trade or investment between the Parties.</p>
N/A	

<p>2.3 All non-public sector applicants delivering in Northern Ireland. If the award of funds is or isn't considered to be a subsidy please set out in detail how you will deliver the funds compliantly under the subsidy regime.</p> <p>If you are proposing to allocate some of the grant funds to third parties, such as project partners working with you to deliver the project, (e.g. sub-granting) please identify how you will ensure disbursement of the grant is done so in accordance with the UK subsidy control regime.</p> <p>The department will need to assess how funds will be awarded and how risk is managed.</p>	<p>Whether the award of funding is determined to be a subsidy or not, non-public sector applicants delivering in Northern Ireland will need to provide details to demonstrate how funding will be delivered compliantly under the subsidy regime. This should also set out how funds will be awarded and risks managed.</p> <p>If some of the grant is to be allocated to a third party (e.g. a project partner) please also set out what form this will take (e.g. sub-grant) how funds will be disbursed in accordance with the UK subsidy control regime.</p>
<p>2.3.1 All non-public sector applicants delivering in Northern Ireland.</p> <p>Confirm that you have obtained and uploaded independent legal advice that is aligned to your response in this section and verifies that the award of funds is considered to be UK subsidy control regime and/or State aid compliant. Y/N</p>	<p>Northern Ireland non-public sector applicants are required to obtain independent legal advice with regards to Subsidy control and/or State aid.</p> <p>All local authorities in the UK are obliged under public law to award public monies compliantly. The reason we are asking for this of non-public bodies is to give the department assurance that the delivery is compliant under the State aid obligations.</p> <p>This is a requirement and if it is not met the application will not pass to assessment.</p>
<p>N/A</p>	
<p>2.4 Public authorities only. Please confirm if you will be disbursing the funds as a potential subsidy to third parties.</p>	<p>If YES go to question 2.5</p> <p>If NO end.</p>
<p>No</p>	

2.5 Public authorities only. Confirm that you have completed pro forma 5 statement of compliance signed by your Chief Finance Officer. Y/N	Where applicants from public authorities have confirmed that LUF will be disbursed as a potential subsidy to a third party (e.g. delivery partner) they are expected to provide a statement of compliance from their Chief Financial Officer in completing pro forma 5 .
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	This is a requirement and if it is not met the application will not proceed to assessment.
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N/A

2.6. Public and private sector applicants for delivery in Northern Ireland only.
Is the direct award of funds from UK Government to you (as the applicant) considered to be as State aid under the four EU State aid rule tests?

2.6.1 Is the support granted by the state or through state resources?

Y/N response required.

N/A

2.6.2 Does the support confer a selective advantage to an undertaking?

Please confirm if the award will confer a selective advantage and provide details setting out why this is or isn't the case.

N/A

2.6.3 Does the support distort or have the potential to distort competition?

Please confirm if the award will distort or have the potential to distort competition and provide details setting out why this is or isn't the case.

N/A

2.6.4 Does the support affect trade between EU member states?

Please confirm if the award will affect trade between EU member states and provide details setting out why this is or isn't the case.

N/A

<p>2.6.5 Do the planned activities meet all four key State aid tests?</p> <p>If all four tests are met then the award constitutes State aid and must comply with the State aid law.</p>	<p>If YES go to question 2.7</p> <p>If NO end.</p>
<p>N/A</p>	
<p>2.7 For private sector applicants, what is the size of the enterprise applying for funding?</p> <p>Refer to the official SME definition.</p>	<p>Applicants should refer to the SME definitions document prior to confirming the response to this question. The options for sizes of enterprises are:</p> <ul style="list-style-type: none"> a) Micro b) Small c) Medium d) Large <p>Definition will depend on a number of factors including staff numbers, annual turnover and type of enterprise.</p>
<p>N/A</p>	
<p>2.8 Please list all the organisations (if known) which may benefit from the funding of the project and any economic benefit they may receive as a result of the funding.</p>	<p>Please list all the organisations who may benefit from the funding and set out what economic benefit they are set to receive.</p> <p>A beneficiary is an entity who derives advantage from something, in this instance LUF funding.</p>
<p>N/A</p>	
<p>2.9 Applicants must consider whether the award meets all the tests for each beneficiary.</p> <p>If beneficiaries are considered to be in receipt of State aid then you must consider how this is compliant under the State aid rules.</p> <p>Applicants may wish to refer to the European Commission's "Notion of State aid" guidance.</p>	

Beneficiary name	Is the support granted by the state or through state resources?	Does the support confer a selective advantage to an undertaking?	Does the support distort or have the potential to distort competition?	Does the support affect trade between member states?	Is the award considered State aid?
N/A					Y/N
					Y/N
					Y/N
					Y/N
<ul style="list-style-type: none"> Where a project is funded under an exemption based on the General Block Exemption Regulations (651/2014), the Applicant is required to either <ul style="list-style-type: none"> confirm that the project falls within the scope of Regulation 6(5) or submit a separate document to demonstrate incentive effect in line with Regulation 6(2) containing the following information: <ul style="list-style-type: none"> the applicant undertaking's name and size a brief description of the project, including start and end dates the location of the project a full list of the project costs used to determine the allowable level of funding the form of the aid the amount of public money needed for the project. 					
2.9.2 Do you confirm that the project falls within the scope of Regulation 6(5) under the General Block Exemption Regulations (651/2014)			Y/N response required.		
N/A					
2.9.3 If no, confirm that you have attached document containing the required information.			If the direct award of funds from UK Government is considered to be State aid under the four EU State aid rule tests and is funded under an exemption based on the General Block Exemption Regulations (651/2014), and does not fall within the scope of Regulation 6(5), you will be required to attach a document to demonstrate incentive effect in line with Regulation 6(2).		

	This is a requirement and if it is not met the application will not pass to assessment.
N/A	
2.9.4 If you intend to use an exemption(s) under GBER to deliver the project, please confirm you have read the terms of the scheme and meet all the relevant terms.	Y/N response required.
N/A	
2.9.5 Identify the GBER provision, the title of the scheme and the amount of LUF award to be delivered under the provision. Describe how you meet all the relevant terms of the exemption.	Please confirm the General Block Exemption provision and title of the scheme you are proposing to deliver the project activities under. Each GBER details specific requirements and terms for their use. Applicants should provide details here demonstrating how they meet the specific terms of the selected GBER provision.
N/A	
2.10 As the bidding organisation are you subject to an outstanding recovery order in respect of State Aid? If 'Yes', provide brief details.	Y/N response required. If YES applicants need to provide brief details of the outstanding recovery order. If NO go to next question.
N/A	
2.11 Describe the system in place for collecting and recording the required information for State aid audits and returns.	Each GBER details specific requirements and terms for their use. Applicants should set out here what systems they intend to put in place to ensure all the relevant data and evidence is retained that will demonstrate the requirements and terms have been met.
N/A	

<p>2.12 All non-public sector applicants delivering in Northern Ireland.</p> <p>Confirm that you have obtained and uploaded independent legal advice that is aligned to your response in this section and verifies that the award of funds considered to be State aid compliant.</p>	<p>All non-public sector applicants delivering in Northern Ireland should obtain independent legal advice.</p> <p>All local authorities in the UK are obliged under public law to award public monies in compliantly. The reason we are asking for this of non-public bodies is to give the department assurance that the delivery is compliant under the State aid obligations.</p>
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	<p>This is a requirement and if it is not met the application will not pass to assessment.</p>
N/A	

Part 3 - Bid summary

In this section applicants should provide the core details of their bids; clarifying what, where, how and how much. If your bid is a package bid you should also complete Application Form [Annexes A – C](#) .

To note, word counts are included for several questions throughout the application form, these are provided as a guide only. The level of detail you provide should be proportionate to the amount of funding that you are requesting.

<p>3.1 Bid Name:</p>	<p>Please provide a headline project name. All bids will be allocated a specific LUF bid number on submission. This bid number and the name specified here will then be used to refer to the bid in all future correspondence.</p>
Lewisham 2025: Unlocking the economic and civic potential of our town centre	

<p>3.2 Please provide a short description of your bid, including the visible infrastructure that will be delivered/upgraded and the benefits that will be felt in the area.</p> <p>(100 words maximum)</p>	<p>A short description should be provided to summarise the project, its outcomes and benefits. This may be used in communications so should give a clear and concise snapshot that could be understood by someone unfamiliar with the bid.</p>
<p>Lewisham Town Centre is a retail and community space at the heart of our borough. It is in poor condition and failing residents, particularly those that experience acute deprivation and depend on the local economy. Investment will revitalise the marketplace, create a flagship Culture and Business Hub, and connect the town with better, safer walking and cycling infrastructure. This will transform economic and community activity, through opportunities for local businesses, increased cultural activity, and by stimulating the night-time economy. It will increase footfall and consumer spend, unlock private investment, create jobs, and give residents a place to be proud of.</p> <p>100 words</p>	
<p>3.3 Please provide a more detailed overview of the bid proposal. Where bids have multiple components (package bids) you should clearly explain how the component projects are aligned with each other and represent a coherent set of interventions.</p> <p>(500 words)</p>	<p>This overview should be more detailed than that provided in 3.2. Please provide full details of what activity will take place where, clearly setting out the planned interventions, outputs and benefits. If the activities are being undertaken across multiple locations, the applicant should clearly explain how the activities align with each other and represent a coherent set of interventions.</p> <p>If a package bid, applicants should also clearly explain here how the component projects are aligned with each other and represent a coherent set of interventions.</p>
<p>Lewisham 2025 is a package bid, comprising three aligned interventions to achieve our vision to regenerate our town as the economic and civic centre of southeast London, and place of opportunity for residents. The project has been co-produced with our communities, politicians, local businesses and investors, to show visible impact. Proposed interventions are:</p> <ul style="list-style-type: none"> • Revitalisation of Lewisham Market – transformation of the historic marketplace to encourage visitors, help local businesses flourish and create an inclusive space for the whole community to enjoy, including: <ul style="list-style-type: none"> • market layout – creating a more attractive environment for customers, more pitch spaces for traders, and improved waste and operational facilities. • canopies – modern, stylish and environmentally-friendly covers to extend the market outside current trading hours and use as an event space • public realm improvements – inclusive space for events and for people to meet, with improved paving, benches, and new lighting • refurbishment of the historic Clock Tower 	

- green spaces – with trees, ornamental planting and sustainable drainage features
- **New Culture and Business Hub** – renovation of the existing library building to create a flexible and welcoming space for the whole community, including:
 - ‘Lewisham Lounge’ an adaptable community space for socialising, exhibitions and cultural attractions
 - enhanced space for library and archives services
 - business hub, with flexible office space, meeting rooms, and workspaces
 - new hospitality offer with ground floor café and rooftop bar with views
- **Re-imagined and connected High Street** – improving connectivity across the town centre through pedestrian and cycling infrastructure, including:
 - adding and upgrading road crossings for better pedestrian flow and road safety
 - better signage and wayfinding
 - enhanced cycling provision, upgrading existing entry routes to the town
 - three new sustainable mobility hubs for cycling and electric vehicle use
 - improved public realm, spill out zones for local businesses, pedestrian corridors and green infrastructure

These components are aligned to produce an overall strategy of improvement, complementing each other to be more than the sum of their parts. The marketplace is the magnet for visitors to come to the town centre for shopping and events; the Culture and Business Hub provides a focal point to access to cultural activities, workspace and hospitality, drawing people through the town; and the High Street connects the other elements to improve the experience for visitors.

The economic outcomes for Lewisham will be:

- **Increase in consumer spending**, attracting new and higher-spending shoppers (whilst continuing to offer essential retailing for our lower income residents), and extending the hours of economic activity into the evening, and during all weather
- **Increase in employment**, stimulating the local economy by creating new jobs in the day and night-time economy
- **Improved business sentiment**, attracting new small businesses and start-ups
- **Change in business investment**, including accelerating £1.5bn investment from Landsec

The social outcomes for Lewisham will be:

- **boost local pride and sense of place**, enhancing the link with the culture and heritage of Lewisham
- **increased footfall**, attracting more visitors to enjoy the town centre
- **increase in events and visitors to cultural venues** and ‘buzz’
- **create a safer environment**, where residents and visitors are less worried about crime

The health and environmental outcomes for Lewisham will be:

- **increase in pedestrian and cycle flow**, increasing number and quality of journeys
- **reduced carbon emissions**
- improved air quality

606 words

3.4 Please provide a short description of the area where the investment will take place. If complex (i.e. containing multiple

The response should provide a broad description of the area, with further detail given in question 3.5 below.

locations/references) please include a map defining the area with references to any areas where the LUF investment will take place.

For transport projects include the route of the proposed scheme, the existing transport infrastructure and other points of particular interest to the bid e.g. development sites, areas of existing employment, constraints etc.

(500 words)

If complex (i.e. containing multiple locations/references) please include a map defining the area with references to any areas where the LUF investment will take place.

The investment is focused on Lewisham Town Centre, an urban commercial district in southeast London. Lewisham Town Centre is the geographic and symbolic centre of the London Borough of Lewisham. The site for investment is a coherent area bounded by the A20 to the North, the railway line to Hither Green to the South, Lewisham High Street to the East, and the A21 to the West. Local residents instantly recognise this as the 'town centre'.

Investment is focused on the marketplace at its heart, the old library building towards the south end of the site, and the high street between Rennell Street at the north end and Morley Street at the south.

The marketplace is an open space, sited between the High Street, A20 and 1970s shopping centre. It covers an area of 6791sqm. The market is visually unappealing and populated with old stalls, with few other facilities. The north end contains a Grade II listed clock tower from 1900, an important symbol of the town centre. Flanking the market include historic buildings such as the former Royal Arsenal Co-operative Society. The space is notably lacking in greenery. Adjacent to the market is a 1970s shopping centre owned by Landsec. This is subject to a pre-planning application for redevelopment into a mixture of retail and residential land use. Landsec has been closely engaged in our plans and is a key partner in the future of Lewisham town centre.

The proposed Culture and Business Hub will be in the old library, a four storey 1970s structure owned by Lewisham Council. It sits on the south of the High Street at the end of the marketplace. The building is approaching the end of its useful life. Its appearance is shabby, the layout old fashioned, the windows and fittings need

replacing, and the roof is leaking in several places. The public realm around the building is poor. A cycle path is routed close to the building, limiting the opportunities for using the space.

The High Street is a thoroughfare shared by pedestrians, cyclists and motor vehicles. It stretches 820m and covers an area of 8917sqm. The section that passes the market is inaccessible to private vehicles but heavily used by buses and cyclists. It is unattractive, polluted and lacks benches, cycle facilities and trees. Navigation for pedestrians and cyclists is difficult, particularly around congested bus stops.

Lewisham is a transport hub. The train and bus station is sited on the northwest fringe of the town, and contains a convergence of suburban railway lines with the terminus of the Docklands Light Railway. However, connectivity between the station and town centre is poor, with the A21 and Lewisham Shopping Centre standing between them. Wayfinding needs to be improved, with better entry to marketplace. To encourage sustainable transport options, we have identified three sites for new mobility hubs in existing car parks.

491 words

3.5 Please confirm where the investment is taking place (where the funding is being spent, **not** the applicant location or where the bid beneficiaries are located).

If the bid is at a single location please confirm the postcode and grid reference for the location of the investment.

If the bid covers multiple locations please provide a GIS file. If this is unavailable please list all the postcodes / coordinates that are relevant to the investment.

For all bids, please confirm in which constituencies and local authorities the bid is located. Please confirm the % investment in each location.

We need to clearly understand where the funding is being spent.

This information will be used to determine the “Characteristics of Place” score and will be used for reporting purposes.

If the bid is at a single location please confirm the postcode and grid reference for the location of the investment.

If the bid covers multiple locations please provide a GIS file. If this unavailable please list all the postcodes/coordinates that are relevant to the investment.

For all bids, please confirm in which constituencies and local authorities the project is located. Please confirm the % investment in each location.

The location of the proposed investment is:

- Project 1: Lewisham marketplace, SE13 6BB
- Project 2: Lewisham library, 199-201 Lewisham High St, SE13 6LG
- Project 3: Lewisham High Street area, from Rennell Street SE13 7HD to Morley Street SE13 6LY. Plus three mobility hubs on Molesworth Street Car Park SE13 7DS, Albion Way Car Park SE13 6BT, and Slaithwaite Road Car Park SE13 6NA.

The proposed investment is:

- wholly contained within the **London Borough of Lewisham** (unitary local authority)
- wholly contained within the **Lewisham Deptford** (parliamentary constituency)

3.6 Please confirm the total grant requested from LUF (£).

This should be the total LUF grant value (excluding match funding) requested from round 2 of LUF.

This total LUF grant value should align with that presented in the relevant [Costings and Planning Workbook](#) – Table B – Funding Profile

£19,061,696

3.7 Please specify the proportion of funding requested for each of the Fund's three investment themes:
a) Regeneration and town centre (%)

This should be the % of LUF grant to be spent in each investment theme.

- a) Regeneration and town centre (%)
- b) Cultural (%)
- c) Transport (%)

- Regeneration and town centre: 34%
- Cultural: 32%
- Transport: 34%

	<p>Please ensure the total adds up to 100%.</p> <p>When identifying the percentage of themes within a bid applicants should define this according to costs associated with activity in support of each theme. For example, if 75% of a bid's total value contained costs associated with activity in support of a regeneration output or outcome, with 25% costs associated with activity in support of a cultural output or outcome, it would be defined as being a 75% regeneration and 25% cultural bid.</p>
<p>3.8 Please tick one or more sub-categories that are relevant to your investment:</p> <p>Regeneration Commercial Civic Residential Other</p> <p>Cultural Arts & Culture Creative Industries Visitor Economy Sports and athletics facilities Heritage buildings and sites Other</p> <p>Transport Active Travel Buses Strategic Road Rail Aviation Maritime Light Rail EV Infrastructure Local Road Other</p>	<p>Please tick one or more sub-categories that best match your bid.</p> <p>If you have ticked 'other' you will be asked to elaborate.</p> <p>Regeneration Commercial X Civic X Residential Other</p> <p>Cultural Arts & Culture X Creative Industries Visitor Economy Sports and athletics facilities Heritage buildings and sites Other</p> <p>Transport Active Travel X Buses Strategic Road Rail Aviation Maritime Light Rail EV Infrastructure Local Road X Other</p>
<p>3.9 Please provide details of any applications made to other funding</p>	<p>Applicants should list any other funding applications they have made</p>

<p>schemes for this same bid that are currently pending an outcome. Where a successful outcome might lead to you no longer requiring the LUF grant please provide details and confirm when might you expect the outcome to be known.</p> <p>(150 words)</p>	<p>for this scheme or variants thereof that may impact the requirement for LUF funding if successful.</p> <p>If applicable, anticipated timeframes should be provided for receiving the outcomes of these applications.</p> <p>Applicants should also specify the amount of funding being applied for from other funds and, if successful, how this will affect the LUF grant sought.</p>
<p>We have no pending funding applications relevant to this bid.</p>	

Part 4 Strategic Fit

5.1 Member of Parliament Endorsement (England, Scotland and Wales ONLY)

<ul style="list-style-type: none"> • Has an MP given formal priority support for this bid? Y/N • Please confirm which MP has provided formal priority support: (name) • Which constituency does this MP represent? <p>Please also complete pro forma 6.</p>	<p>This section should be completed for bids in England, Scotland, and/or Wales, and should only be used to record MP formal priority support.</p> <p>General MP support, including MSP, MLA and Members of the Senedd support should be recorded in question 4.2.1 below.</p>
<p>Formal priority support has been received from Vicky Foxcroft MP, Member of Parliament for Lewisham Deptford.</p> <p>The site for proposed Levelling Up investment lies on the eastern side of the parliamentary constituency of Lewisham Deptford.</p> <p>The MP's formal expression of support is included in Appendix B2 (Pro Forma 6).</p>	

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5.2 Stakeholder Engagement and Support

Applicants are encouraged to engage with a wide range of local stakeholders and the local community to inform proposals in the bid and to secure buy in.

<p>4.2.1 Describe what engagement you have undertaken with local relevant stakeholders, including the community (the public, civic society, private sector and local businesses). How has this informed your bid and what support do you have from them?</p> <p>(500 words)</p>	<p>Applicants should detail how stakeholders were identified, and what efforts were made to reach those more isolated members of the community, including rural communities, who might not normally engage.</p> <p>Evidence of stakeholder engagement can be provided in various forms including letters of support or minutes of meetings and attached as an annex.</p> <p>Applicants should explain how the engagement activities have informed the development and design of the bid. The range of engagement feedback should be clearly explained and evidenced including reference to any current/ongoing consultations, community forums, etc.</p> <p>Where success of the bid is reliant on the cooperation and support of stakeholders or the local community, the application should clearly explain and evidence this.</p> <p>Whilst there is no pre-defined list, potential relevant local stakeholders and partners may include:</p> <ul style="list-style-type: none">7 Elected representatives of Local Government (i.e. Democratic decision-making process of the Local Authority, Cabinet Decisions etc.)8 Local businesses9 Local Enterprise Partnerships10 Public transport providers11 Police and emergency services12 Community representatives / groups13 Government bodies / organisations e.g. Historic England, Arts Council14 Environmental representatives15 Public health representatives16 Universities, and further education colleges17 Audience, visitors, spectators and participants
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Our proposals for Lewisham 2025 could not have been developed without the input, energy and support of our local stakeholders and partners. Lewisham Council has coordinated **extensive engagement** to create a plan that feel like it is genuinely **‘owned’ and driven by local people and businesses**. This process has evolved through many iterations. Our LUF bid is the culmination of many years of conversation with the town centre and borough community, together with more intensive engagement following the launch of the Fund. This has included:

- Town Centre Partnership (with all key stakeholders from local business, civil society and statutory sector) – the group was established in 2021 and has met face-to-face March and June to discuss the bid and future of the town centre. This was followed by individual discussions to gather feedback.
- Public exhibitions – a series of workshops and exhibitions were held from June-November 2021 on the market project, including a public art workshop, a static exhibition and a two-day drop-in session.
- Online surveys of the public – Three surveys of town centre users indicate broad support to regenerate the town centre and market area. These have included a town centre survey (6th - 31st May) with 413 responses, a market survey (20th September - 25th November) with 174 responses, and a night-time economy survey (17th - 19th March) with 216 responses.
- Market trader engagement – regular communication with the market traders, including quarterly meetings, regular site visits, emails and phone calls. This has included specific engagement on the installation of the canopy and new layout.
- Engagement with community groups – meetings to seek views from 16 stakeholders, including charities, community support groups, educational, religious and cultural institutions, essential services and local political representatives.
- Hard-to-reach groups – focus groups with young people and over 65s, in partnership with the Circle Collective (November 2021) and Pensioners Forum (May 2022).
- Landsec partnership – we have worked closely with Landsec, owners of Lewisham shopping centre and potential investors in the town centre, throughout the development of the bid. We partnered with Landsec to deliver a facilitated session, in person in June to look at stakeholders’ views of the town centre and helped to shape our ambitions for the proposal.
- Transport for London – Lewisham Council representatives have met with TfL on two occasions in April and May 2022 to discuss our bid, understand the potential impact on its network, and develop a partnership approach to the improvements.
- A democratic mandate – our local councillors have been vocal in their support for regeneration of the town centre. The two new ward councillors were elected in May 2022 with a mandate from the local people to pursue Levelling Up in Lewisham.

We are confident that we have widespread support and enthusiasm from town centre partners and the public. in Appendix D contains formal expressions of support from:

Local business stakeholders

- A. Landsec
- B. Lewisham Market traders

- C. SE London Chamber of Commerce
- D. Safer Business Network

Statutory organisations/public services

- E. Transport for London
- F. Metropolitan Police
- G. Lewisham College
- H. Goldsmiths University

Civil society stakeholders

- I. Lewisham Pedestrians
- J. Lewisham Cyclists
- K. Lewisham Local
- L. Circle Collective
- M. The Albany Theatre
- N. Migration Museum

Local political stakeholders

- O. Lewisham Mayor
- P. Lewisham Central Ward councillors
- Q. Vicky Foxcroft MP
- R. Janet Daby MP
- S. Ellie Reeves MP
- T. Mayor of London

550 words

4.2.2 Has your proposal faced any opposition? Please provide a brief summary, including any campaigns or particular groups in support or opposition, and if applicable, how will you work with them to resolve any issues.

Applicants should summarise any opposition to the bid, its relevance (i.e. impact), and what has/will be done to resolve this and any other concerns raised during stakeholder engagement activities.

Applicants should explain if there is any sensitivity in their stakeholder engagement, for example if part of the bid process has not been made public or if the bid requires compulsory purchase of buildings.

(250 words)

Please provide reasoning if certain stakeholders could not be engaged with and how any impacts of this have been mitigated.

Our approach to developing the bid has ensured widespread support, with engagement across a whole range of groups, including those harder-to-reach including young people, pensioners and ethnic minority groups.

The greatest worry raised by stakeholders is 'gentrification' pushing out local people,

including market traders and shoppers anxious about the impact on the traditional market. To mitigate this risk, Lewisham Council is committed to protecting the character of the area, supporting independent business and essential retailing, and retaining the market's fresh produce offer that is valued by our poorer residents. This commitment is embedded in our Local Plan and planning policy, and in our role as operators of the market.

Our engagement with Transport for London raised the issue of negative impact on bus travel times from the new pedestrian crossings. In discussion, we identified a number of potential benefits and way to mitigate hold ups, including new limits on market traders to load/unload, improved spatial arrangement around bus stops to speed up passenger loading, restrictions on kerbside parking to improve traffic flow, and changes further along the local bus routes.

Overall, the process of engagement helped us to select options for investment that had stakeholder support, and discount those that people were strongly opposed to. For example, we considered re-siting the historic clock to the centre of the market but local people felt that this would compromise the history and tradition of the area. We considered adding an additional floor to the library building but local businesses and residents were concerned that the additional disruption would negative impact their trade and quality of life.

275 words

<p>4.2.3 Do you have statutory responsibility for the delivery of all aspects of the bid?</p> <p>If no:</p> <ul style="list-style-type: none"> - Please confirm those parts of the project for which you do not have statutory responsibility - Please confirm who is the relevant responsible authority - Please confirm that you have the support/consent of the relevant responsible authority 	<p>Applicants that do not have statutory responsibility for the delivery of all aspects of their bid must secure the support/consent of the relevant responsible authority prior to proceeding.</p> <p>All bids with a transport element must supply a pro forma of support from the relevant authority with statutory responsibility for transport unless the applicant has statutory responsibility, in which case the applicant should state N/A.</p> <p>For any bids in England, Scotland, and/or Wales where the applicant does not have statutory responsibility to deliver all of the transport elements of their bid, they are required to demonstrate that they have the support of all the authorities with the relevant statutory responsibility before proceeding with their application. Please complete pro forma 1.</p> <p>Rail-related applications would need the support of Network Rail and applications for infrastructure on the Strategic Road Network would need the support of National Highways, for example.</p> <p>For any bids in Northern Ireland with transport elements, support from the relevant local council and the Northern Ireland Executive (if non-public sector led bid) is an eligibility requirement. Please complete pro forma 4.</p>
<p>Lewisham Council has statutory responsibility for all areas of the bid with the exception of pedestrian crossings at signal-controlled junctions.</p> <p>Transport for London (TfL) is the traffic signal authority for the whole site and the highway authority for the A21 and A20. This means that TfL has statutory responsibility for all five new or upgraded pedestrian crossings at signal-controlled junctions.</p> <p>These crossings are located at:</p> <ul style="list-style-type: none"> • High Street at end of Limes Grove (adjacent to the Culture and Business Hub) • High Street at end of Albion Way (adjacent to the market) • Molesworth Street (A21) • Two crossings on High Street at junction of Lee High Road (A20) and Belmont Hill <p>The transport elements are part of Project 3: Re-imagined and connected high street</p>	

5.3 The Case for Investment

Applicants should use this section to detail a compelling case for why the proposed investment supports the economic, community and cultural priorities of their local area.

Applicants should upload their completed Theory of Change model that supports this section at the time of submission.

For package bids, an explanation should be provided as to how the component projects are aligned with each other and represent a coherent set of interventions.

<p>4.3.1 Please provide evidence of the local challenges / barriers to growth and context that the bid is seeking to respond to.</p> <p>(500 words)</p>	<p>Applicants should provide quantifiable evidence of the local challenges and barriers to growth, and detail how the planned intervention/s will address these.</p> <p>Evidence could include (but is not limited to) data regarding:</p> <ul style="list-style-type: none"> - Employment details, income levels, deprivation, skills and educational attainment - Vacancy rates and footfall - Land and development challenges - Transport challenges including poor connectivity to existing assets, congestion and air quality issues - Crime and anti-social behaviour <p>Transport applications should consider evidence within the local context with clear identification of sources.</p> <p>This may include:</p> <ul style="list-style-type: none"> - Reliability of the network (e.g. cancellation rates, congestion, capacity levels, variability in journey times) - Safety data including accident rates. - Environmental data including air quality and carbon emissions. - Journey satisfaction - Time taken to reach specified number of jobs or services - Data on mode of travel. - Data on number of services, spending and maps showing existing transport network <p>Heritage/Cultural applications should also consider providing some of the following evidence. These should be contextualised within the local context:</p> <ul style="list-style-type: none"> - Cultural/creative/community/sports vision. - Creative/curated/community sports programme. - Range of programmes (e.g. public libraries programmes going beyond culture, such as business support, health and well-being, literacy). - Practitioners track record.
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	<ul style="list-style-type: none"> - Level of demand. - For heritage/museum collections, how the assets will be maintained/conserved in line with statutory and best practice. - Improvements to provision of public spaces and community facilities. - Audience/participant/user engagement benefit – reach/diversity/depth of engagement. - Audience/participant/user development – including segmentations. - Current cultural heritage sports offer and provision of community facilities, how they are perceived, <p>how well they already inspire community cohesion/pride in and attractiveness of place</p> <ul style="list-style-type: none"> - Local levels of engagement/ demand - Added value that this project would bring (particularly for upgrades).
<p>Lewisham town centre is failing residents, particularly those that experience acute deprivation and depend on the local economy. Key challenges are:</p> <p><i>Degraded environment</i></p> <p>Lewisham is in the poorest 10% of the country in terms of living environment (IMD 2019). Only 71% of people in the town centre area are satisfied with it as a place to live, compared to over 80% across the rest of the borough, and a national benchmark of 78% (MEL Research 2021).</p> <p><i>Reducing footfall</i></p> <p>Visitors fell 28% from 5,071 to 3,627 between May 2021 and May 2022 respectively (O2 Motion 2022). Data analysis by PRD (2022) shows how visitor footfall in 2022 is between around 56% to 70% of 2019. In a survey of high street businesses, 29% said footfall was their greatest challenge (LSBU 2021).</p> <p><i>Low employment opportunities</i></p> <p>Lewisham has the lowest number of jobs per working age population of any local authority in the UK (ONS 2022). Grant Thornton's Levelling Up Index ranks Lewisham 315 out of 324 local authorities for prosperity (an indicator of GVA, business turnover, pay and employment). Unemployment in the borough is 5.2%, higher than the national average of 4.4% (ONS 2021).</p> <p><i>Poor connectivity</i></p> <p>The layout of the market, lack of road crossings, over-crowding at bus stops and poor wayfinding restricts movement. 86 respondents to a public consultation commented on inaccessibility for pedestrians and cyclists (Landsec 2022). A comprehensive study of 14 town centres for TfL found that cyclists in Lewisham were the most likely to feel unsafe (Accent 2016).</p> <p><i>Limited night-time economy</i></p>	

84% of respondents surveyed on the High Street said there is no offer for them in the evening (LSBU 2022). Less than 0.9% of borough residents say that Lewisham town centre is where they go most often to visit pubs, bars and clubs (Retail Survey 2021). 83% wanted more restaurants and 60% wanted shops to be open later (Lewisham Council 2019). Popular evening venue the Model Market permanently closed in 2021. There are only two pubs.

A lack of space for SMEs and new businesses

The town centre's two providers of flexible office space – Regus and My Office Club – both report being over-subscribed. 71% of overall demand is for small units (CAG 2018). Current vacant space in the town centre is either inappropriate or too expensive to convert.

Lack of cultural and civic space

There is no venue or focal point that all our residents for culture or shared experience. 83% of Lewisham residents responding to a recent survey felt there needed to be more live venues, and 92% felt there needed to be more arts and culture (Lewisham Council 2019).

Risk of a divided town centre

The town centre has acute deprivation alongside new flats for professionals. A risk is that new residents travel elsewhere, leaving a divided town and wealth flowing out. 62% of residents agree that the gap between rich and poor is getting bigger. Just 6% disagreed (MEL Research 2021).

Crime

The town centre is ranked in UK's worst 10% for crime (IMD 2019), with the most common being theft and violent crime (MPS 2022). Across 2021, the crime rate was 393 per 1,000 people.

Air quality

Background concentrations of PM2.5 are dangerously high, in breach of WHO Limits (Taskforce for Lung Health 2018).

Impact on pride in place

65% of residents in the area say they feel proud of where they live, but only 52% said that they feel part of the area's success (MEL Research 2021).

585 words

4.3.2 Explain why Government investment is needed (what is the market failure).

(600 words)

Applicants should explain what market failure(s) are present and why Government intervention is needed. Market failure occurs where a market is unable to function according to the economic ideas of efficient markets. From a [Green Book](#) perspective, which looks beyond simply economic efficiency, this means the market is unable to provide satisfactory levels of welfare efficiency.

Examples of market failures include, but are not limited to:

- Public goods – goods which are not provided by the private sector because they would be unable to supply them for a profit – for example, road infrastructure or place-making activities. A public good is often under-provided in a free market because its characteristics of non-rivalry and non-excludability mean there is an incentive not to pay.
- Imperfect information – for some goods or services the availability of information or information processing difficulties may prevent people from making 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.
- Negative externalities – these occur when an activity imposes costs or produces benefits for economic agents not directly involved in the deal. For example, pollution not covered by regulation may be profitable for a perpetrator but impose real costs on others who are not directly involved in the market.

Where applications involve non-public sector partners, for example through the delivery of commercial property development, the applicant should ensure they clearly justify the need for government intervention and the assumptions underpinning this.

Lewisham town centre is locked in a self-reinforcing low-growth equilibrium. A combination of factors has led to a situation where our borough's residents choose to travel away for shopping and leisure, and few visitors are attracted to come from elsewhere. Data from CACI (2022) based on retail spend from ten zones across the borough shows that, with the exception of its immediate zone, the town centre attracts an average of just 5% of other residents spending. As a reflection of this failure, only 6,600 jobs in the borough (3.8%) rely on sales and customer services, 40% below the London average (6.2%) and 50% below the UK (7.2%). Despite an increasing population in the borough, it is experiencing declining footfall and prosperity. Investment is required to help Lewisham town centre overcome long-standing market failure.

The town centre 'public good' infrastructure is degraded and poorly serves local people, businesses and visitors. Improvements to the marketplace, cycling and pedestrian connectivity, and creation of a Culture and Business hub will not happen without public investment, because benefits are widely spread between people and businesses, the upfront costs are high, and the land is in local authority ownership, meaning that the private sector would be unable to make such an investment.

Levelling Up investment will be a catalyst for change and create an environment where economic and civil society activity is able to flourish, that is attractive to visitors, businesses and creates jobs. This will unlock benefits that are latent in the local economy that the current failure of public good infrastructure is preventing, including:

Levering in private sector investment

Lewisham Town Centre is subject to a pre-planning application from Landsec for a mixed retail/residential scheme on the site of the current shopping centre. As stated in its letter of support, an improved town centre will accelerate £1.5bn of investment.

Encouraging affluent residents to use the town centre

An improved town centre will attract new and higher-spending shoppers to Lewisham, particularly from other parts of the borough and recent town centre developments.

Leveraging Lewisham's transport advantages

An improved town centre would encourage more passengers to dwell and spend money, rather than passing through. Lewisham Station is a transport hub, used by more passengers than Sheffield, York, and Manchester Victoria (NR Grip2, 2022). There are 186 buses an hour on the High Street carrying 110,927 passengers every weekday, of which 75,412 (68%) pass through without boarding or alighting (TfL 2022).

Extending the hours of activity in the town centre

Targeted investment can create a more vibrant night-time economy. The lack of coverings and lighting on the market makes it weather dependent, impossible to use at night-time and difficult to trade for much of the winter. Lewisham becomes less busy from 3pm onwards every day (O2 Motion 2022).

Providing space to express culture and for civic use

Lewisham lacks a good quality facility and outdoor space for culture, performance

and creative activity, which will attract visitors and residents' participation. This is a historic failure of public investment – and something that the market will not provide.

Overall, local people associate the town centre with the success of the borough and their own prospects – and it does not match their aspirations. Investment will address market failure and unlock the potential of Lewisham, boosting pride in place.

551 words

4.3.3 Please set out a clear explanation on what you are proposing to invest in and why the proposed

All applicants should clearly explain what they are proposing to invest in and evidence how the planned interventions will address the identified challenges and barriers.

interventions in the bid will address those challenges and barriers with evidence to support that explanation. As part of this, we would expect to understand the rationale for the location.

For large transport bids £20M - £50M applicants should submit an Option Assessment Report (OAR).

(750 words)

All applicants should set out the different options considered as part of the process of deciding on the intervention chosen and justify why the proposed solution is the preferred option above others. As part of this, applicants should justify why the proposed location of the investment is the preferred option above others.

Applicants submitting large transport bids £20 million - £50 million are encouraged to submit an Option Assessment Report (OAR) with reference to page 4 of DfT's [Transport Analysis Guidance](#).

Investment is proposed in three interlinking areas to transform to the town centre and opportunities for local residents:

Revitalisation of Lewisham Market – transformation of the historic marketplace to encourage visitors, help local businesses and create an inclusive space, including:

- **new market layout** – creating a more attractive environment for customers, 60% more pitch spaces for traders, and new waste and operational facilities.
- **canopies** – modern, stylish and environmentally-friendly covers to extend the market outside current trading hours and use as an event space
- **public realm improvements** – inclusive space for events and for people to meet, with improved paving, benches, new lighting and refurbishment of the historic clock tower
- **green spaces** – with 33 trees, ornamental planting and sustainable drainage features

New Culture and Business Hub – renovation of the dilapidated library building to

create a flexible and welcoming space for the whole community, including:

- **‘Lewisham Lounge’** an adaptable community space for socialising, exhibitions and cultural attractions
- **enhanced space for library and archives services**
- **small business hub**, with flexible office space, meeting rooms, and work spaces
- **new hospitality offer** with **ground floor café** and **rooftop bar** with views

Re-imagined and connected high street – improving connectivity across the town centre through pedestrian and cycling infrastructure, including:

- **adding and upgrading road crossings** for better pedestrian flow and road safety
- **better signage and wayfinding**
- **enhanced cycling provision**, upgrading existing entry routes to the town
- **three new mobility hubs** for cycling and electric vehicle use
- **improved public realm**, spill out zones for local businesses, pedestrian corridors and green infrastructure with 153 trees

Rationale for location

We chose Lewisham town centre as the focus of our LUF bid because:

- it is the physical and symbolic centre of the borough, and will provide a visible statement of Levelling Up to our residents
- it is the area that will have the greatest impact for our disadvantaged residents, both in the surrounding area of acute deprivation, as well as being easily accessible from other parts of the borough
- it has greatest potential to unlock private sector and community benefits – from potential investors, its under-performing economy, its transport advantages, and local pride in place (as described in detail in 4.3.2)
- it will showcase our borough to millions of travellers that pass through on their journeys from Kent and Outer London

Options considered

For the market, we considered improvement to shop frontages, adding a ‘hub’ building to the centre, and re-siting the iconic clock tower. We decided that the impact from the frontages would not have a significant enough impact and that adding a building or moving the clock tower would break with the tradition of the market as an ‘open’ space. Our chosen option balances the feedback from traders/residents, the history of the site, and our desire for value for money.

For the library building, we considered adding an additional floor but decided that the additional benefit was unlikely to be worth the additional costs and disruption, and local residents were concerned that the construction would negative impact their businesses and quality of life.

For the high street, we considered options for extent of the area covered and the type/cost of materials. In our proposal, we have sought to balance these two factors so as to achieve maximum visible impact, whilst balancing durability, quality and value of money.

Addressing barriers

Lewisham 2025 will improve the **degraded environment**. A better town centre will encourage visitors to dwell, shop and spend leisure time and drive an increase in **footfall and spend**, stimulating the local economy and civic life. Investment will improve **connectivity** by improving the flow throughout the town, with more pedestrians and cyclists per day. The canopies for the market and new rooftop bar will help to regenerate the **night-time economy** and attract new leisure businesses. Feedback from the Metropolitan police confirms our expectation that the improved environment will reduce **crime**. We will create green space and plant 186 trees. Over time we expect to see measurable improvements in **air quality**.

The hub and market will provide new **space**, for cultural activity helping us build on Lewisham as London's first Borough of Culture. By creating **workspace for small businesses**, we will provide a focal point for start-up growing enterprises, creating and facilitating new high skill jobs.

The success of Lewisham as a commercial centre will create **employment opportunities** by encouraging private sector activity. Our partners Landsec have indicated that they intend to accelerate investment worth £1.5bn. The benefits will be shared between the whole borough's population, levelling up for our residents and preventing a **divided town centre**.

Lewisham 2025 will build **pride in place** by reinvigorating spaces that residents can enjoy. We will use signage to create a link to the past as well as consult with our residents to name the hub to reflect the area.

792 words

4.3.4 Please explain how you will deliver the outputs and confirm how results are likely to flow from the interventions.

This should be demonstrated through a well-evidenced *Theory of Change*. Further guidance on producing a Theory of Change can be found within [HM Treasury's Magenta Book](#) (page 24, section 2.2.1) and [DLUHC appraisal guidance](#).

(500 words)

Applicants should use this section to explain simply and clearly how they will deliver the outputs and confirm how results are likely to flow from the interventions.

Applicants may wish to refer to the [Technical Note Annex B Intervention Framework](#) which provides an illustrative summary of the outputs and outcomes that may fall within the scope of this fund. Applicants are strongly encouraged to design their bids so that the outputs delivered align with this list where possible – although it is recognised that some novel projects will require their own custom indicators.

Applicants are encouraged to submit a Theory of Change. Developing a Theory of Change typically involves considering the proposed inputs (what investment/actions will take place) and the causal chain that leads from these inputs through to the expected outputs and outcomes. It considers the causal mechanisms by which an intervention is expected to achieve its outcomes, basing this theory on the gathering and synthesis of evidence.

There are many mapping tools that can be used to help explore how the intervention is expected to work, often described as the 'programme theory'. These include Theory of Change mapping, logic mapping, log frames, benefits mapping, and system mapping. The most appropriate tool to use will depend on the characteristics of the intervention, the complexity of the system it is applied to, and the type of evaluation that is being planned.

Theories of Change can range from simple descriptions to more complex analyses and the level of detail would be proportionate to the size and scope of your bid. More sophisticated exercises produce a more detailed and rigorous assessment of the intervention and its underlying assumptions.

We have used the theory of change ('ToC') approach to define 'what we want to achieve' and 'how we get there'.

Outputs are linked to one of the three projects within our bid, each of which will deliver visually impactful results aligned with DLUHC's stated Levelling Up Fund outputs and outcomes (marked in **bold**).

Project 1: Revitalisation of Lewisham Market

How: Revitalisation and reorganisation of the historic marketplace.

Outputs:

- **Retail space improved**, with new canopies and market layout
- **Retail space created**, with space for 60% more market stalls and night-time markets
- **Public realm improved**, improved visual appearance and layout to hide market waste/utilities
- **Public realm created**, opening public space for outdoor events and places to dwell
- **New trees planted** and 'greening' of the market

Outcomes: outputs will directly lead to the following impact

- **Increase in footfall**, attracting more visitors to use and enjoy the town centre
- **Increase in consumer spending** through extending the hours of economic activity into the evening and during all weather
- Increased number of occupied market stalls and surrounding commercial units
- **Increase in the number of cultural events** held in the new outdoor public space

Project 2: New Culture and Business Hub

How: Transform the existing library building to a modern multi-use facility and venue, including renovated three floors and new culture and hospitality offer

Outputs:

- **Dilapidated buildings improved**, refurbishing a building otherwise nearing the end of its useful life to be a hub of cultural, civic and business activity
- **Cultural space created**, with new 'Lewisham Lounge' and flexible space providing space for exhibitions and performance
- **Public amenities improved**, with refurbished library floor and new space for archives to preserve Lewisham's heritage
- **Office space created**, with new business hub and flexible space for SMEs

- **Hospitality space created**, with ground floor café and rooftop bar
- **Green retrofits to existing non-residential units**, reducing cost and carbon emissions

Outcomes:

- **Increase in the number of visitors to cultural venues**, increasing footfall and 'buzz'
- **Change in business investment**, attracting SMEs and start-ups
- **Increase in consumer spending** with new rooftop bar and cultural space stimulating the night-time economy
- **Reduced carbon emissions**

Project 3: Re-imagined and connected High Street

How: Improve public realm to reactivate High Street, introducing better pedestrian and cycling infrastructure and improved streetscape.

Outputs:

- **Improved pedestrian paths**, reorganising streetscape and new/upgraded road crossings
- **Improved cycle ways**, upgrading existing entry routes to the town
- **Transport nodes with new multimodal connection points**, with three new 'mobility hubs'
- **Public realm improved**
- **Green space created**, with pocket park and trees

Outcomes:

- **Change in pedestrian flow**, increasing number and quality of journeys
- **Change in cycle flow**, increasing number and quality of journeys
- **Mode shift in transport**, reducing private vehicle use
- Reduced fear of crime
- **Improved air quality**

Overall outcomes: as a package the projects will transform Lewisham town centre and produce the following impacts

- **Increase in consumer spending** attracting new and higher-spending shoppers
- **Change in business investment**, including accelerating £1.5bn investment from Landsec

- **Change in employment rate**, creating new jobs in the day and night-time economy
- **Change in perception of place**, measurably boosting local pride in place
- **Change in business sentiment**, making Lewisham an attractive place to be based

550 words

4.3.5 For package bids
you should clearly explain how the component projects are aligned with each other and represent a coherent set of interventions.

(250 words)

Where applicants are submitting a package bid they should explain how all the component projects work together. For example, a transport intervention and associated place-making intervention may together support greater footfall and access to a local high street. Package bids **should not** include multiple unrelated investments.

On their own, none of our three projects would be successful at achieving Levelling Up and our ambitions for residents.

Investment in the marketplace is critical to the identity and sense of place, and is a magnet for all local economic activity. New canopies and layout, and improved public realm will revitalise the space, attract visitors and give the option for day and night trade. The market is the symbolic ‘beating heart’ of the town and critical to driving footfall. In a June 2022 town centre partners meeting a ‘vibrant market (day and night)’ was voted the most important aspect for the future of the town centre.

The new Culture and Business Hub is vital to attract visitors with a non-retail offer and address the acute lack of office space for SMEs. A mixed offer of cultural programming and flexible exhibition space, alongside high quality library and archives service, will draw visitors to the town centre. Located at the opposite end of the site to the train station, visitors will have to pass through the market and high street. A business hub will support local businesses and start-ups, creating and facilitating local jobs. The hospitality offering (café and rooftop bar) will help activate the night-time economy across the town.

The high street improvements facilitate the other investments and address the acute living environment challenges. Without improvement, people will not travel to the market or Culture and Business hub. The three strategically sited mobility hubs will enable more sustainable transport options, improve accessibility and encourage cycling. Overall, a well-designed high street will enable residents and visitors to flow through the town and be encouraged to spend more time and money in local businesses, in the public spaces, and the cultural offering.

290 words

4.3.6 Applicants should also briefly set out how other public and private funding will be leveraged as part of the intervention. **(500 words)**

Please set out how other public and private funding will be leveraged as part of the intervention

Leveraging private funding

Lewisham 2025 is designed to attract inward investment from the private sector and 'unlock' its potential by creating the conditions for growth. With the improvement of the town centre, and interventions to support the market, night-time economy and small businesses, we anticipate an increase in business confidence, leading to increased levels of private sector investment, land values and decrease in commercial vacancies.

A central plank of our long-term vision for the area is the regeneration of the 1970s shopping centre, adjacent to the market. This is owned by Landsec and subject to a pre-planning application for redevelopment with a mixture of retail and residential land use and a potential investment of £1.5bn over 15 years. Landsec is a key partner and supporter of this bid. As stated in its letter of support, an improved town centre will help accelerate this investment by up to two years. Landsec forecast the following benefits:

- construction employment of 500 jobs per year (15 year construction period), or 650 jobs per year (13 year accelerated period)
- 2,600 new homes for 5,200 residents bringing £38m in new expenditure
- forecast permanent job opportunities for 2,300 created, with another 900 secondary jobs created in the local area

Our investment in the marketplace and environment will also boost investment in the leisure and hospitality sector. The Culture and Business Hub will bring investment from private operators of the café and rooftop bar. We also have two key vacant town centre sites which we expect to quickly attract interest in: a pub/restaurant at the centre of the High Street and the street food 'model market' site.

Leveraging public funding

We are seeking aligned opportunities within public sector funding to support the town centre regeneration, encourage engagement and participation in local civic activities.

Our town centre team works closely with colleagues at the GLA and anticipate bidding for the upcoming Evening and Night-time Economy Enterprise Zone funding to support the night-time economy. Lewisham was previously successful at securing a grant from the GLA's High Streets for All Challenge Fund and we would seek to apply for subsequent rounds.

We anticipate exploring the use of the Culture and Business hub as part of a bid to the Department for Education to create Family Hubs in Lewisham, as part our wider corporate priority around children and family services.

Lewisham is the first London Borough of Culture 2022, with a programme of arts and performance based on our history and diverse cultural backgrounds. The improvement of the public space around the market area and new exhibition space within the Culture and Business hub provide a site for performance, building on this legacy and allowing us to bid for grants from arts and culture bodies including the Arts Council and National Lottery Community Fund.

We will leverage funding for better transport infrastructure and cycling, and have designed our proposals to fit with the priorities of Transport for London. TfL is currently running a consultation on cycling between Catford and Lewisham to fund the 'temporary active travel scheme' to become a permanent improvement. As part of discussion with TfL we have sought to fit with the potential investment in the Bakerloo Line extension.

530 words

4.4. Alignment with the local and national context

In this section, applicants should clearly articulate their alignment with any relevant local and national strategies and objectives concerning investment, infrastructure and levelling up. Applicants should explicitly state how the bid will substantially support the delivery of local and national policy objectives.

4.4.1 Explain how your bid aligns to and supports relevant local strategies (such as Local Plans, Local Economic Strategies, Local Cultural Strategies or Local Transport Plans) and local objectives for investment, improving infrastructure and levelling up.

For Northern Ireland, Scotland and Wales bids: In addition, explain how your bid aligns to the strategic plans and objectives of devolved administrations.

All bids including those with a regeneration element should explain how the bid aligns to and supports the delivery of relevant local strategies (such as local plans, local economic strategies, local cultural strategies or local transport plans) and local objectives for investment, improving infrastructure, local economic development and levelling up.

Bids with any transport element should, in addition, outline the specific local transport context and clearly explain how they support existing transport strategies and commitments in their area and nationally.

Similarly, bids with a culture and heritage element should align and support local (cultural, heritage, sports, community hub) strategies. This should include a rationale for the strategies it supports, explaining the current cultural/ heritage/ sports/ community facility offer and engagement, and how the strategies link into the place's broader growth and development strategies.

(500 words)

For bids within Scotland, Wales and Northern Ireland, applicants should additionally make clear links to the relevant strategies from the Devolved Administrations.

Lewisham 2025 is designed to directly align to and deliver against the following local strategies:

- **Lewisham Core Strategy (2011-2026)**, the main strategy document for the Local Development Framework: identifies Lewisham Town Centre as the key regeneration and growth area and presents the ambition of developing and promote it to a Metropolitan town centre in London Town Centre Network hierarchy by 2026 (Objective 4: Economic activity and local businesses). The LUF bid has been designed as a catalyst for change allowing Lewisham to meet these objectives.
- **Lewisham Town Centre Local Plan (2014)**: aims to deliver objectives of the Core Strategy and presents the vision for Lewisham town centre to be transformed into a shopping and leisure destination of exceptional quality, offering a strong focus for community identity and cohesion. This is the central premise of the LUF Programme, which will be delivered through:
 - improved leisure offer, evening, economy space and enhancing distinctive features such as the street market (supporting Objective 1. Retail and town centre status)
 - New business hub offering workspace, employment and training (Objective 4. Employment and training);
 - Improved walking and cycling infrastructure (Objective 6. Transport);
 - New accessible community hub that becomes a focal point of High Street (Objective 8. Community).
- **Local Implementation Plan (2011 – 2031)**, key transport strategy, aligned with the Mayor's Transport Strategy and the Sub Regional Transport Plan. It supports the vision for Lewisham to become Metropolitan town centre and dictates the following goals directly aligned with the LUF bid:
 - better cycling facilities and pedestrian crossings, especially in and around town centres (3. 'Healthy, active and enjoyable')
 - improving the connectivity of town centres and urban environment, including the design and condition of footways (4. 'Dynamic and prosperous' and 6. 'Better streets')
- **Corporate Strategy (2018-2022)**: LUF Programme is aligned with the overarching Borough corporate priorities:
 - 4. Building an inclusive local economy
 - 6. Making Lewisham greener (also aligned with Climate Emergency and 2030 net zero ambition)
 - 7. Building safer communities

- **Business Growth Strategy (2013-2023):** one of the key objectives is to revitalise town centres through developing diverse and sustainable market offer and creating new high quality business space
- **Evening and night-time offer: A vision for Lewisham (2019):** explores expanding Lewisham market and shopping into the evening
- **Parks and Open Spaces Strategy (2020-2025):** identifies Lewisham Town Centre as one of the Areas of Deficiency in Access to Local Parks
- **Cycle Strategy (2017):** supports cycling improvements around Lewisham High Street, more cycle parking and sets a target of doubling the number of journeys.
- **Strategy for the Future of Libraries in Lewisham (2022-2030, in development):** residents' consultation confirmed the need for a Culture and Business Hub with the central library at the heart of Lewisham's High Street.

In addition to this, the LUF Programme has consulted with the GLA and Transport for London. It is designed to align with the **London Plan (2021)**, which identifies Lewisham Town Centre as Strategic Area for Regeneration, confirms it has high commercial and residential growth potential, and supports the ambition to become a town centre of Metropolitan importance. It also aligns with the **Mayor's Transport Strategy (2018)**, which includes making London the world's most walkable city and a goal of 80% of trips made on foot, by cycle or using public transport by 2041.

534 words

4.4.2 Explain how the bid aligns to and supports the UK Government policy objectives.

For Northern Ireland, Scotland and Wales: In addition, explain how your bid aligns to any specific policy objectives, legal and statutory commitments relevant to the devolved administrations.

(500 words)

Applicants should explain how the bid aligns with UK Government policy objectives, including the missions set out in the Levelling Up White Paper, and legal and statutory commitments, such as the Clean Growth Strategy, Clean Air Strategy and the target to achieve Net Zero carbon emissions for 2050.

Bids should be aligned to and support Net Zero goals: for instance, be based on low or zero carbon best practice; adopt and support innovative clean tech and/or support the growth of green skills and sustainable supply chains.

Bids should set out how they will minimise any negative environmental impact and where they are promoting positive environmental choices.

Bids should consider how projects can work with the natural environment to achieve project objectives – considering at a minimum the project’s impact on our country’s natural assets and nature, as well as the resilience of any capital and infrastructure project to potential hazards such as flooding.

Transport applications in particular should clearly explain their carbon benefits. For bids involving regeneration and town centre investment, relevant strategies may include the UK Industrial Strategy, Local Industrial Strategies, National Infrastructure Strategy, Strategic Economic Plans, Local Plans, place-specific regeneration strategies or housing plans. Applicants may also reference alignment with Covid-19 recovery plans.

For bids within Scotland, Wales and Northern Ireland, applicants should additionally make clear links to the relevant strategies from the Devolved Administrations.

Lewisham 2025 is fully aligned with the Government’s **levelling up ambitions**, designed to invest in ‘infrastructure that improves everyday life’ and spanning all three investment priorities, supporting ‘town centre and high street regeneration, local transport projects, and cultural and heritage assets.’ This broad spread of interventions allows us to deliver against the majority of levelling up missions, including living standard, transport, education, skills, health, wellbeing, pride in place and crime. Our investment is targeted at areas most in need: in Lewisham centre there are clear disparities that need ‘levelling up’, with 2 LSOAs which neighbour the centre ranked amongst the 10% most deprived in the country.

This Programme supports the UK Government **net zero emissions objective**, which is the key design principle for all three projects:

- *Project 1: Revitalisation of Lewisham Market* will support net zero through installation of green roofs and photovoltaic panels on the market canopy. The project will allow us to implement a new waste strategy into the market, using the investment to refurbish Burton's Yard to store and bail waste for recycling.
- *Project 2: New Culture and Business Hub* will improve energy performance of the existing library building, delivering 85% reduction in heat loss through the roof and 35% reduction in carbon footprint thanks to a new heat recovery system.
- *Project 3: Connected High Street* is aimed at improving greenery (through tree planting and pocket parks) and achieving modal growth in walking and cycling. This will be achieved by the improvement of cycleway connectivity and safety, implementation of cycle parking infrastructure in key locations (train station, market, library etc.) and development of mobility hubs that will provide access to a number of greener transport options (cycles, scooters, car sharing, EV charging points).

This bid also aligns with a range of government flagship strategies:

- Revitalisation of the high street (DLUHC & MHCLG, 2021): This programme is aligned with the government's long-term plan to support the evolution of high streets into thriving places to work, visit and live
- Gear Change: a bold vision for cycling and walking (DfT, 2020); Clear Air Strategy (DEFRA, 2019): Increasing levels of greenery and developing new cycling and walking infrastructure will encourage active travel and significantly improve air quality. We will install air quality monitors to measure our progress against this objective.
- Build Back Better: Our Plan for Growth (HMT, 2021): In line with this strategy, we are taking a combined focus on social, economic and cultural regeneration to confront challenges exposed by Covid-19. We are also looking for opportunities to unlock private investment, as the Plan for Growth postulates.
- Plan for jobs (HMT, 2020): Driving local growth and jobs through regeneration of key local sites and investment in business support infrastructure through a newly created Business Hub.
- National Infrastructure Strategy (HMT, 2020): Leaving no community or business behind – bid seeks to ensure Lewisham residents benefit from growth on their doorstep.

478 words

4.4.3 Where applicable explain how the bid complements / or aligns to and supports existing and / or planned investments in the same locality.

(100 words max per fund)

Applicants should explain how the LUF investment will complement/align to and support other investments from different funding streams.

Applicants should consider the alignment of their bid with other planned/committed investments in the same location, detailing how additionality will be granted through LUF investment and duplication avoided.

Where, for example, the LUF investment represents a first step in the implementation of a place's regeneration/town centre strategy the application should demonstrate how the bid fits into the overall vision and would be a catalyst for transformation.

Funding streams could include but are not limited to:

- LUF Round 1
- Towns Fund (including Future High Streets Competition)
- City Region Sustainable Transport Settlement Fund
- Major Road Network
- Large Local Major Schemes
- City and Growth Deals
- Bus transformation funding
- Cycling and Walking funding
- Forthcoming UKSPF investment plans and any Community Renewal Fund investments
- Freeports
- High Streets Heritage Action Zones
- Heritage Action Zones
- Transforming Places Through Heritage
- Heritage Horizon Awards
- Cultural Development Fund
- Museums Estates and Development Fund (MEND)
- Libraries Improvement Fund
- Discover England Fund
- Great Places Scheme
- Northern Cultural Regeneration Fund
- UK City of Culture bids
- Create Growth Programme
- Creative People and Places
- Arts Council England capital investment programme

And any investment available by devolved administrations.

High Streets for All Challenge (HSfA) fund

The council secured £20,000 seed funding from the GLA's HSfA fund for Lewisham town centre, which was selected as one of 35 exemplar projects. The fund was used to build a partnership between the council, local businesses, residents, cultural organisations and education providers, collectively agree a shared vision for Lewisham High Street, and then identify and deliver projects which will increase footfall and visitor spend within the town centre. The new Town Centre Partnership Group has been involved in development of the levelling up proposal and supports the proposed interventions.

97 words

London Borough of Culture (LBoC) 2022

The borough was successful in bidding for the Mayor's LBoC award and secured £1.35m to deliver a year-long programme of cultural events. The funding addresses the lack of culture and leisure offer – one of the identified weakness for Lewisham town centre – on a temporary basis. The Levelling Up Programme aims to capitalise on LBoC through creating more permanent culture spaces within the town centre – in the covered market (Project 1) and a new Culture Hub (Project 2) that will host a mixed programme of activities, performance and exhibitions for residents and visitors.

98 words

UK Shared Prosperity Fund 2022-25

Our bid has been designed to support the UKSPF investment priorities:

- Community and place – LUF investment will create places for local people to enjoy, and ensure people are proud of their borough.
- Supporting local businesses – LUF investment will boost demand from shoppers and opportunity for local businesses. The new Business Hub will create space for business support services.
- People and Skills – LUF investment will create jobs and opportunities for entrepreneurship.

If successful with our LUF bid, to ensure a joined-up approach, we will link the governance through the UKSPF lead sitting on LUF Programme board.

100 words

4.4.4 Please explain how the bid aligns to and supports the government's expectation that all local road projects will deliver or improve cycling and walking infrastructure and include bus priority measures (unless it can be shown that there is little or no need to do so). Cycling elements of proposals should follow the government's cycling design guidance which sets out the standards required.

(250 words)

If the bid does not contain any transport related elements this question is not applicable.

Where bids include local road projects, the intervention should deliver or improve cycling and walking infrastructure and include bus priority measures or give a sufficient explanation as to why this is not necessary.

Applicants submitting bids with local road projects should familiarise themselves with DfT's ['Better Deal for Bus Users'](#), ['Bus Back Better'](#) and ['Gear Change'](#) strategies.

If applicants are proposing any cycling infrastructure within their bid, it must adhere to the government's cycling design guidance:

- [For England and Northern Ireland](#)
- [For Scotland](#)
- [For Wales](#)

In 2019 Lewisham was one of the first local authorities in London to declare a 'climate emergency'. Our Climate Emergency Action Plan (2020) identifies decarbonising transport as one of the priority actions to become carbon neutral by 2030.

The main premise of the Project 3 Re-imagined and Connected High Street is improving opportunities for active travel and connectivity to and within town centre through improvements to walking and cycling infrastructure and well-designed enhancements to public realm. This supports delivery of the DfT Gear Change Strategy and the London Mayor's Transport Strategy, which sets a strategic target for 80% of journeys in London to be made by walking, cycling and public transport by 2041.

Existing cycleways will be improved to address safety and connectivity issues, making it easier to get to the town centre by cycle. Additional secure cycle parking will be installed at locations, including around the market and culture and business hub. Three mobility hubs will be installed at strategic sites across the town centre to support a modal shift away from individual car ownership, encourage cycling, Zipcar and provide EV charging points.

Safety improvements to existing pedestrian crossings, new crossings in high footfall areas, better signage and wayfinding, and redesign of the footways are designed to improve pedestrian flow and enhance walkability across the whole town centre area.

Aligned to this proposal (but outside of the scope of the proposed LUF interventions), the Council is working with Landsec to improve cycling and walking infrastructure as part of the site of the potential Lewisham Shopping Centre redevelopment.

This proposal has been extensively consulted with TfL to ensure alignment with London Cycling Design Standards and minimise impact the on the bus network.

282 words

4.4.5 Please tick to confirm which of the following [Levelling Up White Paper](#) Missions (p.120-21) your project contributes to:

- Living Standards
- Research and Development (R&D)
- Transport Infrastructure
- Digital Connectivity
- Education
- Skills
- Health
- Wellbeing
- Pride in Place
- Housing
- Crime
- Local Leadership

And write a short sentence to demonstrate how your bid contributes to the Mission(s).

Applicants should tick each of the Levelling Up White Paper Missions the project will contribute towards and then provide a short sentence to demonstrate how the bid contributes to the mission.

Multiple missions can be selected if applicable.

Mission 1. Living standards

Unlocking the economic potential of Lewisham town centre to improve residents' living standards is the central premise of all the projects, which aim to encourage visitors and help local businesses flourish. In addition, revitalisation of the street market will preserve shopping space for low income families, helping to tackle the rising cost of living affecting some of the most deprived communities living in and around Lewisham town centre.

Mission 3. Transport infrastructure

Project 3 has investment in transport infrastructure at its core, including mobility hubs, improved connectivity and new cycling infrastructure to support active travel.

Mission 6. Skills

Project 2 includes investment in developing a new Culture and Business Hub, which will include flexible training space with training programme and business support offer adjusted to local needs, with a particular focus on capacity building for SMEs and start up support for new businesses.

Mission 7. Health

All projects will include greening enhancements, supporting improvements to residents' health outcomes. In addition to this, Project 1 aims to improve the market's retail offer with affordable fresh fruit and vegetable and providing healthy eating support. Project 3 focuses on improved opportunities for active travel, which will lead to improved air quality. To reach air quality and environmental targets monitoring will be installed in strategic locations.

Mission 8. Wellbeing

The investment will enhance public realm and environment, creating more space to stay outside and engage with local communities, improving the perception of safety, inspiring community cohesion, contributing to their resilience and wellbeing.

Mission 9. Pride in place

The investment will inspire pride in place, as it aims to improve the attractiveness of town centre, create space for shared civic and cultural activities, and enhance the public realm, including the cleaning of the historical clock tower. Lewisham Council will also run a consultation to name the new Culture and Business Hub to link it to local heritage.

Mission 10. Crime

The investment includes public realm improvements to 'design out crime', including CCTV, greenery and street-scale features that will increase passive surveillance, improving actual and perceived safety.

Part 5 Economic Case

All costs and benefits must be compliant or in line with [HMT's Green Book](#), [DfT Transport Analysis Guidance](#) and [DLUHC Appraisal Guidance](#). Please also see [Technical Note](#).

5.1 Appropriateness of data sources and evidence

5.1.1 Please provide up to date evidence to demonstrate the scale and	Applicants should explain the scale and significance of the local issues that they are seeking to address through the bid using data for the most relevant area; comparisons should be made between the
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<p>significance of local problems and issues.</p> <p>(500 words)</p>	<p>area and the wider region and/or nation to evidence the scale of the problem.</p> <p>Data should be provided from credible and robust sources. The following list is not exhaustive but is indicative of the quality of sources expected:</p> <ol style="list-style-type: none"> 4 Office for National Statistics 5 Indices of Multiple Deprivation 6 Labour Force Survey 7 Published studies 8 Past examples of similar interventions 9 Local area surveys 10 LA commissioned research reports 11 White papers on the area of focus/sector of interest 12 Comparative Devolved Administration data sources 13 Traffic count data 14 DCMS Sectors Economic Estimates 15 Culture and Heritage Capital Portal 16 The Active Lives Survey 17 Taking Part Survey 18 VisitBritain Surveys <p>The data analysis and the evidence should be interwoven in the economic case providing a concise and easy to understand narrative.</p> <p>Bids with a transport element should provide clear evidence of how the current transport system operates, considering current congestion levels, public transport patronage and existing journey times to key services. This should illustrate the scale of the problem(s) the scheme is intended to address. The evidence should, in most cases, cover the level of service and capacity offered by the current transport network and the current demand for travel in the area. Associated issues should also be supported by evidence (e.g. where congestion/accessibility is stifling economic growth this should be clearly demonstrated).</p>
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Robust and recent sources of evidence show that the proposed investment area experiences acute issues:

- *Low footfall and lack of visitors:* Retail spend from ten zones across the borough shows that, with the exception of its immediate zone, the town centre attracts an average of just 5% of other residents spending (CACI 2022). Visitors fell from 5,071 to 3,627 between May 2021 and May 2022 (7-day rolling average at noon) (O2 Motion 2022). 'Lack of footfall' was rated by high street business as their biggest challenge (LBSU 2021).
- *Degraded environment:* Lewisham is in the worst 10% of the country in terms of living environment (IMD 2019). Only 71% of people in the town centre area are satisfied with it as a place to live, compared to over 80% across the rest of the borough, and a national benchmark of 78% (MEL 2021).
- *Limited local job opportunities:* ONS 2022 labour market statistics show the borough has the least number of jobs per working age resident (16-64) of any Local Authority in the UK. As an example of this, only 6,600 jobs in the borough (3.8%) rely on sales and customer services, 40% below the London average (6.2%) and 50% below the UK (7.2%).
- *Lack of a night time economy:* Lewisham's 2021 household survey showed less than 0.9% of respondents said that Lewisham town centre is where they go most often to visit pubs, bars and clubs. 84% survey respondents said that they did not think there was anything on offer in the evening (LSBU 2022). On the ground, popular evening venue the Model Market permanently closed in 2021. There are only two pubs.
- *High levels of crime:* The town centre is ranked in UK's worst 10% for crime (IMD 2019). In 2021, the crime rate was 393 per 1,000 people, with the most common being theft and violent crime (Metropolitan Police Service 2022).
- *A lack of space for SMEs and new businesses:* Mapping of supply performed by CAG Consultants (2018) proves access to affordable and flexible workspace in the area is significantly constrained. Just two office units were available out of a total stock of 66 units. The town's two providers of flexible office space – Regus and My Office Club – both report being over-subscribed.
- *Lack of culture space for community activity:* Lewisham does not have a space for performance or art. 83% of residents responding to a recent survey felt there needed to be more live venues, and 92% felt there needed to be more arts and culture.
- *Poor connectivity across the town centre:* A 2022 external assessment highlighted the layout of the market, lack of road crossings and poor wayfinding restricts pedestrian movement.

- *Limited walking and cycling infrastructure:* A 2022 external assessment highlighted problems from limited footway width, street furniture, and over-crowding at bus stops. In a public consultation, 86 respondents commented on inaccessibility for pedestrians and cyclists (Landsec 2022). Cycle routes are disconnected with the overall cycle network, making it difficult to visit by bike from surrounding areas. Only 1% of visitors choose to cycle during weekdays and 3% at weekends (LSBU 2022).

The above challenges converge to dissuade visitors and residents from visiting the town centre, which perpetuate the barriers Lewisham residents and businesses face.

548 words

5.1.2 Please demonstrate the quality assurance of data analysis and evidence for explaining the scale and significance of local problems and issues. Please demonstrate how any data, surveys and evidence is robust, up to date and unbiased.

(500 words)

Applicants should provide the sources that the information presented in 5.1.1 were taken from and explain why these are appropriate data sources.

Applicants should justify why the evidence used is the most appropriate (i.e. is it reliable and the most up to date) and explain why it is an accurate reflection of the challenges the area faces (i.e. not subject to bias).

Data collection reports may be useful for transport schemes.

Our data analysis is built on robust sources of local challenges using local, regional and national evidence. Overall, more than 100 individual data sources were reviewed, looking at date of publication, location, methodology, sample size, and period covered. We have used recent data from reputable sources, with a clear stated methodology.

Lack of popularity of the town and low footfall:

- Spend data from CACI study 2022, based on debit/credit card transactional data from 2019 and 2021, corroborated by Lewisham Household Survey (2021) of 1,000 residents with detailed shopping and spend habits
- Footfall data derived from mobile phone data collected by O2 in 2021-22
- Business perception of footfall from 2021 survey of 279 High Street businesses owners by London South Bank University

Degraded environment

- Living environment data from Index of Multiple Deprivation 2019, with clear national comparison
- Satisfaction figures based on 2021 survey of 1,100 Lewisham residents by MEL Research

Limited local job opportunities

- Jobs per working age resident from Office for National Statistics 2022 statistical release 'Local labour market indicators by unitary and local authority'

- Sales and customer services job statistics from ONS 'Annual Population Survey'. 'Employment by Occupation 2021', with local, regional and national comparators

Lack of night time economy:

- Data on use of pubs, bars and clubs from Lewisham Household Survey (2021) of 1,000 residents
- Residents' perception of night-time economy based on 2021 London South Bank University visitor survey of 216
- Comments on Model Market and pubs based on 2022 field observations

High levels of crime:

- Crime ranking from Index of Multiple Deprivation 2019
- 2022 data on crime rate and type provided by the Metropolitan Police Service.

A lack of space for SMEs:

- Mapping of supply from data report from CAG Consultants (2018)
- Evidence of latest supplier from phone calls to Regus and My Office Club (2022)

Lack of civic and culture space for community activity:

- Statement of lack of facilities from field observation
- Data on residents' preference for more live venues and arts from 2018 night-time economy survey commissioned by Lewisham Council

Poor connectivity across the town centre:

- Assessment based on 2022 Project Centre public realm study, including consultation with residents

Limited walking and cycling infrastructure:

- Flow through town centre based on 2022 Project Centre public realm study, including resident consultation
- Inaccessibility to pedestrians and cyclists from Landsec public consultation 2022.
- Statistics on cycle use taken from 2022 LBSU study commissioned by Lewisham Council of 216 visitors (collaborated by less recent sources).

We have been careful to select the most reliable sources, avoiding bias by:

- using the latest data – where possible, we have used 'post-pandemic' data sources. Where this is not possible, we have used the best alternative, wary of comparison.
- using surveys with robust methodology and sample size – for example, MEL Research uses a stratified random locational approach, with representative coverage of all levels of deprivation
- using reputable sources for comparison – our national comparison data comes from the ONS or IMD sources, with regional data comes from the GLA or Metropolitan Police
- innovative data sources – using data collected in real-time from new technology methods including mobile phone location data, spend data from consumer credit cards, and travel data from contactless technology

525 words

5.1.3 Please demonstrate that the data and evidence supplied is appropriate to the area of influence of the interventions.

(250 words)

Applicants should explain how the data provided in 5.1.1 is relevant to the area targeted for the intervention. If the data provided is at a lower level of granularity than the specific area explain why the data is appropriate.

Bids with a transport element should provide details of the travel market including key origins and destinations and the geographical extent of current transport problem with underlying drivers identified.

We have chosen only data sources that are relevant and geographically aligned to the bid area. Wherever possible, data has been used which applies specifically to the Lewisham Town Centre, with borough and national comparisons.

Lewisham Town Centre is represented by a number of different defined geographies depending on the data source. Although these geographies are not always coterminous, they approximate the same area and we believe provide as accurate a picture as we can achieve. Areas covered by data sources are:

- IMD statistics on deprivation, population and employment focus on **LSOAs**, of which there are four clustered around the town centre.
- Statistics from Lewisham Council focused at 'Lewisham Central' **ward level**, which includes the town centre.
- Some of our borough level data **divides the borough into 'zones'**, with one being the town centre, for example the Lewisham Household Survey or MEL resident survey.
- Our commissioned surveys, usually based on fieldwork on the High Street speaking to visitors or businesses.
- Data on footfall, spending and journeys can **pinpoint the geographical area of the town centre** as they are based on mobile phone, credit card and contactless technology.
- Field observations or data requests **within the town centre**, for example number of pubs or office space

National, regional and borough data has been used as a point of comparison:

- ONS and IMD data provides an accurate comparison across the whole country at borough or LSOA level
- Data from the GLA's High Street Data Service has been used to understand high street performance in comparison to other places in London.
- Our borough-wide surveys, for example Lewisham Household Survey, allows us to compare parts of the borough

273 words

5.2 Effectiveness of proposal in addressing problems

In this section applicants should clearly set out how the activity described in the bid will address the challenges identified.

5.2.1 Please provide analysis and evidence to demonstrate how the proposal will address existing or anticipated future problems. Quantifiable impacts should be forecasted using a suitable model. Theory of Change evidence should be identified and referenced.

(750 words)

Applicants should provide a clear link between the problem, the proposal and the expected impact, describing the assumptions and the models used to justify how the proposal will be effective in resolving/mitigating the issue/s identified. For all proposals, evidence should be referenced which demonstrates how the inputs and activities from the Theory of Change clearly link to the outcomes and impacts the project intends to deliver.

Quantifiable impacts should, where appropriate, be forecasted using a suitable economic impact model. At its most simple form, the model should demonstrate a % change of X will lead to a % change of Y, based on Z rationale.

Data collection and survey reports may be annexed.

Theme: Economic Challenges

Market Failure 1: An environment unattractive to day-time shoppers and visitors

Outputs: New market layout; new environmentally friendly canopies; public realm improvements; new greenspaces and open public spaces; new trees planted

Market Failure 2: A limited night-time economy and few leisure enterprises

Outputs: New environmentally friendly canopies; new hospitality offering with café, meeting space and rooftop bar

Market Failure 3: A lack of opportunities and space for small businesses and start-ups

Outputs: New business hub with flexible office space, meeting rooms, and touch-down workspaces to meet demand

Quantified Benefits: GVA from construction; GVA from additional employment; improved financial sustainability; residential property value uplift; commercial property value uplift; increased asset value; reduced crime; carbon savings from new trees planted

Theme: Social Challenges

Market Failure 4: A lack of a 'focal point' for the community and no dedicated space for a cultural offer for residents

Outputs: New environmentally friendly canopies; public realm improvement; adaptable community space for culture and socialising; enhanced space for library and archives services

Market Failure 5: Risk of a divided town centre as residents of modern residential developments travel elsewhere for work, leisure and retail

Outputs: New hospitality offering with café, meeting space and rooftop bar

Market Failure 6: A place local people want to feel proud of but that does not represent their aspirations or Lewisham's heritage

Outputs: New environmentally friendly canopies; public realm improvements

Quantified Benefits: GVA from construction; GVA from additional employment; improved financial sustainability; residential property value uplift; commercial property value uplift; increased asset value; reduced crime; increased volunteering; health and wellbeing benefits of cultural engagement

Theme: Health and Environmental Challenges

Market Failure 7: Poor connectivity for pedestrians and cyclists within the town

Outputs: Enhanced walking and cycling provision; better signage and wayfinding; new sustainable mobility hubs; public realm improvements

Market Failure 8: Sustainability and net-zero ambition

Outputs: New market layout; improved waste and operational facilities; new environmentally friendly canopies; new greenspaces and open public spaces; new trees planted; improved building energy efficiency; enhanced walking and cycling provision; new sustainable mobility hubs; public realm improvements

Quantified Benefits: GVA from construction; residential property value uplift; commercial property value uplift; health benefits of active travel; carbon savings from new trees planted; carbon savings from increased building energy efficiency

Tools and sources used to quantify benefits

Benefit: GVA from construction

Tool/Source: Latest available National Annual Business Survey results

Input: Construction expenditure

Benefit: GVA from additional employment

Tool/Source: Latest available Subregional Productivity Data

Input: Jobs created

Benefit: Increased volunteering

Tool/Source: Latest available Annual Survey of Hours and Earnings

Input: Hours of volunteering

Benefit: Improved financial sustainability

Tool/Source: Local budget projections

Input: Local budget projections

Benefit: Residential property value uplift

Tool/Source: CABI research – suggests up to 5% value uplift from better street design

Input: Average house price

Benefit: Commercial property value uplift

Tool/Source: Broad literature review – suggests up to 30% uplift from public realm improvements

Input: Rateable value per m²

Benefit: Increased asset value

Tool/Source: Residual value of new Culture and Business Hub calculated in line with Green Book guidance

Input: Local valuation report

Benefit: Reduced crime

Tool/Source: Home Office (2018) – Economic and Social Costs of Crime

Input: Expected reduction in crime

Benefit: Carbon savings from new trees planted

Tool/Source: BEIS (2021) – Valuation of Energy Use and Greenhouse Gas

Input: Number of trees planted

Benefit: Health benefits of cultural engagement

Tool/Source: Fujiwara et al. (2015) – Health and Education Benefits of Sport and Culture

Input: Expected increase in Culture and Business Hub users

Benefit: Wellbeing benefits of cultural engagement

Tool/Source: Fujiwara et al. (2014) – Wellbeing Impacts of Culture and Sport

Input: Expected increase in Culture and Business Hub users

Benefit: Carbon savings from increased building energy efficiency

Tool/Source: BEIS (2021) – Valuation of Energy Use and Greenhouse Gas

Input: Expected reduction in carbon emissions

Benefit: Health benefits of active travel

Tool/Source: European Central Bank's HEATv5 tool for health impact of additional walking and cycling

Input: Number of people and additional time spent walking and cycling per day

The rationale for using each of the tools and sources referenced above is included in response to 5.2.2

742 words

<p>5.2.2 Please describe the robustness of the analysis and evidence supplied such as the forecasting assumptions, methodology and model outputs. Key factors to be covered include the quality of the analysis, the quality of the evidence and the accuracy and functionality of the models used. (500 words)</p>	<p>With reference to 5.2.1, applicants should discuss why the forecasting assumptions are reasonable, why the methodology and choice of model is appropriate and why the evidence used is accurate.</p> <p>Key factors to be covered include: the quality of the analysis the quality of the evidence and the accuracy and functionality of the models used.</p> <p>Applicants should also reference any limitations in the model.</p> <p>Bids with a transport element should provide the methodology employed to forecast the ‘do minimum’ and ‘do something’ options. The method used to forecast demand should clearly be described in the bid. The methodology should be appropriate with a clear rationale provided. The methodology should also demonstrate alignment to Transport Analysis Guidance forecasting processes in a proportionate manner. Relevant local model validation report(s) and model forecasting reports can be attached.</p>
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Benefit: GVA from construction

Tool/Source: Latest available National Annual Business Survey results

Rationale: National and industry-specific, Government statistical data

Benefit: GVA from additional employment

Tool/Source: Latest available Subregional Productivity Data

Rationale: Subregion-specific, Government statistical data

Benefit: Increased volunteering

Tool/Source: Latest available Annual Survey of Hours and Earnings

Rationale: Government statistical national data

Benefit: Improved financial sustainability

Tool/Source: Local budget projections

Rationale: Local budget projections

Benefit: Residential property value uplift

Tool/Source: CABE research – suggests up to 5% value uplift from better street design

Rationale: Industry- and region-specific estimates

Benefit: Commercial property value uplift

Tool/Source: Broad literature review – suggests up to 30% uplift from public realm

improvements

Rationale: Industry- and region-specific estimate

Benefit: Increased asset value

Tool/Source: Residual value of new Culture and Business Hub calculated in line with Green Book guidance

Rationale: Central Government recommended approach for asset valuation

Benefit: Reduced crime

Tool/Source: Home Office (2018) – Economic and Social Costs of Crime

Rationale: Research commissioned and published by Central Government

Benefit: Carbon savings from new trees planted

Tool/Source: BEIS (2021) – Valuation of Energy Use and Greenhouse Gas

Rationale: Carbon values recommended by Central Government

Benefit: Health benefits of cultural engagement

Tool/Source: Fujiwara et al. (2015) – Health and Education Benefits of Sport and Culture

Rationale: Research commissioned and published by Central Government

Benefit: Wellbeing benefits of cultural engagement

Tool/Source: Fujiwara et al. (2014) – Wellbeing Impacts of Culture and Sport

Rationale: Research commissioned and published by Central Government

Benefit: Carbon savings from increased building energy efficiency

Tool/Source: BEIS (2021) – Valuation of Energy Use and Greenhouse Gas

Rationale: Carbon values recommended by Central Government

Benefit: Health benefits of active travel

Tool/Source: European Central Bank's HEATv5 tool for health impact of additional walking and cycling

Input: Internationally researched and developed model commissioned and promoted by the European Central Bank

Each benefit measure uses an internationally or nationally accepted modelling technique, backed by local evidence where available.

To capture the impact of investment from Project 1 and 3 in terms of consumer spending and jobs created, following Green Book guidance, we have based our calculation of economic benefit based on land value uplift of residential and commercial property.

Where it has not been possible to source local data, benchmark studies from elsewhere in the UK have been used to inform forecasting assumptions. In such cases, optimism bias has been applied to the relevant cost and benefit calculations to account for the uncertainty linked to using benchmark data. Further details about these (and other) adjustments are presented in sections 5.3 and 5.4.

Where outputs and outcomes could be modelled using different approaches, care

has been taken to adopt the more prudent methods to reduce the risk of overstating or double-counting benefits.

Costs have been developed by qualified Quantity Surveyors and include appropriate contingencies for project risks (see 5.3 for more detail).

Overall, the methodology used is in line with nationally accepted modelling techniques and has led to a robust and defensible appraisal position, further supplemented by sensitivity analysis.

522 words

5.3 Analysis of costs and benefits

In this section applicants should describe and explain the costs and benefits in the relevant [Costings and Planning Workbook – Tables A – Economic Benefits and Table A - Economic Costs](#). They should provide an explanation of how benefits and costs are analysed and estimated, and how this approach is proportionate for the proposal being submitted.

All costs and benefits must be compliant or in line with [HMT's Green Book](#) (including supplementary guidance), [DLUHC Appraisal Guidance](#), and if appropriate [Transport Analysis Guidance](#).

Package bids need to demonstrate both the overall package costs and benefits, and the disaggregated costs and benefits for each component project. Supplementary tables for component projects should be completed in full.

5.3.1 Please explain how the economic costs of the bid have been calculated, including the whole life costs.

(500 words)

Applicants should explain how they have converted the financial costs into economic costs.

Costs should be consistent with the costs in the financial case but adjusted for the economic case. This should include, but is not limited to, providing evidence that the costs have been adjusted for inflation and discounted back to an appropriate base-year. In addition, please explain how cost risks and uncertainty have been considered and adequately quantified. Optimism bias must also be explained and included in the cost estimates in the economic case.

Approach to economic costs

Economic costs have been developed in line with HMT Green Book guidance. The key factors used to convert the financial costs to economic costs are summarised below.

Baseline year: 2022/23

Justification: First year of expenditure; aligned to accounting years for Central Government and Lewisham Council

Discount rate: 3.5%

Justification: Green Book standard discount rate

Inflation: 3.2% per annum

Justification: 3.2% is a composite estimate based upon material and staffing cost estimates and is the average rate included within the QS cost estimates

Cost risks: Included within the financial case

Justification: The cost of treating or transferring risks has been included within base cost estimates

Optimism bias: 10%

Justification: Green Book Supplementary Guidance recommends an optimism bias adjustment factor between 2% and 24% at the pre-works stage of a standard building project. In this case, as the financial cost estimates already include significant contingencies, residual optimism bias of 10% has been assumed in the economic costs.

5.3.2 Please describe how the economic benefits have been estimated, including a discussion and evidence to support assumptions.

Applicants should describe the quantifiable benefits of the proposal and where possible, be explained in terms of outcomes.

These must be categorised according to the different benefits of the proposal. Suitable benefits include, but are not limited to, direct land value uplift,

(750 words)	<p>wider land value uplifts, amenity benefits, air quality benefits, reduced journey times, supporting employment, or reduced carbon emissions.</p> <p>Applicants should describe any assumptions used that have not been described in 5.2.1, including unit values used, forecasting assumptions and additionality. References to guidance and/or unit values that have been used should also be provided.</p> <p>For transport bids the benefit calculations should be proportionately aligned with Transport Analysis Guidance. Applicants should provide specific appraisal outputs spreadsheets where used, including Active Travel Appraisal Toolkit, Local Highways Maintenance Appraisal Toolkit, Small Scheme Appraisal Toolkit, DfT's Small Scheme Appraisal Toolkit, or Transport User Benefit Appraisal (TUBA) outputs.</p> <p>For culture and heritage bids, the Culture and Heritage Capital Framework can be used to support valuing the benefits provided by culture and heritage assets. It provides a formalised approach to estimate how culture and heritage assets contribute to achieving the outcomes and how these benefits are captured in a stocks and flows framework.</p> <p>Assets, for example an art collection or historic building, are the “stock”, while the services that create benefits to society are regarded as “flows”. Once monetary values are estimated for these flows, it is possible to estimate the value of the asset as a whole by forecasting these values over a period of time.</p> <p>For further guidance on valuing cultural or heritage assets refer to:</p> <ul style="list-style-type: none"> - Arts Council England: Local Museums Benefit Transfer Report - DCMS: Culture and Heritage Capital Portal - Historic England: Culture and Heritage Capital
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Economic benefits have been estimated based on expected project outputs, which have been converted to monetary values using established models as described in sections 5.2.1 and 5.2.2 above. The following approach has been used consistently in developing the benefit estimates:

- Benefits have been limited to one broad measure for each key output area to avoid double-counting
- Adjustments for additionality and residual optimism bias have been applied to gross estimates, where appropriate, with a greater allowance where national data is used
- Where local baseline data was unavailable, any expected benefits have been categorised as non-monetised impacts
- Quality assurance has been undertaken to ensure consistency between proposal outputs, benefits and monitoring and evaluation targets

For each benefit, the following steps have been taken:

- Forecasting the expected outputs of the intervention
- Determining the benefit per unit OR entering the outputs into a specific external model
- Using the above to calculate a gross benefit
- Adjusting this gross benefit to account for displacement and deadweight
- Removing inflation for any benefits calculated in nominal terms
- Discounting future benefits at a rate of 3.5% per annum to calculate present values for each benefit type
- Aggregating the present values of each benefit to deduce the total Present Value Benefits in 2022/23 terms.

Adjustments to gross benefits

Each gross benefit has been considered in turn and adjusted for displacement, deadweight and residual optimism bias where appropriate. These adjustments have resulted in a **55%** reduction in total benefits, demonstrating the significant level of prudence built into the benefit estimates. All such benefits have been projected over 10 years and discounted at a rate of 3.5%, in line with Green Book guidance, to estimate Present Value Benefits in 2022/23 terms.

5.4 Value for money

In this section applicants should set out the Value for Money (VfM) of their bid, taking account of monetised and non-monetised impacts and risks and uncertainties.

Prior to completing this section the application should complete the relevant **Costings and Planning Workbook – Table A – VfM**

<p>5.4.1 Please provide a summary of the overall Value for Money of the proposal. This should include reporting of Benefit Cost Ratios (BCR).</p> <p>(500 words)</p> <p>If a BCR has been estimated, please provide the BCR of the proposal below.</p> <p>If you only have one BCR, please enter this against the 'initial' BCR.</p> <p>'Initial' BCR (single bid) 'Adjusted' BCR (single bid)</p>	<p>Applicants should provide a summary of the overall Value for Money of the bid. This should be consistent with the relevant Costings and Planning Workbook Table A – VfM</p> <p>If a Benefit Cost Ratio (BCR) has been estimated there should be a clear explanation of how this is estimated i.e. a methodology note. BCRs should be calculated in a way that is consistent with HMT Green Book. For non-transport bids it should be consistent with DLUHC appraisal guidance. For bids with a transport element this should be consistent with DfT Transport Analysis Guidance.</p> <p>If an 'initial' and an 'adjusted' BCR are provided, applicants should explain which categories of benefits are included in each.</p> <p>Applicants are encouraged to attach a more detailed explanatory note explaining how the BCR has been calculated.</p>
<p>The BCR has been calculated based on the monetised costs and benefits summarised in sections 5.3.1 and 5.3.2 respectively. This information is summarised below.</p> <p><i>Revitalisation of Lewisham Market</i> BCR: 2.17</p> <p><i>New Culture and Business Hub</i> BCR: 3.09</p> <p><i>Re-imagined and connected High Street</i> BCR: 2.28</p> <p><i>Overall Package</i> BCR: 2.51</p> <p>This demonstrates that both the individual projects and the overall package deliver BCRs in the “High” category of Value for Money.</p> <p>In developing the BCR, a deliberately prudent approach has been followed with</p>	

respect to:

- Selecting an appraisal period of 10 years (whereas Green Book guidance allows up to 60 years for specific interventions including buildings and infrastructure)
- Adjusting for additionality and residual optimism bias, thereby subtracting more than half from the gross benefit estimates
- Excluding benefits that are not a direct or first-level consequence of investment or that do not have a strong evidence base
- Using conservative assumption throughout the economic model, for example basing commercial land value on rateable values and choosing the mid or lower bounds of impact ranges

5.4.2 describes a number of benefits not included in the BCR due to a more limited evidence base. If these benefits had been monetised and included, this would have generated even higher BCRs.

247 words

5.4.2 Please describe the non-monetised impacts the bid will have and provide a summary of how these have been assessed, including the expected scale of these impacts. These will be factored into the overall Value for Money assessment of the bid.

(500 words)

In response to this question applicants should discuss any non-monetised impacts the proposal will have including an assessment of how significant the non-monetised impacts may be.

Applicants should consider that beyond the economic impact that can be quantified, there are other important benefits associated with any intervention that are harder to monetise. These can be included as non-monetised benefits in acknowledgment that there a limited number of studies that have monetised these benefits.

Our strategic case and Theory of Change identify a range of benefits not monetised in the economic analysis. Whilst there is clear evidence around the causal link to our outputs, there is either a lack of robust data on their value or they have been too difficult to quantify in a way that is compliant with the requirements and spirit of the Green Book. Non-monetised benefits include:

Increased consumer spending and jobs created by the market, high street and night-time economy:

The improvements to the market and high street will drive increased footfall, consumer spending and jobs during both the day and night. These are not directly included in the BCR calculation as we have followed the Green Book advice favouring Land Value Uplift. Our BCR calculation is based on comparable public realm improvement schemes (including DfT evidence base on benefits of walkability) and has not accounted for the increase in business hours. Although chosen because it is a robust method, we recognise that changes in LVU are unlikely to capture all the benefit created.

Securing/accelerating Landsec's investment:

Town centre partners Landsec are in pre-planning stage for a £1.5bn investment over 15 years in the shopping centre site. This is more likely to come to fruition with LUF funding, and Landsec has stated that they would accelerate plans by two years. Uncertainties around the profile of the investment and timing of benefits meant we have not included in the BCR, but forecasts show accelerated investment would create 150 more construction jobs a year and deliver the outcome of 3,200 local jobs sooner.

New opportunities for small businesses and start-ups:

The Business Hub will provide flexible and affordable working space for up to 100 SMEs and start-ups. Organisations will be able to access business advice, peer support and digital infrastructure. There is a growing body of evidence on the impact of business support activities on productivity (BEIS 2018) and we expect the Hub to facilitate and create new jobs.

Community and civic pride:

Pride in place will be created through a confluence of factors, including improved public realm, creation of new social infrastructure and improved walkability. Studies show that residents who described their neighbourhoods as walkable were more likely to know their neighbours, trust others, and take an interest in community life.

Carbon savings from shifting to sustainable transport:

Improving the town centre cycling and walking infrastructure is expected to encourage fewer visitors to use their cars. This 'mode shift' would produce carbon savings. The BCR only captures the health dimension of new visitors using sustainable transport, so this environmental impact is additional.

Benefits of 'greening':

The proposals include planting 186 mature trees. Research shows that for every £1 spent on trees, £7 is saved per person in health, energy and environmental costs (this would equate to £5.2m benefits from the Lewisham 2025 Programme). Studies suggest a 10% increase in urban green space can postpone the onset of health problems by up to 5 years, for every 10% increase in tree canopy there is a 15% decrease in violent crime, and trees are known reduce particulate matter in the air between 7-24%.

521 words

5.4.3 Please provide an assessment of the risks and uncertainties that could affect the overall Value for Money of the bid.

(250 words)

In response to 5.4.3, applicants should provide an assessment of the risks and uncertainties that may impact the overall VfM of the bid.

Applicants are expected to provide the results of any sensitivity analysis here. Key assumptions should be varied to

	demonstrate how the overall VfM result is sensitive to changes in assumptions, for example the impact of lower transport demand after COVID-19.
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Risk assessment

The key programme risks and mitigations that could affect the overall VfM of the bid are summarised below.

Risk: Support for interventions reduced over time (political, community, etc.)

Mitigation: Engagement with local stakeholders to ensure their views inform designs and disruption limitation plans.

Risk: Delay in obtaining relevant planning approvals

Mitigation: Early engagement with relevant organisations and officers.

Risk: Cost overruns

Mitigation: Conservative contingencies applied to costs; close management of costs via monitoring of supply contracts.

Risk: Assumed outputs and benefits not realised

Mitigation: Ongoing engagement with key local partners to ensure alignment of vision and plans; budget for monitoring and evaluation included in costs.

Sensitivity analysis

Sensitivity analysis has been undertaken to determine how changes in key modelling assumptions could impact the overall Value for Money of the bid. The results of this analysis are summarised below. Note that each line is an independent scenario assessed against the base case.

Revitalisation of Lewisham Market – BCRs

Base Case: 2.17

20% cost escalation: 2.01

New Culture and Business Hub – BCRs

Base Case: 3.09

20% cost escalation: 2.85

20% reduction in assumed footfall growth: 2.87

Re-imagined and connected High Street – BCRs

Base Case: 2.28

20% cost escalation: 2.10

20% reduction in assumed footfall growth: 2.21

5% shift to active travel amongst existing visitors: 2.37

As demonstrated above, the BCRs remain in the “**High**” category (above 2) under a range of alternative VfM assumptions.

250 words

5.4.4 We would expect an Appraisal Summary Table, to be completed to enable a full range of impacts to be considered. This should be consistent with the relevant appraisal guidance for the bid.

For package bids, please provide an Appraisal Summary Table for each component project.

For Regeneration or Cultural bids, the Appraisal Summary table should be consistent with the DLUHC appraisal guidance. For Transport bids it should be consistent the [Transport Analysis Guide](#).

Any additional evidence to support your responses to this section should be referenced within your responses (5.1.1 – 5.4.3) and attached as a single annex.

For Regeneration or Cultural bids, applicants are encouraged to submit an Appraisal Summary Table consistent with the DLUHC appraisal guidance for their project.

For transport bids, applicants are encouraged to submit an [Appraisal Summary Table](#) consistent with the Transport Analysis Guidance for their bid.

For package bids, applicants are encouraged to submit an Appraisal Summary Table for each component project consistent with the relevant appraisal guidance for the theme of the project.

Any additional evidence to support your responses to this section should be referenced within your responses (5.1.1 – 5.4.3) and attached as a single annex.

Applicants should provide specific appraisal output spreadsheets where relevant, including [Active Mode Appraisal Toolkit](#), [Local Highways Maintenance Appraisal Toolkit](#), [Small Scheme Appraisal Toolkit](#) or Transport User Benefit Appraisal (TUBA) outputs.

Revitalisation of Lewisham Market

- Present Value of other quantified impacts: Nil
- ‘Initial’ Benefit-Cost Ratio: 2.17
- ‘Adjusted’ Benefit Cost Ratio: 2.17
- Significant Non-monetised Impacts: Increased consumer spending and jobs; increased sense of community and civic pride
- Value for Money (VfM Category): High
- Switching Values & rationale for VfM category: N/A
- Risks: Construction inflation; unexpected ground conditions
- Other issues: N/A

New Culture and Business Hub

- Present Value of other quantified impacts: Nil
- 'Initial' Benefit-Cost Ratio: 3.09
- 'Adjusted' Benefit Cost Ratio: 3.09
- Significant Non-monetised Impacts: New opportunities for small businesses and start-ups; increased sense of community and civic pride
- Value for Money (VfM Category): High
- Switching Values & rationale for VfM category: N/A
- Risks: Construction inflation; lower than anticipated visitor numbers
- Other issues: N/A

Re-imagined and connected High Street

- Present Value of other quantified impacts: Nil
- 'Initial' Benefit-Cost Ratio: 2.28
- 'Adjusted' Benefit Cost Ratio: 2.28
- Significant Non-monetised Impacts: Increased consumer spending and jobs; increased sense of community and civic pride; carbon savings from increased active travel
- Value for Money (VfM Category): High
- Switching Values & rationale for VfM category: N/A
- Risks: Construction inflation; unexpected ground conditions
- Other issues: N/A

Overall Package

- 'Initial' Benefit-Cost Ratio: 2.51
- 'Adjusted' Benefit Cost Ratio: 2.51
- Significant Non-monetised Impacts: Increased consumer spending and jobs; increased sense of community and civic pride; new opportunities for small businesses and start-ups; carbon savings from shift toward sustainable transport
- Value for Money (VfM Category): High
- Switching Values & rationale for VfM category: N/A
- Risks: Cost overrun; reduced local support over time; planning approval delays
- Other issues: Acceleration of Landsec investment, bringing forward up to 2,300 permanent job opportunities and a further 900 secondary jobs in the local area.

Part 6 Deliverability

• Financial

Within this section applicants are required to provide clear and robust details of the financial aspects of the bid, including sources, secured status, and type of match funding, project costs, financial risks and mitigation measures, and how funding is structured – e.g. if you are intending to further disburse the LUF grant with bid partners. Management and consultancy costs should be clearly shown within the project budget, and any work to be sub-contracted explained within the application form.

Prior to completing this section applicants should complete the relevant [Costings](#)

and Planning Workbook - Table B – Funding Profile and Table C – Cost Estimates

<p>6.1.1 Please confirm the total value of your bid.</p>	<p>Applicants should confirm the total value of the bid, this should include the LUF grant and any match funding.</p> <p>All expenditure should be defrayed by March 2025 (and by 2025-26 on an exceptional basis e.g. for large projects between £20 million and £50 million).</p>
<p>£24,058,696</p>	
<p>6.1.2 Please confirm the value of the capital grant you are requesting from LUF.</p>	<p>Applicants should confirm the total value of LUF grant they are seeking. Applicants are reminded that LUF grant will only fund direct capital costs associated with the delivery of the project.</p>
<p>£19,061,696</p>	
<p>6.1.3 Please confirm the value of match funding secured.</p> <p>Where match funding is still to be secured please set out details below. If there any funding gaps please set out your plans for addressing these.</p> <p>(250 words)</p>	<p>Local match funding contributions will be taken into account during assessment. A local contribution of 10% or higher (local authority and/or third party) of the bid costs is encouraged.</p> <p>Match funding can include a mix of public and private sector contributions.</p> <p>Applicants should note that a contribution is expected from private sector stakeholders, such as developers, if they stand to benefit from a specific bid.</p> <p>Applicants are encouraged to submit evidence of match funding e.g. match funding letters. Match funding letters should be signed by an appropriate authority, clearly reference the amount of funding committed to the project (within the scope of the LUF bid) and set out any conditions that may apply to the funding.</p> <p>Applicants should explain what if any funding gaps there are, and what further work needs to be done to secure third party funding contributions.</p> <p>Please clearly set out your approach to raising additional funds.</p>

All match funding comes from Lewisham Council, so there are no risks related to securing third party contributions. The Lewisham Council funding commitment has been confirmed by Section 151 Officer by signing the pro forma for this application.

262 words

6.1.4 If you are intending to make a land contribution (via the use of existing owned land), please provide further details below and confirm who currently owns the land, details of any restrictions and the estimated monetary value.

(250 words)

For land contributions, applicants are required to submit a letter from an independent valuer to verify the true market value of the land.

The current ownership of the land and any restrictions on use, should also be set out here.

Land contribution is included in match funding for Project 1: Revitalisation of Lewisham Market:

- Address: Burtons Yard, Lewisham High Street Land
- Who currently owns the land: Lewisham Council (freehold)
- Current use: Storage yard for Lewisham Market located to the rear of retail units on Lewisham High Street
- Details of any restrictions: None

76 words

6.1.5 Please confirm if your budget includes unrecoverable VAT costs and describe what these are, providing further details below.

(250 words)

Applicants should confirm if their budget includes unrecoverable VAT costs and should state what these are.

The budget does not include any unrecoverable VAT costs. This has been confirmed by the Lewisham Council finance team.

<p>6.1.6 Please describe what benchmarking or research activity you have undertaken to help you determine the costs you have proposed in your budget. Please advise on any assumptions.</p> <p>(750 words)</p>	<p>For each cost item, applicants should provide a clear explanation of the benchmarking/market research undertaken to support the proposed cost, including details of any assumptions.</p>
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To develop costings for the LUF investment, we undertook a four-stage process to give us figures that we are confident are robust and achieve value for taxpayer's money. These stages were:

- **Stage 1: Initial costings were produced by expert design, engineering and landscape architecture consultancies**, specifically commissioned to support the bid – Project Centre Limited for Project 1 and 3, and Pinnacle ESP for Project 2. Both organisations have been involved in developing complete feasibility studies Lewisham 2025 projects. Costs estimates were produced with the following in place:
 - led by a chartered Civil Engineer, and drawing on quantity surveying expertise
 - based on detailed knowledge of local conditions and site-specific risks, based on multiple site visits, photographic documentation and workshops with stakeholders.
 - informed by multiple similar schemes undertaken in London and the southeast, including Tower Hamlets' Whitechapel Market, Dartford Town Centre, Strood Town Centre (Medway), and Portland Road in Worthing
 - checked against the latest costs in 'Spons Estimating Cost Guides', the industry standard benchmark
- **Stage 2: An independent second opinion on costings was produced by our current measured term contractor** (Conway), by a qualified Quantity Surveyor based on a specification and an agreed schedule of fixed rates.
- **Stage 3: The costings were compared and discussed by the LUF bid team**, bringing together experienced council officers with a background in capital development projects, civil engineering and programme management, with our commissioned partners.
- **Stage 4: Costs were finalised based on an agreed position, through a process chaired by Lewisham's LUF Programme Lead.** This included a thorough discussion of contingencies and risk management, conscious of risks and potential inflationary pressures (see 6.1.7).

The costing process was based on the following principles to ensure a robust and consistent approach across all three LUF projects:

- **Multiple validation points:** A combination of initial costings developed by consultants Quantity Surveyors, internal due diligence by Lewisham's Capital

Delivery Team, and validation by our measured term contractor

- **Bottom-up approach:** Costs were built from the bottom up to reflect the aggregate cost of individual elements and avoid missing key items.
- **Benchmarking:** Local and national benchmarks were used to validate the proposed costs (e.g. recent 2022 Catford Library redevelopment and our contractors' deep experience of similar construction projects).
- **Programme management costs:** Projects are fully costed to include capital development costs (such as surveys or professional fees), costs of programme management, and costs monitoring and evaluation.

Approach by project and cost item

Project 1: Revitalisation of Lewisham Market

- Public realm improvement – initial costing developed by Project Centre. Costs validated by Conway, the appointed measured term contractor to confirm deliverability.
- Construction of market stalls and canopy – costing by Project Centre, based on detailed quote obtained from specialised architectural metalwork supplier Contraworx, and reviewed by Lewisham officers.

Project 2: New Culture and Business Hub

- Construction, mechanical and electrical works – costing by Pinnacle ESP, reviewed by Lewisham Council officers based on scope, materials, unit costs and risk profile from previous schemes in Catford and Deptford
- Purchase of furniture and equipment – initial costing by Lewisham Council, compared to 2022 purchase of furnishing for Lewisham's Catford library development

Project 3: Connected High Street

- Improvement works – initial costing developed by Project Centre. Costs validated by Conway, the appointed measured term contractor to confirm deliverability.

Management costs

- Programme and project management – developed after a review of overall capacity and split of work between internal and external posts, benchmarked against previous Lewisham capital schemes and Levelling Up Round One bids. For roles to be undertaken in-house, comparable existing posts were identified and costs built up using expected salaries and on-costs.
- M&E partner – costs for external evaluation based on previous Lewisham capital schemes and successful Levelling Up Round One bids.

Key assumptions

- **Cost per unit:** Costings reflect a price built up from the cost per m2 or per item of each requirement.
- **Profit margins** have been included within construction costing using standard industry amounts for the relative complexity of the schemes (average 10%).
- **Risk contingency (related to design risk, construction risk, inflation or**

other scheme specific risks) has been built into each project's cost estimates (between 12 and 31% of total project costs, depending on the projects' risk profile) – see 6.1.7. for more detail.

687 words

6.1.7 Please provide information on margins and contingencies that have been allowed for and the rationale behind them.

(500 words)

Applicants should provide a clear explanation of the margins and contingencies that have been allowed for and justification for these being realistic.

- **Project 1. Revitalising Lewisham Market** (28% of all project related costs, including:
 - design development risk – 15% of construction cost;
 - construction risk – 40% of construction cost;
 - inflation risk – 15% of construction cost;
 - risk contingency on market stalls works – 40% of costs,
 - risk contingency on other project costs – 20%.
- **Project 2. New Culture and Business Hub** (12% of all project related costs)
 - general risk contingency – 15% of total project cost pre contingencies and allocation for professional services;
 - risk contingency on furniture cost – 20% of total cost;
- **Project 3. Connected High Street** (31% of all project related costs):
 - design development risk – 15% of construction cost;
 - construction risk – 40% of construction cost;
 - inflation risk – 15% of construction cost;
 - risk contingency on other project costs – 20%.

The level of risk contingency budgeted for each project is based upon the level of risk associated with the delivery costs, based on the experience, knowledge and advice of expert consultants and in-house Lewisham Council team. Several key considerations in determining the contingencies include:

- how far developed the scheme's designs are, and therefore how accurate the costings;
- the nature of risk inherent in the scheme. Project 2 involves the refurbishment of a building that is well-known and understood by Lewisham Council. Project 1 and 3 involve 'spades in the ground', which increases the likelihood of unforeseen issues, for example around utilities;
- consideration of previous similar schemes delivered in the borough, e.g. refurbishment of the Catford Library building in 2022 provides a recent benchmark for Project 2, allowing for a lower risk contingency;
- exposure to inflationary pressures, e.g. risks for Projects 1 and 3 are increased due to increasing price of steel and asphalt;
- consideration of the procurement route and type of contract (e.g. use of measured term contractors with fixed pricing scheme vs purchase of bespoke items with costs that are more difficult to estimate);
- how difficult value engineering will be at the point of contract; and
- expert advice sought through the four-stage process described in 6.1.1, subject to a clear process of discussion and challenge

In addition to the above, **contractor overheads and profit margins** have been included within construction costing using standard industry amounts for the relative complexity of the schemes (average 10%). This is based on advice from our three expert design, engineering, landscape architecture and construction consultants (Project Centre, Pinnacle ESP and Conway) and is consistent with margins Lewisham Council has experienced on other projects.

434 words

6.1.8 Please set out below, what the main financial risks are and how they will be mitigated, including how cost overruns will be dealt with and shared between non-UK Government funding partners. (You should cross refer to the Risk Register).

(750 words)

Bids should highlight the key financial risks from the Risk Register and detail how cost overruns will be dealt with and shared between non-UK Government funding partners.

Any risk mitigations proposed should be relevant, costed and timely. In addition, applicants should detail the contingencies they intend to put in place in the event that mitigations are unsuccessful.

Any impacts on communities, cultural groups and local transport groups such as disruption or displacement should also be considered, with impacts costed and mitigations or compensations identified.

Robust programme management and governance will ensure any cost issues emerging are dealt with swiftly.

Below we provide a summary of the key programme level financial risks and mitigations.

- **Delays to LUF funding decision (R8):**
 - To ensure delivery by 31st March 2025, contingency plans will be prepared and delivery condensed. Projects will run concurrently.
 - In line with our delivery plans, we will mobilise in-house delivery team and governance arrangements in September 2022, even if no LUF funding announcement is made.
 - Should significant delays be experienced, we will be prepared to invest Council funds up front to commence delivery of the priority interventions that are already in Lewisham's capital programme for this financial year.
- **Incorrect costing assumptions resulting in sufficient financial resources available to fund interventions through to completion (R9):**
 - A detailed cost plan has been developed by external construction cost consultants for all three projects.
 - Costs have been built from the bottom up to reflect the cost per m2 or per item of each requirement.
 - Proposed costs were subject to internal due diligence by Lewisham's Capital Delivery Team and tested with the appointed measured term contractor to confirm deliverability.
 - Appropriate financial contingency has been built into each project's costing

estimates (between 12 and 31%, depending on the projects' risk profile).

- **Cost overruns due to increased work scope or material costs (R10):**

- Conservative inflation assumptions have been included at the costing stage.
- The preferred procurement route transfers liability for cost overruns to the private sector. The majority of interventions in Project 1 and 3 are located on the public highway and the measured term contractor will be used. This gives increased certainty around costs and avoids market fluctuations, as item prices will be fixed at the award of the contract (currently in the evaluation phase, award expected in September 2022). The existing appointed contractor has also undertaken an independent validation of the cost plan.
- Fixed price works contracts will be used for the remaining interventions, so that the Council has security on cost at the point of awarding contract, with the contractor holding financial risks during the works, mitigating against cost overruns.
- Third party costs will be closely monitored via existing contract management processes, to ensure contractor spend is on track.
- Payments will be in line with valuation certificates, mitigating risk of payment in advance and the contractor subsequently being unable to fulfil their contractual requirements. Snagging and defects period has been included in the delivery plan.

We have considered a risk of **match funding not being secured (R7)** – this risk is now closed. Lewisham contribution is already secured, with funds from CIL and section 106 identified and ring-fenced. There is no match funding from third parties or other grants, which means that all match funding is controlled by the Council.

There are further operational risks at the programme and project level that may have a negative impact on the Programme costs. These are contained within the attached Risk Register, e.g. environmental impacts (R11) and supplier failure (R14).

Approach to sharing risks and contingencies

As the overall Programme developer and accountable body, Lewisham Council will be liable for impact of financial risks, to the extent they are not transferred to other parties. Steps will be taken to pass the financial risk to the party best able to control it, e.g. passing risk of cost overruns to contractors through fixed price works contracts. If costs cannot be contained, decisions will have to be made to carry out value engineering or for the Council to allocate more CIL funding or prudently borrow additional funds to fund any shortfall.

Given it is impossible to fully mitigate against every risk event, all of the proposed projects have risk contingency allocated in the budgets to account for potential unexpected increases in costs. The percentage is based upon the level of risk associated with the costs of delivering particular interventions within each project, provided by experienced construction cost consultants and tested against available local and national benchmarks.

Impact on communities

Impacts on residents, service users or transport users have been considered in detail during the risk assessment. Robust mitigation actions have been proposed (e.g. delivering market construction work in multiple stages to maintain market operations and access, minimise economic impact on traders, commissioning a parking / kerb side activity survey to identify and address risks to parking activity, and consulting with refuse and cleaning services to ensure residents are not affected by works). As all the identified risks have viable mitigation strategies, no compensations will be required.

769 words

6.1.9 If you are intending to award a share of your LUF grant to a partner via a contract or sub-grant, please advise below.
NB: You must ensure any further disbursement of the grant is done so in accordance with subsidy controls and public procurement rules.

(750 words)

In your response please provide the following detail:

- Partner name and address
- Role in bid and what their grant will fund
- LUF funding partner will receive (£)
- Funding method e.g. sub-grant / funding agreement etc.

It is the applicant's responsibility to ensure that any further disbursement of the grant is done so in accordance with subsidy controls and public procurement rules.

The bid should detail what controls will be implemented to adequately manage the onward disbursement of the grant to any partners via a contract or sub grant.

Lewisham Council is the sole party responsible for the delivery of the Lewisham 2025 Programme. We are not intending to award any part of our LUF grant to a partner via a contract or sub-grant.

6.1.10 What legal / governance structure do you intend to put in place with any bid partners who have a financial interest in the project?

(750 words)

Applicants should clearly set out the legal / governance structure that will be put in place with any project partners who have a financial interest in the bid.

If appropriate, applicants should explain what financial assessment and due diligence has or will be undertaken on bid partners.

Not relevant – there are no bid partners in the proposed Lewisham 2025 Programme structure. Lewisham Council is the sole party responsible for delivery.

• Commercial

Within this section, applicants should set out their commercial and procurement strategy for effectively awarding and managing any contracts for goods, works or services to be funded by the grant. The strategy should include all key procurement lifecycle activities, timescales and who will lead on procurement / contractor management.

<p>6.2.1 Please summarise your commercial structure, risk allocation and procurement strategy which sets out the rationale for the strategy selected and other options considered and discounted.</p> <p>(1500 words)</p>	<p>Applicants should set out their procurement approach to managing the project. The procurement route should also include an explanation as to why it is appropriate for a bid of the scale and nature proposed.</p> <p>Please note - all procurements must be made in accordance with all relevant legal requirements. Applicants must describe their approach to ensuring full compliance in order to discharge their legal duties.</p> <p>The procurement strategy should be proportionate with value of the project and should cover the full procurement cycle.</p> <p>All applicants should clearly set out:</p> <ul style="list-style-type: none"> • Which key contracts will be procured • What pre-market engagement/research activity has been undertaken to date or is planned • Whether or not a health check of the market has been undertaken to identify any potential capability or limitations that may impact on project/procurement timescales and how these will be mitigated. • What procurement approaches have been explored or discounted • What route to market is proposed, including an explanation as to why it is appropriate for scale / nature of the contract/s? • Set how you will effectively manage your contracts with key suppliers/contractors to ensure quality and manage/mitigate supply chain risks. <p>The procurement strategy should also demonstrate alignment with Net Zero ambitions, and where appropriate, include details of a sustainable approach such as:</p> <ul style="list-style-type: none"> • use of innovative clean technology • support the growth of green skills • use of sustainable supply chains
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	<p>All applicants should set out how contracts will be procured and managed effectively; in accordance with procurement best practice and all relevant legal requirements including public contract regulations 2015 and 2020 amendments (post EU exit) and other appropriate legislation including the Modern Slavery Act, as applicable.</p> <p>Additionally, local authority applicants should:</p> <ul style="list-style-type: none"> • demonstrate that they have considered government policies and guidance including the Sourcing and Consultancy Playbooks and Construction Playbook. • demonstrate innovative procurement, including for example how they have factored social value into their procurements. <ul style="list-style-type: none"> - set out in their procurement strategy and risk register how government guidance on Resolution Planning¹ has been considered. <p>For package bids, please note that we need to understand the procurement activities for each component project.</p> <p>More detailed information on procurement activities, timescales, and the resources required should be included in the project delivery plan.</p>
<p>Overview of the proposed commercial structure and procurement approach</p> <ul style="list-style-type: none"> • Accountability: Lewisham Council will be the accountable body, taking overall responsibility for delivery. Our approach is to transfer risk to the party best positioned to control it, as outlined in 6.1.8. Where risks are shared, they will be managed via the contract monitoring process outlined below. • Building on internal and external best practice: Lewisham Council has its own Contracts Procedure Rules, established procurement processes, robust governance structure (see 6.3.5), and experienced team. Our LUF procurement strategy is aligned with procurement regulations and the Public Services (Social Value) Act 2012. It follows the government's best practice, including the Sourcing Playbook, Consultancy Playbook (e.g. for selection of the M&E partner) and Construction Playbook. • Open dialogue with local providers: The way we propose to procure and manage LUF works is informed by early market engagement with local suppliers. • Social values and commitment to net zero: We will make sure that each LUF contract promotes use of sustainable, green and local supply chains. • Robust governance: Procurement activities will be led by a dedicated LUF Procurement Lead. They will be a member of the LUF Core Working Group and LUF Steering Board, and will liaise with the Programme Lead and LUF Project Managers. 	

- **Proportionate approach:** Our processes will be proportionate to each project's size and complexity. The procurement route has been chosen based on legal requirements, size, market appetite, and level of specialism required.

Key contracts to be procured with proposed routes to market

Project 1: Revitalisation of Lewisham Market

- Public realm improvement contract (47% of total project cost) – to be procured from our pre-appointed measured term contractor for Highways and Traffic Works (procurement currently in the evaluation stage, appointment expected in September 2022). This route allows for quick mobilisation, coordination and value for money. We have obtained costings from the existing contractor as part of the early engagement. We will use a schedule of fixed rates, which means that cost overrun risks will be largely transferred to the contractor.
- Construction of market stalls and canopy (43% of total project cost) – open procurement for a single specialised contract. The canopies require a highly specialised provider able to deliver the specification (including photovoltaic panels and green roof). Competitive tendering process will ensure value for money.
- Upon completion, the market will continue to be operated by Lewisham Council. This means there no risk associated with the procurement of an operating partner.

Project 2: New Culture and Business Hub

- Construction, mechanical and electrical works (77% of total project cost – open procurement for a lead provider, with the ability to coordinate the multiple requirements. Specification will be developed to promote use of innovation, sustainable solutions and social value to the local economy. Multiple potential contractors mean competitive tendering chosen to identify suitably qualified provider and ensure value for money.
- Purchase of furniture and equipment (10% of project cost) – open procurement. Multiple potential contractors mean competitive tendering chosen to identify suitably qualified provider and ensure value for money.
- Upon completion, the Library Café and rooftop bar will be operated by an external partner selected through a competitive process. Early market engagement confirmed significant interest from prospective operators.

Project 3: Connected High Street

- Single contract for improvement works (84% of project cost): to be procured from our pre-appointed measured term contractor for Highways and Traffic Works, as for Project 1.

Monitoring and evaluation

- Single contract for experienced M&E partner : open procurement to test market and ensure value for money. Specification to promote innovation in approach.

Consideration of procurement routes

Our proposed procurement routes reflect our understanding of markets, approach to managing risk, and desire to drive local growth. We considered two main approaches: (1) interventions procured through individual small-scale appointments; and (2) works packaged as a single contract with a lead contractor.

Given the scale of the projects, and our understanding and experience of the market, we have decided to use a **lead provider model as the preferred approach** where appropriate. By cost, around 39% of the work will be delivered by our measured term contractor for Highways and Traffic Works. The contractor will be appointed through a **rigorous competitive procurement process** (expected appointment in September 2022, tender currently in the evaluation stage). As part of this appointment process, we used the requirements of this project to inform the assessment.

Benefits of the measured term contractor include:

1. **Item prices pre-agreed** with the contractor providing excellent value, avoiding risks of market fluctuations for the duration of the LUF Programme;
2. **Contractor already under contract when the LUF Programme starts**, allowing for quicker process towards mobilisation of works;
- **Better coordination** of projects in the LUF Programme and **simplified contract monitoring** through a single point of contact;
- **Transfer of some significant risk items** to the contractor from the Council, e.g. Health & Safety Legislation;
- **Robust Resolution Planning** (designed in line with the [Resolution Planning Guidance](#)) arrangements already in place with the appointed provider, requiring the supplier to provide CRP Information and an Insolvency Continuity plan.
- **Approach in line with the government guidance** included in the [Construction Playbook](#), which encourages contracting authorities to bring work together into larger portfolios, rather than procuring them as a series of individual contracts.

Where appropriate, we will be use individual contracts, which will achieve the following:

- ability to draw on the **expertise of specialised providers**;
- **more likely suitable for local firms**, boosting the local economy and jobs.

In line with the government's guidance provided in [the Sourcing Playbook](#), and our understanding of the market, we have opted for an open procedure to be used for all individual contracts. Approaches such as 'competitive dialogue' and 'competitive procedure with negotiation' have been disregarded due to risk of additional costs and delays in procurement processes that would jeopardise delivery by March 2025.

Market engagement, research and health check activity

As part of the bid development and due diligence process undertaken (see section 6.1.10), the Council assessed the market and ensured that assumptions relating to costs, timescales for delivery/ completion and ability of the market to deliver have been tested. Costings and timescales for each project were produced by expert design, engineering and landscape architecture consultancies commissioned specifically to support the LUF bid (Project Centre for Project 1 and 3, and Pinnacle for Project 2). On receipt of these plans, we sought a second estimate from our existing measured term contractor (Conway), based on our agreed schedule of fixed rates.

Using the two separate costings and plans, Lewisham Council officers worked with the consultancies to challenge and refine them. This included drawing on the council's expertise in capital projects, and recent similar experience. The process means we are confident in our assumptions.

This early market engagement with suppliers has confirmed a significant interest in the work. Identified risks have been managed by including contingency between 12 and 31% of total costs built into each project. Key risks are the impact of inflationary pressures on costs and the impact of supply chain issues on timescales.

Contract management (more detail in 6.2.4)

- Each contract/supplier will be managed by a LUF Project Manager or another dedicated member of the LUF Core Team, who will be responsible for monitoring progress and mitigating risks in partnership with the supplier.
- Each Project Manager will update the delivery plan on a weekly basis to assess progress, spend, and risks. This will be fed into programme governance and considered by the LUF Lead and LUF Steering Board.
- Gateway reviews will be held with the appointed suppliers in advance of critical milestones being completed.

Sustainable procurement approach

We will use procurement mechanisms to benefit our local economy and support levelling up, and advance our response to the Climate Emergency through embedding a green agenda. This aligns with our [Sustainable Procurement Strategy 2021-25](#) and [Social Value Policy for Procurement](#), specifically:

- We are a living wage employer and aim to apply the same standard throughout our supply chain;
- We use local supply chains where feasible - developing the local economy, creating more jobs and tackling poverty in the Borough;
- We use our Social Value Policy to retaining wealth in the Borough for our residents. All tenders will have a quality-based scoring, with 5-10% awarded against social value criteria linked to measurable commitments around:
 - Employment, Skills and Economy: with KPIs including number of residents employed and amount of money spent locally;
 - Greener Lewisham: with KPIs including reduction in carbon footprint and reduction in landfill waste;
 - Healthier Lewisham: with KPIs including provision of resources that facilitate healthier lifestyles or social connectedness;

<ul style="list-style-type: none"> ○ Training Lewisham's Future: with KPIs including number of Lewisham young people on work experience. • Suppliers' Carbon Reduction Plan (CRP) will be assessed as part of the selection criteria for technical and professional ability in tenders with an annual value of £5m or more. Suppliers will be expected to use their CRPs to confirm their organisational commitment to achieving Net Zero by 2050 and the actions they will take to help Lewisham become a carbon neutral borough by 2030. Any suppliers that fail to make an organisational commitment to reduce their emissions will be excluded from tenders. • We have controls to safeguard against modern day slavery (MDS) in our supply chains. In all of our above threshold tenders we ask bidders to share their MDS statement. We also challenge and investigate abnormally low tenders. <p>1570 words</p>

<p>6.2.2 Who will lead on the procurement and contractor management on this bid and explain what expertise and skills do they have in managing procurements and contracts of this nature? If the procurement is being led by a third party and not the lead applicant, please provide details below.</p> <p>(500 words)</p>	<p>The applicant should clarify who will lead the procurement/s and demonstrate that the core project team have the relevant skills and expertise for managing procurements and contracts.</p>
<p>Devolved procurement model</p> <p>Lewisham Council operates a devolved procurement service. This consists of lead buyers and local procurement managers within the service departments, responsible for specifying requirements and leading on procurement requirements. Corporate Procurement keeps control of the key documentation such as the Sustainable Procurement Strategy and provides advice and guidance on all processes.</p> <p>Operational procurement and contract management</p> <p>Lewisham's Capital Delivery Team for Housing, Regeneration & Environment will lead on procurement activity for the LUF Programme. The Capital Delivery Team routinely deliver over £50 million per year of investment in the borough.</p> <p>The Capital Delivery Team officer responsible for overseeing the procurement and contract management of capital works identified for the project will be Adam Platts.</p> <p>Adam is a Project Manager in the Capital Delivery Team and has been involved in the development of Lewisham 2025 since its inception, overseeing external</p>	

partners (e.g. costing consultants) providing input to this bid. Adam is a qualified town planner and Regeneration Officer with over 25 years Local Authority experience managing the development and delivery of capital projects including refurbishment and redevelopment of council schools, libraries and care facilities, major highways, engineering, public realm and landscaping schemes. Adam has worked for Lewisham Council since 2016, has led on major schemes and has extensive experience of procurement and management of consultants and contractors.

Adam will co-ordinate procurement and contract management. Adam will be a member of the LUF Core Working Group and LUF Steering Board, and will liaise with the Programme Lead and LUF Project Managers, attending all monthly contract management meetings with the operational Project Managers.

Corporate oversight of procurement activity across programme

The Council's Procurement Team will provide the ongoing corporate oversight of procurement and best practice advice on any contractual issues and disputes. Their responsibility will include ensuring compliance with UK procurement legislation and Council's CPR's during Council's acquisition of all goods and services and providing strategic support in relation to all procurement and contract management activities. Procurement will support the tendering process and provide a corporate contract management framework to ensure corporate oversight on contracts.

Ashaki Bailey, Procurement and Contract Manager (London Borough of Lewisham) will provide the Council's ongoing oversight of procurement (including compliance with procurement rules and the Council's contract management framework). She will be a standing member of the LUF Programme Board.

Ashaki has an Advanced Diploma from the Chartered Institute of Procurement and Supply (CIPS) and has held a number of procurement and contract management roles over the past 15 years. Her procurement activities include leading and advising on above threshold tenders, managing high value contracts and rolling out the Council's contract management framework to ensure corporate oversight over the Council's contracts.

6.2.3 Are you intending to outsource or sub-contract any other work on this bid to third parties? For example, where you have identified a capability or capacity gaps.

(750 words)

Applicants should set out plans for engaging with key suppliers/contractors so it is clear how suppliers/contractors have been selected and how contracts will be effectively managed to ensure the desired outcomes are delivered. This should include the use of key performance indicators (KPI's) and other measures that will be used to drive quality.

Applicants should also clearly set out in their response how they will manage any capability or capacity gaps.

A skills and capability gap analysis has been undertaken by the Council during the bid preparation process. As a result of this exercise, in addition to the large construction and other related contracts that will be procured (see section 6.2.1), the Council intends to procure (via public procurement processes) additional expertise and capacity. This will complement Council's in-house LUF resources, including dedicated project management and contract management posts.

An overview of the services to be procured is presented below. Lewisham Council has commissioned a range of suppliers in each of these areas for other projects, so we are confident that there will be interest and competition for the work. Detailed procurement strategy at the individual project level is included in Appendix J:

- Architectural services: Principal Designer and full-service support for RIBA work stages 3-6, including developing detailed architectural and engineering technical designs.
 - Route to market: The intention is to undertake procurement exercise via recently launched local government framework to commission architectural design services. This will allow to fast track the procurement process.
- Project management support: Project and programme management will be delivered in-house. We will continue periodic assessments of our capacity and capability, and will procure additional support if required (e.g. during the Programme mobilisation phase to establish new reporting processes). Professional services contingency is included in the costings to fund any ad hoc support needs
 - Route to market: The intention is to undertake procurement exercises via the relevant Council framework for these services. Further work is required (review of the Council framework/market testing) to establish how many separate procurement exercises will be undertaken. This work will be delivered by September 2022, to ensure the required professional support is in place when the decision on funding allocation is made by the government.
- Legal support: Legal support will be provided by Lewisham corporate legal team. If additional ad hoc support is required, it will be procured as described above.
- Traffic Regulation Orders (TROs) (for Project 1. Revitalisation of Lewisham Market and Project 3. Connected High Street): We will follow a statutory procedure for creating TROs. The process will be managed in-house, but external support may be required for design, advertising and consultation with local residents, traders, community groups, councillors, the emergency services, local public transport operators.
 - Route to market: Procurement via the relevant Council framework for these services.
- Monitoring and evaluation: We are planning to procure an external consultant to support summative evaluation of the Programme.
 - Route to market: Support will be procured using an open procurement route to promote innovation and identify experienced provider.

Internal skills and capability assessment will be refreshed by Lewisham Council

periodically (at least quarterly and every time available resources change significantly). The LUF Steering Board will be informed about any gaps identified and will act accordingly to ensure all projects are properly resourced. If required, this will include commissioning additional external services.

Managing these contracts effectively

The following steps will be taken to ensure that the desired outputs are delivered:

- Procurement of all consultancy services to be based on the Consultancy Playbook, in addition to the Council's CPRs and PCR2015.
- Contracts in place between the Council and the appointed suppliers, clearly specifying a fixed cost and specific timescales for completion of outputs (aligned to the timescales within our delivery milestone plan). Quality criteria and service specifications to be specified and agreed prior to work commencing, formalised in a signed contract between the parties.
- KPIs relating to timescales and quality of outputs to be agreed and included within the contract, for example around timeliness of outputs, delivery of full scope of work, and feedback from partners/officers.
- Requirements and expectations relating to the providing of regular monitoring and evaluation information are to be specified, along with the requirement for the appointed supplier to provide updated risk and issue logs to be reviewed and discussed with the LUF Project Managers, who will then feed this into programme governance and monitoring processes. KPIs on costs and outputs will be reported on monthly basis through a 'LUF procurement dashboard' used to identify strengths, risks and issues associated with all LUF related contracts.
- Monthly progress meetings to be attended by the appointed supplier and the LUF Project Managers to review progress, risks and issues associated with each project.
- A requirement for the appointed supplier to commit (as part of the procurement response and formalised within the contract) to working collaboratively with the Council and their appointed suppliers.

736 words

6.2.4 How will you engage with key suppliers to effectively manage their contracts so that they deliver your desired outcomes. What measures will you put in place to

Applicants should set out what measures will be put in place to manage contractor / supplier risks. This should include due diligence, the checking of the financial and economic standing of suppliers, and effective contract / payment structures.

¹ Guidance on resolution planning is applicable to new procurements by Relevant Authorities of:

- Critical Service Contracts;
- other outsourced service contracts with an estimated value exceeding £10m per year¹; and
 - Critical Construction Contracts. (together "In-Scope Contracts").

mitigate supplier/contractor risks and what controls will you implement to ensure they deliver on quality.

(1000 words)

Mitigating contractor risk through procurement lifecycle

We take a holistic approach to managing supplier risks to ensure delivery and achievement of our benefits for Lewisham residents, as identified in the Programme's Theory of Change. Our plan includes five stages, based on the procurement process outlined in the [Sourcing Playbook](#) and [Construction Playbook](#). For the measured term contract to be used in Projects 1 and 3, the procurement process has started and steps outlined in stages 1-3 below have been already successfully undertaken.

1. Preparation and planning

- Soft market testing: As outlined in 6.2.1, we have already engaged with potential suppliers and carried out a health check of our local supply chains. From this, we were able to test the deliverability of our requirements and the feasibility of the estimated costings.
- Specification: Our LUF Procurement Lead will work closely with the LUF Core Team to develop high quality tender documents, with clear specifications, aligned to the milestones and cost schedules identified within this bid.
- Formal engagement with the market: We will organise engagement with suppliers to ensure the contract can be iteratively developed through dialogue with potential bidders. In particular, this will focus on risk allocation and KPIs (to be included in the LUF Procurement Dashboard).

2. Publication

- Adequate procurement timelines: We recognise suppliers will need time to develop and price solutions, raise clarifications and respond with high-quality responses to tender documentation.

3. Selection

- Due diligence: The Council requires potential suppliers to complete compliance questions (e.g. Modern Slavery, equal opportunities, health and safety, safeguarding). The Council will undertake financial due diligence on all shortlisted suppliers, reviewing three years of accounts (P&L, cash flow, reserves), undertake checks on Director convictions and/or corporate breaches of law, and at least two references for similar contracts from the past three years. We will use a tiering approach to ensure that due diligence is proportionate to the size of the contract.

4. Evaluation and award

- Low cost bids: We will make sure our award criteria balance quality and cost. Any abnormally low bid (10% lower than our cost estimates) will be subject to additional scrutiny, to ensure that bidders have understood and adequately priced in the cost of meeting all KPIs.

5. Contract implementation

- We will implement contract management systems and processes that align with our LUF Programme governance. A summary of our approach to implementation is provided below.

Confirming expectations - outputs and outcomes linked to LUF programme benefits

- All procured goods, works and services will be the subject of a contract, scrutinised by the LUF Procurement Lead prior to signing.
- All contracts will clearly specify the following in relation to the goods, works and services to be delivered:
 - Fixed cost
 - Fixed timescales (including milestones and gateway review points)
 - Quality requirements, via a specification
 - Agreed tolerances for timescales and quality.
 - Contract and progress review arrangements
 - Outputs and outcomes (linked to our ToC and benefits realisation plan)
 - Outputs – the timely completion of requirements, within the agreed fixed cost and to the required quality
 - Outcomes – for example, whether the supplier created the required number of apprenticeships and job opportunities specified within the contract. Such outcomes will relate back to our ToC.
 - Monitoring and reporting requirements, in relation to inputs, outputs and outcomes, in addition to regular project progress reporting (against the delivery milestones and cost estimates)
 - The maintaining of risk and issues logs over the lifetime of the contract
 - Requirement to meet with the LUF Lead and Project Manager for monthly contract management meetings.

Managing variance, risks and disputes

- Tolerances (timescales and quality) will be monitored, with potential breaches reported to the LUF Lead and LUF Steering Board.
- Risks and issues will be monitored by the Project Manager and appointed supplier. Where risks are considered 'high', they will be escalated to the LUF Lead and LUF Steering Board for discussion/resolution. If required, they will be further escalated to the Regeneration and Capital Delivery Board.
- All proposed variations will be considered by the LUF Procurement Lead, who will assess the implications at both intervention and programme levels.
- There will be an agreed defects period, whereby appointed suppliers will be required to rectify defects.
- Should contractual disputes arise between the Council and appointed supplier, the LUF Procurement Lead will consider the issues and potential options for resolution within the terms of the contract, aiming to resolve the dispute. However, should this not lead to resolution, the issue will be escalated to the LUF Steering Board and the Regeneration and Capital Delivery Board.

Links to LUF Programme Governance

We have designed processes for effective management of contracts to ensure quality and mitigate supply chain risks:

- All procurement processes to be led and overseen directly by a dedicated LUF Procurement Lead;
- LUF Procurement Lead will be a member of the LUF Core Working Group and LUF Steering Board, and will liaise with the Programme Lead and LUF Project Managers;
- Close monitoring of quality of goods, works and services delivered will be implemented via monthly site inspections (involving LUF Project & Contract Managers)
- Monthly meetings with contractors' representatives will review deliverables and performance against contractual KPIs
- A 'LUF procurement dashboard' will be developed by the LUF procurement lead to track strengths, risks and issues associated with all contracts. This will allow potential overspends, delays and issues with supplier performance to be identified in advance and inform discussions between suppliers and the council leads.
- Monthly suppliers' performance reviews will be part of LUF Steering Board meetings, involving LUF Project Managers and dedicated LUF Procurement and Finance Leads. Breaches of tolerances around scope, time or cost will be reported by exception to Regeneration and Capital Delivery Board.
- Each contract will have a handover phase, with snagging and defects liability period. Contract closedown meetings between the LUF Programme Lead, LUF Project Managers, LUF Procurement Lead and suppliers will be organised at end of each contract. A management and maintenance report will be required from each contractor to ensure the Council can adopt a coherent, long-term approach to management of the infrastructure.
- Should significant issues emerge, the LUF Procurement Lead will lead on negotiations with suppliers. The Council's legal services will provide support if required to ensure an acceptable solution is agreed. In the event supplier default occurs, the Council will identify alternative suppliers (potentially via our frameworks) to ensure minimum delay or impact on quality.

1050 words

• Management

Prior to completing this section applicants should complete the relevant [Costings and Planning Workbook](#) - Table D – Milestones Delivery

<p>6.3.1 Please set out how you plan to deliver the bid (this should be a summary of your Delivery Plan). (1000 words)</p>	<p>Applicants should set out clearly how they plan to deliver the bid. The response should consider the following:</p> <ul style="list-style-type: none"> - Key milestones: The project plan needs to clearly identify the key capital build and construction phases and include the 'stage gates' that might be used to verify build and infrastructural works completed by any contractor/s. Timescales should be realistic and meet scheme requirements. - Key dependencies and interfaces, resource requirements, task durations and contingencies. - A description of roles and responsibilities of those involved in the project. Plans should identify the roles, responsibilities and resource for each activity – including a delineation of key responsibilities such as project management, finance etc. - An understanding of the skills, capability, or capacity needed - some bids may require specialist skills. If specialist skills are required, they should be set out here. - Arrangements for managing any delivery partners and the plan for benefits realisation. - Engagement of developers/ occupiers (where needed). - The strategy and communication approach for managing stakeholders and considering their interests and influences. - Confirmation of any powers or consents needed, and statutory approvals e.g. planning permission and details of information of ownership or agreements of land/ assets needed to deliver the bid with evidence - Please also list any powers / consents etc needed/ obtained, details of date acquired,
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	<p>challenge period (if applicable) and date of expiry of powers and conditions attached to them.</p> <ul style="list-style-type: none"> - The approach to monitoring progress of the project including budget management. Stated benefits should be well defined and measurable as part of the monitoring and evaluation process. - Any other information to support the delivery approach. <p>Applicants are encouraged to submit a detailed delivery plan to support their response to this question. The delivery plan should be proportionate and realistic to the bid submitted and the timelines presented should be feasible, allowing sufficient time for each phase of the programme.</p> <p>Applicants are also encouraged to submit evidence of statutory consents/land acquisitions.</p>
<p>Our proposed investment has a clear and robust plan, with key milestones, realistic timescales and well-understood risks. Delivery for each project is divided into phases aligning to the RIBA stages 3-6.</p> <p>Delivery is overseen by a robust governance structure, drawing on established practice and the experience of Lewisham Council officers on previous projects. Strong oversight by the LUF Board and day-to-day management by project managers will ensure suppliers are held to account.</p> <p>Key Milestones by project</p> <p>Within each project, there is a well-understood critical path of activities, with gateway milestones in bold.</p> <p>Project 1: Revitalisation of Lewisham Market</p> <ul style="list-style-type: none"> • Preliminary design and investigations, including further stakeholder engagement (supplier pre-appointed) (three months) – complete December 2022 • Planning approval for canopy (four months) – approved December 2022 • Design period (eight months) – approved March 2023 • Appointment of pre-approved constructor (five months) – award May 2023 • Construction in 5 phases, including works and snagging (18 months) – completion December 2024 • Handover to Council – December 2024 <p>Project 2. New Cultural and Business Hub</p>	

- Design partner appointed – October 2022
- **Planning (four months) – approved January 2023**
- **Design period (eight months) – approved March 2023**
- **Procurement of constructor (five months) – award September 2023**
- Construction, including works, fittings, testing and snagging (17 months) – March 2025
- **Handover to Council – March 2025**

Project 3: Connected High Street

- **Preliminary design and investigations (supplier pre-appointed) including further stakeholder engagement (three months) – complete December 2022**
- **TfL approvals for crossings (four months) – approved December 2022**
- **Design period (eight months) – approved March 2023**
- **Appointment of pre-approved constructor (five months) – award May 2023**
- Construction in 7 phases, including works, fittings and snagging (18 months) – completion December 2024
- **Handover to Council – December 2024**

Key dependencies and interfaces

Although the success of Lewisham 2025 at realising our levelling up vision requires all three component projects, delivery of individual projects can largely be undertaken independently.

To mitigate risk, delivery has been designed to minimise dependencies. The only significant dependencies are between Project 1 and 3, where construction works on public highways will be coordinated to maximise economies of scale and manage disruption. As described in the project plans, construction works are divided into phases but, within a three-month tolerance, can be flexible if required.

A key overall challenge for the programme is ensure the ongoing availability of assets and services during the build period. The market construction will take place in stages, to allow traders to continue to operate by temporarily re-siting stalls within the site. The Culture and Business hub building will be out of action for a period, with residents encouraged to use the refurbished library in Catford or others in the borough. The High Street works will be staged in sections to minimise disruption to pedestrians and passengers.

Roles and responsibilities

- Senior officers from Lewisham Council will form the LUF Steering Group with responsibility for:
 - strategic governance and oversight of the programme progress within agreed timescales and budget;

- decision and approval of variations and change requests;
 - mitigation guidance for risks / issues which exceed tolerances.
- LUF Programme Lead (in-house role) will be responsible for the overall Programme delivery, including managing interdependencies and synergies between the three Projects.
 - Project Managers (in-house roles) with relevant experience will be assigned for each of the projects. They will be overseen by a Programme Lead and responsible for implementation of the projects including:
 - managing the relationship between Lewisham Council, contractors and technical experts;
 - ensuring delivery to agreed timescale, budget and quality;
 - monitoring impacts and risks.
 - Business Support (in-house role) will provide administrative support, ensuring that the appropriate evidence and audit trails are maintained
 - Dedicated LUF Leads for key corporate services (in-house roles: finance, legal, procurement) will provide inputs as required by the Project Manager.
 - Specialist skills of Principal Designer and other architecture design services, legal support, evaluation expertise, and programme management support identified based on the periodic capacity will be procured from the market as required.

Plan for managing delivery partners and benefits realisation

Each contract/supplier will be managed by a Project Manager, who is part of the Programme's core team. The Project Manager will have regular meetings and touch-points with suppliers, monitoring progress against the contract critical path/delivery milestones, spend profile, and risks. Formal gateway reviews will be held prior to the schedule completion of delivery tasks. Each Project Manager will report to the LUF Board to assess progress and discuss risks, mitigations and identify issues early. In the event of underperformance, swift action will be taken to resolve in dialogue with the supplier and escalating to the Programme Manager where required.

A focus on benefits realisation will be underpinned by rigorous monitoring that links the project delivery to our strategic goals and objectives. This will be owned by the LUF board with Project Managers leading on the monitoring of process, quality, customer service levels, and errors, consistent with the M&E framework.

Managing stakeholders

Extensive engagement activities were carried out during the concept, feasibility and design phases of this bid.

Once funding for delivery of the Programme is confirmed, a detailed Communications

and Engagement Strategy will be developed, owned by the LUF Steering Board. This will build upon the existing mapping of stakeholders and relationships, focused around the Lewisham Town Centre Partnership (which includes representatives from all major town centre stakeholders) and Lewisham Central Citizens Assembly (which include local politicians and residents).

Powers and consents needed

All proposed investments are in Lewisham Council-owned assets. Internal permissions are in place for each of these, signed off by Mayor and Cabinet. Planning permission will be required for the construction of the canopy in Project 1 and the refurbishment of hub building in Project 2. In both cases, early engagement with planners has indicated no significant barriers. The delivery plan includes a three-month period to secure consent by 31 December 2022 and 1 December 2022 respectively.

The construction/upgrading of pedestrian crossings located on the Public Highways can be delivered under experimental traffic orders, before becoming permanent with an Officer Key Decision report. As the signalling authority for London, statutory consent is required from Transport for London. Early engagement with TfL has confirmed support for the bid and the timetable for consent.

Remaining improvements in Project 1 and 3 will be delivered by Lewisham Council through Permitted Development Rights Parts 9 and 12 of the Town and Country Planning Act. Lewisham Council will consult with the emergency services and utilities according to prescribed processes.

1082 words

6.3.2 Please demonstrate that some bid activity can be delivered in 2022-23.

(250 words)

Please confirm the plans for LUF project activity in 2022-23.

All projects have carried out significant work in terms of design, surveys, option appraisal, costings and statutory consultations in order to be able to commence as soon as funding is confirmed.

The activity that will be delivered in 2022-23 includes:

- Mobilising Programme management and governance structures;
- Continued stakeholder engagement;
- Consultation and approvals (TfL, planning permission, conservation);
- Procurement of professional services (including architecture services and evaluation expert) drawing upon existing frameworks;
- RIBA stage 3&4 design,
- Topographical and frontage surveys;
- Purchase of new market stalls, which are currently in production (Project 1) - this will ensure the first impacts and visual improvements on the ground will be realised in the first year of the Programme.

177 words

6.3.3 Risk Management:
Applicants are asked to set out a detailed risk assessment.

(500 words)

Applicants are encouraged to submit a Risk Register to support their response to this question. This can be in any format but should provide sufficient information regarding clearly defined risks with impacts, owners, dates, mitigations and costs.

In responding to this question applicants should set out a detailed risk assessment, covering all types of risks including, for example, environmental risks, health and safety, withdrawal of funding, potential partner disputes, legal risks, reputational, delivery etc. The risk assessment should demonstrate that all potential risks have been carefully considered and cover the whole project lifecycle.

In particular risk assessments should cover:

- 6 the barriers and level of risk to the delivery of your bid
- 7 appropriate and effective arrangements for managing and mitigating these risks
- 8 a clear understanding on roles / responsibilities for risk management and reporting risk

Please detail any key risks that you have identified as part of your risk assessment for this bid and details of mitigation measures. This should align with your risk register.

- 9 For package bids, please set out the risk assessment and mitigations for each component project.

Robust management of risk is a key principle underpinning our governance, with defined responsibilities and a single line of accountability (see 6.3.5.). Risk management is an ongoing iterative process using a five-stage process of identification, analysis, evaluation, action and monitoring. This is recorded in a risk register, for which the LUF Project Managers have day-to-day responsibility. Project Managers will hold monthly risk reduction and opportunity meetings with LUF Core Delivery Team and contractors. Programme level risks will be reported to the LUF Project Sponsors and the LUF Steering Board. Major risks will be escalated to the Regeneration and Capital Delivery Board. Risk management will be overseen by the existing Risk Management Working Group, accountable to Mayor and the Cabinet.

Summary of identified risks

Five main types of risks have been identified at programme level:

- **Programme management (R1-4)** include around capacity and capability, stakeholder support, resourcing, and statutory permissions.
 - Risk are clearly understood on all projects by well-developed feasibility analysis, which has identified issues/constraints
 - Mitigation actions include early engagement planning, procurement, finance and legal teams during the bid development to ensure all requirements are anticipated.
- **Financial risks (R5-10)** relate to failing to secure sufficient funding and cost overruns.
 - Measures are in place to mitigate and manage risks associated with cost overruns, including the use of contingencies and fixed price measured term contract that will be in place before the LUF Programme starts (see section 6.1.8 for further details).
- **Environmental risks (R11)** will be addressed in detail through an Environmental Impact report at the next stage of design.
- **Procurement risks (R12-14)** include poor supplier selection, supply chain disruptions, performance issues and supplier failure.
 - Procurement risks is considered low, given that 39% of the estimated programme value will be delivered by the measured term contractor for highways.
 - Contracting structures for other interventions are not complex and the Council has in-house LUF procurement and legal expertise.
 - Robust contract management processes and reporting / communication structures will minimise the potential for performance issues and disputes.
- **Performance risk (R15)** (i.e. outputs and outcomes not realised):
 - A robust Theory of Change has been developed with support from external experts and validated with key local stakeholders.
 - The M&E strategy has been developed with focus on rapid feedback and formative evaluation undertaken early in the development of the programme to inform the Council whether the objectives of the programme are likely to be fulfilled, identify potential barriers and facilitate the implementation.
 - There are no critical dependencies. The successful completion of the scheme and longer term benefits realisation are not dependent on any other projects.

More detailed risks have been considered at individual project level, with specific mitigation actions proposed and logged in the Risk Register. Categories of project risk within each project comprise: **Health and safety; Land, planning and legal; Surveys and data collection; Consultation; Design; Statutory bodies and stakeholders; Budget, funding, pricing and procurement; Ecological and environmental; Traffic and transport; Landscaping and drainage; Construction; and Performance.**

550 words	
<p>6.3.4 Please provide details of your core project team and provide evidence of their track record and experience of delivering schemes of this nature.</p> <p>Please explain if you are intending to sub-contract any of this work or if a third party is managing the project and not the organisation applying.</p> <p>(750 words)</p>	<p>Applicants should explain the roles and people involved in the core project team, and demonstrate they have the necessary skills, experience, and capabilities to support successful project delivery through all key stages of the project.</p> <p>Applicants should set out the measures they will put in place to address any capacity or capability gaps.</p> <p>Track record of delivering similar projects for example in terms of size, value, or complexity should be demonstrated. Applicants are encouraged to provide case studies.</p> <p>If a third party is managing the project and not the authority applying, the applicant should set out clearly in this section how this arrangement will work.</p>
<p>The structure of our LUF Programme Core Team is outlined within our governance structure. The Core Team is made up of the Programme Lead and Project Sponsors for each of our three projects. They will be supported by Project Managers and corporate support service leads (Planning, Legal, Finance, Procurement, Estates, etc.). Representatives of external contractors will join the team as required, depending on the Programme stage. This group will have operational accountability for all aspects of programme delivery.</p> <p>The Core Team consists of Council officers bringing wealth of experience and local knowledge to deliver Lewisham 2025.</p>	
<p>6.3.5 Please set out what governance procedures will be put in place to manage the grant and project.</p> <p>We will require Chief</p>	<p>All applicants are required to describe what governance and assurance procedures will be put in place to manage the grant and project. This may include (but not limited to):</p> <ul style="list-style-type: none"> - Delegated authority – including Project Board or Committee approvals

Financial Officer confirmation that adequate assurance systems will be in place.

For large transport bids, you should also reference your Integrated Assurance and Approval Plan, which should include details around planned health checks or gateway reviews.

(750 words)

- Financial controls
- Audit
- Counter fraud, corruption, and anti-bribery
- Procedures to avoid Conflict of Interests
- Cyber security, and data management
- Code of conduct setting standards for ethical and professional behaviour.

Applicants should also consider how to communicate and inform governance policy and procedures to partners working on the project, how progress will be reported and reviewed, and the involvement of the board and senior management in decision making.

In responding to this question applicants are encouraged to refer to the [HM Government Published Code of Conduct for Recipients of Government General Grants](#)

For large transport bids, applicants must have an **Integrated Assurance and Approval Plan**. This should include details around planned health checks or gateway reviews.

Other bids may submit an Integrated Assurance and Approval Plan, if they have one. If not, they should set out their assurance and approval process here.

The proposed governance arrangements replicate the existing governance for Lewisham's Regeneration and Capital Projects, which routinely deliver over £50 million per year of investment in the borough. LGA peer challenge has praised the council for 'an impressive record of regeneration across the borough'.

Key principles underpinning the governance design are:

- Clear structure, with defined responsibilities and a single line of accountability
- Robust and appropriate management of risk (including commercial, delivery, reputational and security)
- Respectful treatment of employees, service users and residents
- Delivering value for Lewisham (financial and social)

There are three levels of programme governance, providing assurance that the use of funds will receive clear oversight and scrutiny. These are:

Regeneration and Capital Delivery Board (RCPDB)

The RCPDB has strategic responsibility and accountability for all capital programmes. It will meet every two months to discuss the Levelling Up Programme, co-chaired by the Director of Finance and Director of Inclusive Regeneration and reporting to the Executive Management Team. It will also ensure interface with other borough-level groups, such as the Section 106/CIL Overview Group.

Levelling Up Steering Board

The Board will provide operational oversight of the Levelling Up investment, monitoring the overall plan, risks, and ensuring synergies between component projects. It will meet monthly and will be chaired by the programme lead, the Head of Economy, Jobs and Partnerships, and report to the RCPDB. It will provide interface with the Town Centre Partnership and Lewisham Central Citizens Assembly, ensuring that local stakeholders are involved in shaping delivery where appropriate. It will also feed into an internal Lewisham Town Centre Steering Group, coordinating council activity in the town centre.

LUF Core Team / Project Management

Each of the three component projects will have a Project Core Team, led by a dedicated Project Manager. Project Managers will have responsibility for the day-to-day delivery and management of the project, maintaining key project management documentation (such as highlight reports, risk registers, procurement dashboard) and report progress and issues to the Steering Board.

This governance structure will be underpinned by our tried-and-tested assurance procedures, including:

Delegated authority

Consistent with the Council's scheme of delegation, the Mayor and Cabinet will delegate authority for the Levelling Up Programme to the chief executive and senior officers, who exercise that authority via the RCPDB. The RCPDB will delegate authority for operational oversight to the Steering Board. These arrangements ensure a clear line of accountability from elected members to front-line delivery.

Financial controls

Delegated powers will be accompanied by Financial Regulations, including spending limits and approval process. As co-chair of the RCPDB, the Director of Finance will be responsible for financial controls across the LUF Programme. A dedicated finance lead will have day-to-day responsibility for ensuring compliance, working with LUF Project Managers and Steering Board, and reporting to the Director of Finance.

Audit

Lewisham Council's assurance regime follows the 'Three Lines of Defence model' endorsed by the Chartered Institute of Internal Auditors and the Good Governance Institute. Alongside day-to-day risk management by Project Managers/Steering Board and strategic oversight provided by the RCDB, the third line of defence is independent and objective assurance provided by a combination of our internal audit function and external audit by an evaluation partner. This will be provided in line with the council's audit framework and overseen by the existing Risk Management Working Group, accountable to Mayor and the Cabinet. We will use an Integrated Assurance and Approvals Plan (IAAP), owned by the RCPDB, to manage programme assurance .

Cyber security and data management

Lewisham has a comprehensive Data Protection Policy that will apply to all LUF Programme activities. To manage data, we will use our SharePoint-based Asset Management System, which provides a single integrated database and will ensure consistency in access to information and reporting.

Counter fraud, corruption, and anti-bribery

Our Anti-Fraud and Corruption Team (A-FACT) will be proactively involved in prevention, detection and investigation of any irregularities within the LUF Programme, in line with [our Anti-Fraud and Corruption Policy](#) and [Whistleblowing Policy](#). The team will provide reports as relevant to the chair of the RCPDB.

Procedures to avoid Conflict of Interests

Potential conflicts of interest will be monitored regularly, with every member of the project team (including suppliers) completing a declaration at the start of their engagement and then annually, or if their circumstances change. The register of conflicts of interest will be maintained and owned by the Steering Group.

Code of conduct

Our governance arrangements are aligned with HM Government's Code of Conduct for Recipients of Government General Grants, which are also reflected in the [Lewisham Council Employee Code of Conduct](#).

759 words

<p>6.3.6 If applicable, please explain how you will cover the operational costs for the day-to-day management of the new asset / facility once it is complete to ensure project benefits are realised. You should also consider any ongoing maintenance and servicing costs.</p> <p>Please note that these costs are not covered by the LUF grant.</p> <p>(750 words)</p>	<p>Assets/facilities should provide value and be (financially) sustainable.</p> <p>Applicants should set out how they will cover the operational costs for the day-to-day management of the new asset/facility once it is complete to ensure project benefits are realised.</p> <p>Applicants should also consider any ongoing maintenance and servicing costs.</p> <p>Examples of operational costs: utilities, systems, maintenance and repairs, staff & labour, administrative expenses etc.</p> <p>Please note that these costs are not covered by the LUF grant.</p> <p>For cultural bids that will require an organisation, local authority or other body to operate the resultant asset/ facility, please explain how that organisation will manage the asset/ facility in a long-term sustainable way to deliver value in line with those aims set out in the Case for Investment.</p> <p>Where this applies, applicants will need to set out details of:</p> <ul style="list-style-type: none"> - A high-level description of the cultural and broader value being delivered (sometimes called “a “Cultural Mission Statement” or similar) - A description of how people/audience groups will be encouraged to engage with the new asset over time (sometimes called an Audience Engagement Plan, or similar) with a particular focus on people with typically lower engagement levels. - High-level activity plans <ul style="list-style-type: none"> - Financial modelling (including Income and Expenditure budgets with explanation of income sources, any need for revenue funding/ fund-raising/development and strategies for achieving these) - For significant cultural bids including those with a complex operational model you may wish to upload more information via a short additional attachment if you cannot supply everything within this word limit.
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Project 1. Revitalisation of Lewisham Market

The Levelling Up investment will have a positive net impact on the Lewisham Market's financial position. In line with the London Local Authorities Act, it will be re-invested into the market ensuring high standard of services and maintenance.

Baseline

Lewisham Council is the market's operator.

Impact on operating income

- a) Increased trading space: The scheme will increase the number of available pitches by 30 (from 50 to 80). Extensive engagement with market traders and other local stakeholders confirmed demand for new pitches.
- b) New offer: Market offer will be refreshed to make it more attractive to residents and visitors, including more food and family entertainment.
- c) Alternative use: Covered market area will be used in the evenings for food, entertainment, community events, charity sports events, pop-up play area, non council-led markets and pop-up performances (monthly live music events at the weekends).

Impact on operating cost

The proposal is cost-neutral in terms of operating costs (with increased cleaning costs covered by savings generated through improved waste management).

- a) Waste management: Improvements in Burton's Yard will allow us to implement a new waste strategy, aiming to recycle all cardboard and food waste in line with the council's net zero commitments.
- b) Cleaning: An enhanced regime will be introduced, including a deep clean every night and two dedicated operatives during market operating hours. The additional costs will be paid for via savings generated from improved waste management.
- c) Utilities: Photovoltaic panels located on the newly created market canopy will provide electricity ensuring the market is energy self-sufficient.

Project 2. New Culture and Business Hub

Impact on operating income and cost

The financial forecasts developed by the Lewisham Principal Accountant working together with the Head of Libraries estimated that net expenditure (operating loss) of the library will decrease at a rate of 10% annually as a result of the project.

The forecast was informed by a number of assumptions:

- Increased footfall: based on benchmarks from a comparable project in Deptford Lounge, footfall will increase by c.39% in comparison to levels from before the pandemic;
- Hospitality venues (including the ground floor café and rooftop bar) will be leased to an external operator, generating additional income for the council;
- Detailed business plan for the Business Hub prepared by Facework, operator

of affordable co-working spaces in South London, showed that the new Business Hub will be self-funding;

- Staff costs are due to increase in line with increased activity, while premises costs (including maintenance and utilities) will decrease due to improved energy efficiency of the building (expected carbon savings through lightning upgrades, refurbishment of heating plant, glazing and roof at 35t CO2 per year).

Project 3: Re-imagined and Connected High Street

The project will target the public realm and does not represent a business or going concern.

The investment will generate financial benefits to the council, mainly due to lower need for reactive maintenance (patching) and lower liability costs (trip or fall compensation claims against public liability insurance).

Costs for ongoing maintenance will be covered under Lewisham Council's annual capital programme for maintaining highway assets , with a programme of work based on annual condition surveys.

Critically, protections will be in place to maintain the quality and finish following investment. Under the New Roads and Street Works Act 1991, Section 58 restrictions will be enforced to protect a street from any planned street works. If works are needed, utilities contractors will be required to adhere to the established standard. Lewisham Council will purchase and store replacement materials to be available for this.

568 words

• Monitoring and Evaluation

Prior to completing this section please complete the relevant [Costings and Planning Workbook](#) - **Table E – Monitoring and Evaluation**

<p>6.4.1 Monitoring and Evaluation Plan: Please set out proportionate plans for monitoring and evaluation.</p> <p>(1000 words)</p>	<p>Applicants should refer to Annex E in the Technical Note and explain what their plans are for meeting the monitoring and evaluation (M&E) requirements of the Fund, as well as meeting their own ambitions for learning, and determination of impact, at the local level.</p> <p>This plan should cover:</p> <ul style="list-style-type: none"> - Aims of the bid level monitoring and evaluation, including key evaluation and learning questions to be answered, aligned with bid objectives and Theory of Change - Key components and deliverables of the bid level monitoring and evaluation (e.g., process and impact evaluations; interim and final reports) and how these will be used and disseminated to maximise learning - Outline of the approach to the bid level monitoring and evaluation, including how it will be ensured that data is collected in an accurate and timely manner, and how this data will be used in the evaluation of the bid - Governance arrangements and resourcing for bid level monitoring and evaluation, including key personnel/organisations and budgets - Summary of key outputs, outcomes and impacts, informed by bid objectives and Theory of Change - M&E activities should be included in Table E in the relevant Costings and Planning Workbook <p>Evaluation plans should be proportionate to the size and complexity of the project to be delivered.</p>
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	<p>For large projects, applicants should seek to address complex queries (e.g. attribution of impact).</p> <p>M&E plans can include multiple approaches, aligned to the different phases of the project being delivered.</p>
<p>Lewisham 2025 is a response to the challenges facing residents and businesses, and is aligned with the Lewisham Town Centre Local Plan (LTCLP). As such, the LUF M&E framework will be part of the wider LTCLP monitoring. This will ensure that the LUF impacts will be monitored as part of the corporate-wide reporting during and after the Programme's completion.</p> <p>The key M&E aims are:</p> <ul style="list-style-type: none"> • Operational monitoring of delivery and identifying actions to address any barriers; • Assessing if Lewisham 2025 is successfully delivering the vision and outcomes of the Theory of Change (ToC); 	

- Reporting to the tiers of governance (the LUF Programme Board, Capital and Regeneration Delivery Board, Executive Team, Mayor and Cabinet);
- Dissemination of findings to external audiences (central government, partner organisations, residents, businesses and interest groups).

M&E research questions covering the following interlinked dimensions:

- Process:
 - Has Lewisham 2025 been effective from a delivery, risk management and governance perspective?
 - Has each project across the Programme been delivered on time, within agreed costing and according to the specification?
 - How well engaged were stakeholders and the community?
- Impact:
 - Has the Programme been effective in achieving the intended economic, social, health and environmental benefits for Lewisham residents?
- Value for money:
 - Has the Programme delivered clear value for money, with a BCR equal or above the value described in this bid?
- Learning:
 - What were the critical success factors to delivery (relevant for policy development and delivery in Lewisham and for national government's levelling up agenda)?
 - What could have been done differently?

Key components and deliverables of our M&E approach are:

- **Phase 1. M&E Framework:** Turning the aims and Programme ToC into an operational M&E framework with measurable indicators
Deliverable: Final M&E Framework with data collection and reporting tools.
- **Phase 2. Establish baseline:** We have data on most outcome and impact indicators via existing performance management or they have been collected as part of evidence for this bid. Where baseline data is not available, we will use appropriate methods for capturing it, including surveys.
Deliverable: Baseline report.
- **Phase 3: Ongoing monitoring:** Delivery will be monitored on a monthly and quarterly basis, with reports provided to the Programme governance. Lessons learnt logs for all projects will be maintained by Project Managers, while key KPIs linked to the successful delivery of each intervention will be embedded within contracts agreed with appointed suppliers.
Deliverables: Lessons learnt logs, input into risk registers, quarterly monitoring reports.
- **Phase 4: Formative evaluation (in parallel with ongoing monitoring):** While many of the impacts will not crystallise under after the end of delivery, we will track short-term changes (e.g. footfall or spend patterns) and report annually. This formative evaluation approach will allow the team to review progress and take action during delivery.
Deliverables: Annual interim evaluation reports to collate findings and set foundations for the final evaluation.
- **Phase 5: Summative evaluation:** A rigorous 5-year evaluation describing the longer term impact of the investment. Interim findings will be reported at

the end of the LUF programme (April 2025) and the final report in 2027. Beyond 2027, we will continue to track long-term impacts as part of wider LTCLP monitoring. The summative evaluation will inform future Council strategy and management of future programmes. We will share all evaluation outputs with government to inform the wider LUF programme evaluation and make it available to the public.

Deliverable: Final evaluation report (public), with data on impact, narrative on the delivery process, an examination of the strategic added value of delivery, lessons learnt, and recommendations.

Outline of bid level M&E approach and data collection

Our approach is informed by the M&E LUF framework issued by the government and guidance as set out within the Green & Magenta Books.

Our approach to **monitoring** will focus on the projects' scope and outputs. Data collection will rely on a combination of strong project, contract and performance management functions. Operational performance will be tracked across each project, with the LUF Programme Lead and Project Managers working closely with individual contracts managers and corporate LUF leads for procurement, estates and finance to review captured data.

Our approach to **evaluation** will focus on measuring the outcomes and benefits derived from the implementation of the projects as well as the overarching impact of the Programme (measures within column H, J and K of our ToC). Evidence collection will draw on a diverse range of sources, including:

- the GLA High Street Data (footfall, vacancies & spend);
- annual town centre surveys that are part of the existing LTCLP monitoring framework;
- bespoke monitoring of new spaces (local traffic flows and numbers of visitors to the new culture hub);
- existing market traders forum (qualitative information on market performance, waste management);
- data from third parties (information on land values),
- commissioned primary research (perception and impact surveys).

Governance and resourcing

Monitoring and evaluation will be overseen by the LUF Programme Board, where terms of reference will include robust and regular scrutiny against the M&E framework, delivery plans and the ToC.

Monitoring will be delivered internally as part of the overarching Programme management, as described.

Evaluation will be delivered by an external evaluation expert. This is in addition to data collection that the Council already funds (e.g. paying to access the GLA's datastore with information on footfall and spend).

Summary of key outputs, outcomes and impacts

The key outputs, outcomes and impacts are included in 4.3.4 and our theory of change. A high-level summary of these is:

Project 1: Revitalisation of Lewisham Market**Outputs:**

- Retail space improved/created
- Public realm improved/created
- Public realm created
- New trees planted

Outcomes:

- Increase in footfall
- Increase in consumer spending
- Increased number of occupied market stalls and commercial units
- Increase in the number of cultural events

Project 2: New Culture and Business Hub**Outputs:**

- Dilapidated building improved
- Cultural space created
- Public amenities improved
- Office space created
- Hospitality space created
- Green retrofits to existing non-residential units

Outcomes:

- Increase in the number of visitors to cultural venues
- Change in business investment
- Increase in consumer spending
- Reduced carbon emissions

Project 3: Re-imagined and connected High Street**Outputs:**

- Improved pedestrian paths
- Improved cycle ways
- Transport nodes with new multimodal connection points
- Public realm improved
- Green space created

Outcomes:

- Change in pedestrian and cycle flow
- Mode shift in transport

- Reduced fear of crime
- Improved air quality

Impact: as a package the projects will transform Lewisham town centre

- Increase in consumer spending
- Change in business investment and sentiment
- Change in employment rate
- Change in perception of place

1,100 words

Part 7 Declarations

7.1 Senior Responsible Owner Declaration

Please complete [pro forma 7](#) Senior Responsible Owner Declaration.

See Appendix B3

7.2 Chief Finance Officer Declaration

Please complete [pro forma 8](#) Chief Finance Officer Declaration.

See Appendix B4

7.3 Data Protection

Please note that the Department for Levelling Up, Housing and Communities (DLUHC) is a data controller for all Levelling Up Fund related personal data collected with the relevant forms submitted to DLUHC.

The Department, and its contractors, where relevant, may process the Personal Data that it collects from you as part of your application to the Levelling Up Fund, in accordance with its privacy policies. The Department will use the Personal Data provided to contact you, if needed, as part of the assessment, selection and/or monitoring process.

For the same purposes, the Department may need to share your Personal Data with other government departments (OGDs), their Arm's Length Bodies and contractors, where relevant, and departments in the Devolved Administrations, and by submitting this form you are agreeing to your Personal Data being used in this way.

Any information you provide will be kept securely and destroyed within 7 years of the application process completing.

You can find more information about how the Department deals with your data [here](#).

7.4 Publishing

When authorities submit a bid for funding to the UK Government, as part of the Government's commitment to greater openness in the public sector under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004, if the bid is successful they must also publish a version excluding any commercially sensitive information on their own website within five working days of the announcement of the successful bids by UK Government. UK Government reserves the right to deem the bid as non-compliant if this is not adhered to.

Please tell us the website where this bid will be published:

<https://lewisham.gov.uk/myservices/business>

