

Appendix 1: GLA Group Savings and Collaboration text in the Mayor's Final Draft Budget 2023-24

Appendix G

GLA Group Savings and Collaboration

Shared services and closer working across the GLA Group and with external partners

The GLA has set a clear strategic direction to deliver efficiency and value through collaboration for all organisations in the GLA Group. Currently, there are many shared-service and collaborative arrangements between members of the GLA Group. These include formal contractual relationships that have been established, such as in the transport policing arrangement between MOPAC and TfL. Each arrangement is led by a member of the Group and some of the arrangements include a collaborative procurement programme; shared services such as treasury management, audit and financial services; and shared location arrangements. All are expected to deliver efficiency gains and/or cashable savings. A collaboration programme is in place, overseen by the GCB, in order to identify and deliver further efficiencies across the GLA Group in back office, and policy and delivery areas. Opportunities have been identified by deep dives into a number of back-office functions and policy areas to understand where the synergies are since July 2020.

Key current collaboration and shared services projects include:

- **The GLA Group Accommodation Strategy** outlines a strategic approach and direction of travel for greater estates collaboration among the GLA Group and Family Members. Its latest iteration, endorsed by the GCB, is seeking to deliver cumulative financial savings of £255m by 2029, which will be measured and reported annually. The key principles include a hybrid working model via shared hubs; a long-term preference for holding freehold over leasehold assets; and optimising underused space within the GLA Group and Family Members by subletting, exiting properties and disposals.
- **The GLA Group Collaborative Procurement** function is based on a low-cost delivery model, using existing TfL procurement infrastructure, resources and skills to deliver benefits through economies of scale and expertise. It is looking at bringing in significant cost savings by 2036 through various high-value procurements – particularly those in facilities management and IT.
- **The Human Resources Shared Service (HRSS)** was launched in October 2022, delivering shared payroll services to the GLA and OPDC via TfL's MyHR system. In this way it delivers a more consistent and standardised service with benefits covering shared learning, new technologies, and reduction to operational risk, amongst many others. Although this has required significant investment, it also enables potential future growth and collaboration throughout the GLA Group, creating greater scale efficiencies and cashable savings in the future.

- **An IT shared-services** project is currently under way to improve the IT service delivery functions of the GLA, the OPDC and MOPAC by bringing them under TfL's Technology and Data function. There is also the potential for other GLA Group organisations to join the shared service at a later date. This project will deliver savings across the Group in 2023-24 and onwards, whilst providing an enhanced end-user experience. This project has been identified as a strategic enabler supporting the cultural change required for the success of other projects such as HRSS, highlighted above.
- **A strategic talent management project** that is exploring how talent can best be attracted, managed and retained across the GLA Group. The aim is to develop efficiencies via a consistent approach to managing talent, with a focus on job opportunities, secondments and mentoring between GLA Group members.
- **The Energy Procurement programme**, which has been developed to help the GLA Group save money, decarbonise and manage risks through the collaborative procurement of corporate power purchase agreements (PPAs). The programme will contribute towards significant cost savings of approximately £87m, over the lifetime of the PPA, via lower energy costs and investment savings. The savings figure was included in the original business case, published in summer 2021, and will be revised when the new business case, taking into account current energy market conditions, is produced in the first half of 2023-24. The programme also supports the Mayor's aim for London to be a zero-carbon city by 2030, by helping decarbonise the energy supply of the entire GLA Group with total lifetime projected CO2 reductions of more than 900,000 tonnes.
- **The Electric Vehicle (EV) Infrastructure Delivery** project is looking to use land on the GLA Group estate to accommodate rapid EV charging infrastructure. In consultation with London boroughs, TfL is assessing the suitability of approximately 2,600 sites and will be releasing those that conform to initial feasibility checks to the market in batches. An invitation to tender for the first batch was launched on schedule, on 30 November 2022. Allowing charge-point operators access to GLA Group land will also address a key barrier relating to the installation of an EV infrastructure in London.