

## REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2695

### London Low-Carbon Market Snapshot Update research

#### Executive summary:

The GLA wishes to update London's Low-Carbon Market Snapshot, which has been used to quantify the size and nature of London's low-carbon and environmental goods and services sector since 2013. This will help us track progress against the Mayor's target of doubling the size of the green economy by 2030; and design future policies and programmes. This iteration of the research will include an expanded and improved set of priority sectors, developed in collaboration with London boroughs, London Councils and the sub-regional partnerships.

#### Decision:

That the Assistant Director of Environment and Energy approves up to £50,000 funding over three years (2023-24 to 2025-26) to carry out monitoring research of London's low-carbon and environmental goods and services sector; and deliver corresponding snapshot update reports.

#### AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT

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

It has my approval.

**Name:** Catherine Barber

**Position:** Assistant Director –  
Environment and Energy

**Signature:**



**Date:**

18/12/2023

## **PART I – NON-CONFIDENTIAL FACTS AND ADVICE**

### **Decision required – supporting report**

#### **1. Introduction and background**

- 1.1. The low-carbon and environmental goods and services (LCEGS) sector is the GLA's metric for the 'green economy'. This snapshot update will bring the time series up to date so that there is a comprehensive dataset to use in measuring the green economy. It will be consistent with the existing time series that the GLA has from 2007-08 to 2020-21; and will cover 2021-22, 2022-23 and 2023-24.
- 1.2. The data will be presented at London and sub-regionals level for all years; but will also provide a dataset that can be broken down to London-borough level if required by any London boroughs. The data will cover various areas of interest to the GLA and London boroughs, including forecast of sectoral growth in London over the next three to five years. It will also identify the strongest sub-sectors in London, and opportunities to develop economic activity and jobs in London; and facilitate an understanding of the impact and needs of LCEGS sectors and sub-sectors.
- 1.3. The GLA has carried out this research before. It would like to continue the 16-year dataset, to maintain the time series for the green economy dataset. It can then use this data to evaluate the impact of the Green New Deal (GND) mission. This iteration of the research will expand the dataset and methodology; and provide more detailed analysis of priority sectors, such as the circular economy.
- 1.4. The previous iteration of the research was approved in Assistant Director Decision 2508. The work outputs provided insight and intelligence on the LCEGS sector, and its sub-sectors, for use in the development, delivery and evaluation of the GND mission.
- 1.5. The GLA does not have internal capacity or access to data to carry out LCEGS analysis. Therefore, this work needs to be procured externally.
- 1.6. The GLA will be leading research procurement and management of the contract. The research specification is developed in consultation with representatives from GLA Environment and Skills policy teams; GLA Economics; London boroughs; sub-regional partnerships; and London Councils. Decisions will be taken in consultation with the technical advisory group, which will include representatives of said teams. This collaborative approach will ensure that research is relevant to the wider GLA and its priorities, while fostering collaboration with London boroughs and preventing duplication of effort and inconsistency in measuring the sector.
- 1.7. Project outputs include:
  - updated London datasets – 2021-22
  - updated London datasets – 2022-23
  - updated London datasets – 2023-24
  - growth forecasts and opportunities
  - analysis of sub-sectors and supply chains
  - proposed support programmes and supply chain analysis to support GND
  - export and trade datasets
  - new LCEGS sub-sector datasets

- comparisons with other sectors from London's economy also quantified using kMatrix methodology
- a list of selected businesses for developing a cleantech network
- national and regional mapping to identify supply-chain opportunities.

These deeper analysis outputs will be covered by this £50,000 tender; and will enable the GLA to commission future annual or two-yearly updates (estimated value £15,000).

## **2. Objectives and expected outcomes**

- 2.1. The GLA wants to update the dataset with data for 2021-22, 2022-23 and 2023-24, to continue the 16-year dataset for tracking the green economy. It will then use this data to evaluate the impact of the GND mission.
- 2.2. The first report, covering 2021-22, would be published in March 2024. The data (including the sector's market value; employment numbers; historic and forecasted growth rates; information on supply chains) will inform our work on, for example, green jobs and skills, and will help in future policy and programme design.

## **3. Equality comments**

- 3.1. Under section 149 of the Equality Act 2010, the Mayor and GLA are subject to the public sector equality duty and must have due regard to the need to:
  - eliminate unlawful discrimination, harassment and victimisation
  - advance equality of opportunity between people who share a relevant protected characteristic and those who do not
  - foster good relations between people who share a relevant protected characteristic and those who do not.
- 3.2. The "protected characteristics" are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation and marriage/civil partnership status. The duty involves having appropriate regard to these matters as they apply in the circumstances, including having regard to the need to: remove or minimise any disadvantage suffered by those who share or is connected to a protected; take steps to meet the different needs of such people; encourage them to participate in public life or in any other activity where their participation is disproportionately low. This can involve treating people with a protected characteristic more favourably than those without one.
- 3.3. This project does not have negative equalities impacts as it is monitoring research. It continues the research that the GLA has carried out before, and no negative impacts have been observed.
- 3.4. The research will provide a more detailed insight into LCEGS sector and priority sub-sectors. It will provide intelligence and insights to develop programmes and projects that the Mayor and London boroughs can support to help grow the green economy; generate jobs for Londoners and market opportunity for London's businesses whilst helping to solve the environmental challenges that London and other cities are facing.

## **4. Other considerations**

Risks

4.1. There is low risk attached to the proposal, as it is data-driven and evidence-based research.

4.2. The table below covers research-level risks:

| <b>Risk description</b>                                                                                                                                                  | <b>Mitigation/risk response</b>                                                                                | <b>Probability (1-4)</b> | <b>Impact (1-4)</b> | <b>RAG</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|--------------------------|---------------------|------------|
| There is a research-level risk that expanded specification that integrates more priority sectors may not receive interested bidders, hindering delivery of the research. | The methodologies for both parts of research have been developed and we would welcome joint bids from experts. | 2                        | 2                   | A          |
| There is a research-level risk that timeframes to deliver the first output are too short, affecting the delivery schedule                                                | The first output considers an update to the existing research which should mitigate against.                   | 2                        | 2                   | A          |

#### Links to Mayoral strategies and priorities

- 4.3. The Mayor published his London Environment Strategy (LES) in July 2018, and his Economic Development Strategy (EDS) in 2019. The transition to a low-carbon circular economy is an integral part of each of these strategies. The approach for delivering this transition is for the LES to create demand for it by setting a strong environmental policy framework; and the EDS to stimulate the supply-side to meet this demand by supporting businesses and developing skills for workers, so that they are aware of, and competitive in, this market.
- 4.4. A target was set as part of London's green recovery from the pandemic to double the value of the green economy by 2030 (measured by the value of LCEGS sales). The GND and Helping Londoners into Good Work missions are both focused on supporting this goal.
- 4.5. London's Low-Carbon Market Snapshot has been used to quantify the size and nature of London's LCEGS sector since 2013. This has since been used as a proxy for the cleantech sector/the green economy as an effective way to estimate activity across the economy (helping to reduce carbon emissions and consumption of natural resources); and to track the growth of the green economy.

#### GDPR, conflicts of interest and procurement

- 4.6. The project will not be processing any sensitive personal data.
- 4.7. There are no conflicts of interest to declare from any officers involved in the drafting or clearance of this decision form.
- 4.8. Procurement will be carried out in accordance with the GLA Contracts and Funding Code.

## **5. Financial comments**

- 5.1. Approval is requested for expenditure of up to £50,000 to carry out monitoring research of the London LCEGS sector and deliver corresponding snapshot update reports.
- 5.2. This expenditure will occur across 2023-24, 2024-25 and 2025-26. The exact profile of expenditure is to be confirmed but it is expected to be phased towards the beginning of the project.
- 5.3. This expenditure will be funded from within the GND Strategy budget within the Environment Unit. There is budget available within the Strategy team's approved budget to cover any expenditure within the current financial year. Budget for future financial year's is subject to approval as part of the

Mayor's formal budget-setting process. To mitigate the risk of the project being insufficiently resourced in future years any contracts should include break clauses that can be exercised if required.

## **6. Planned delivery approach and next steps**

- 6.1. Research will be delivered in stages as it is a three-year research project. The first high-level report will be delivered by the end of 2023-24. The subsequent detailed analysis will be delivered in summer 2024. The final iteration of the LCEGS data for London will be delivered in 2025.

| <b>Activity</b>                                 | <b>Timeline</b>     |
|-------------------------------------------------|---------------------|
| Procurement of contract                         | w/c 22 January 2024 |
| Delivery start date                             | w/c 22 January 2024 |
| Delivery of updated London datasets for 2021-22 | 20 February 2024    |
| Delivery of follow up detailed analysis         | 28 May 2024         |
| Delivery of updated London datasets for 2022-23 | 30 June 2024        |
| Finalisation of reports                         | 30 July 2024        |
| Delivery of updated London datasets for 2023-24 | 30 June 2025        |
| Delivery end date                               | 30 July 2025        |

### **Appendices and supporting papers:**

None.

### Public access to information

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

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will be published either within one working day after it has been approved or on the defer date.

### Part 1 - Deferral

**Is the publication of Part 1 of this approval to be deferred? NO**

### Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under the FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO**

### ORIGINATING OFFICER DECLARATION:

Drafting officer to  
confirm the  
following (✓)

#### Drafting officer:

Gintare Masiulyte has drafted this report in accordance with GLA procedures and confirms the following:

✓

#### Corporate Investment Board

A summary of this decision was reviewed by the Corporate Investment Board on 18 December 2023.

✓

### ASSISTANT DIRECTOR FINANCIAL SERVICES:

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

#### Signature:



#### Date:

19/12/2023