GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION - MD3297

Title: The Mayor of London Net Zero Schools Programme

Executive Summary:

The Mayor wants to help schools in London reach net zero as part of his ambition to make London a net-zero carbon city by 2030. This decision form seeks approval for funding to run an initial pilot Net Zero Schools programme to be concluded in Summer 2025, which will provide the foundations for an expanded programme in subsequent years, should further external funding be secured.

The pilot programme will work with London Boroughs, schools, young Londoners and other delivery partners to identify scalable approaches to Net Zero Schools roll out. It will support measures such as solar panel installations in schools to generate clean energy, heat pumps rollout, and the retrofit of school buildings to make them more energy efficient and more resilient to the impact of climate change to prevent lost days of schooling. The initiative aims to help schools reduce their energy bills and reinvest these savings into their core education mission.

This MD also outlines associated plans and activities to design and implement the potential longer-term programme.

Decision:

That the Mayor approves:

- £2m capital expenditure for the first 'Pilot' phase of the of the Net Zero Schools Programme to cover the cost of installation of net zero and climate resilience measures
- £500,000 revenue expenditure for the first 'Pilot' phase of the of the Net Zero Schools Programme to cover the cost of Strategic Partners, Commercial and Programme Management and Staffing.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:

Date:

16/10/14

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required - supporting report

1. Introduction and background

Background

- 1.1 The Mayor wants to make London a net zero-carbon city by 2030, whilst protecting the most vulnerable Londoners from fuel poverty. This is an extensive ambition, given the scale of interventions required and the low take-up of energy-efficiency measures across London.
- 1.2 Public sector buildings contribute to nine per cent of emissions from buildings in London, and education settings (including schools) make up a third of public sector floorspace, contributing significantly to emissions from the built environment.
- 1.3 London schools are already in poor condition and lack the capacity to deliver basic improvements let alone the retrofit measures they so desperately need. More than half of London schools have uninsulated walls and face the risk of asbestos. This is only set to get worse as extreme weather events become more common. There is therefore a critical need for schools to be supported to implement net zero interventions to improve the learning environment for young Londoners.
- 1.4 Nationally, retrofitting schools could reduce the total school fuel bill by £32m-99m per year by 2050, roughly £11,000-35,000 per school. It will reduce air quality damage costs by £2m per year and support around 3,500 new jobs per year. Across London, £1-3m is required per school to implement retrofit measures. Since London represents 12 per cent of the UK's schools, designing replicable and impactful approaches to help London schools reach net zero has the potential to inform future regional and national schools retrofit programmes.
- 1.5 The Mayor is committed to supporting the roll out of heat pumps, solar panels and retrofit measures in school buildings to make schools more energy efficient and resilient to the impact of climate change and to prevent lost days of schooling. This would help schools save on energy costs to spend more money on young Londoners rather than increasing the profits of energy companies.
- 1.6 Helping schools to reach net zero will enable them not only to cut their energy bills, but to become major sources of energy generation. Taken together, the rooftops of London's schools could produce the output equivalent to a new power station.
- 1.7 The pilot Mayor of London Net Zero Schools Programme ('the Pilot') will trial different approaches to decarbonising London schools, working in close collaboration with London Boroughs, schools, young Londoners and local communities including community energy groups. Learnings from the Pilot will inform the design of an expanded programme in subsequent years, which would aim to maximise the opportunities to scale up and leverage additional funding.
- 1.8 As part of designing and implementing the Pilot, the GLA will work with partners to identify cost-effective net zero schools' delivery model(s) that could be scaled-up across London schools. There is an opportunity to leverage the role of schools as a catalyst to make London a net zero city and to bring London communities together.
- 1.9 Funding approved under this MD will enable the following activities to be delivered as part of the Pilot:

¹ National Audit Office, 2023. Condition of School Buildings.

- identifying a set of London boroughs (three to four) to participate in the Pilot between
 November 2024 and Summer 2025 priority will be given to boroughs that demonstrate
 capacity to set up the programme for success (which may include the provision of match
 funding) and to scale up in future years, should external funding be secured. Once borough
 partners have been identified, schools will be enrolled in the pilot based on a set of criteria (e.g.
 state of progress on decarbonisation plans; location priority given to schools located in areas
 of higher deprivation/schools Superzones and with higher number of students on free school
 meals; building typology the aim is to trial interventions in different types of building reflecting
 London's diverse building stock; and delivery confidence)
- appointing a Strategic Partner to support selected boroughs to develop delivery plans and roll
 out agreed net zero interventions in pilot schools (to be completed by Summer 2025)
- working with the appointed Strategic Partner to lead on learning from the Pilot and support
 programme design and stakeholder engagement activities including identifying what
 interventions deliver the highest impact for London schools, assessing the funding models and
 partnerships needed to support scaling up, and establishing a roadmap for rolling out a higher
 number of net zero schools' interventions in future years.
- 1.10 For subsequent years (2025-26 onwards), the Programme will seek to attract additional funding from central government and other sources to broaden its reach and impact and enable scaling up across London. Evidence from the Pilot will be used to support this.
- 1.11 The Pilot will put a strong emphasis on engaging young Londoners through climate literacy and education initiatives, and through providing students with opportunities to engage in the design, promotion and evaluation of net zero school initiatives in their communities.
- 1.12 Existing funds available for schools for net zero and climate resilience interventions are usually insufficient on their own. Therefore, there is a need to coordinate schools' and London boroughs' efforts to leverage funding at scale, and to design a method of delivering interventions that achieves greater impact and helps schools save money. The GLA is uniquely placed to support this given its cross-London reach, and the Pilot and longer-term programme will be designed to reduce the administrative burden on boroughs and schools and support the implementation of net zero and climate resilient measures at pace and scale across the capital.
- 1.13 The GLA's current service model across the Mayor's Zero Carbon Accelerator and London Community Energy Fund (among others), provides policy advice, stimulus funding, and an ability to connect boroughs and other public sector/community organisations with technical, financial, or monitoring support to successfully implement net zero interventions. These delivery models will support and inform the Programme's design and implementation.
- 1.14 The GLA's efforts through the Pilot will focus on setting up a delivery model which could be tested, implemented, improved, and scaled up throughout the longer-term programme in collaboration with relevant stakeholders.

Roles and responsibilities

1.15 The GLA will act as a programme design authority, working with a Strategic Partner who will act as a technical expert and lead on stakeholder engagement and evaluation of the Pilot to identify interventions that work and can be rolled out at scale across London schools. The delivery of net zero interventions supported through the Pilot will be primarily led by boroughs, and other relevant partner organisations (e.g. community energy groups), with technical support from the Strategic Partner. We want the delivery to be non-disruptive to schools as much as possible.

2. Objectives and expected outcomes

- 2.1 The aim of this Pilot is to work with a selected number of schools, boroughs, a Strategic Partner and other relevant organisations (e.g. community energy groups) to identify repeatable approaches to net zero schools roll out and to generate savings for participating schools, enabling them to allocate additional funds to their core missions (i.e. education). The Pilot will inform the Net Zero Schools Programme design going forward which will advance the Mayor's ambition for London to be net zero by 2030 and to support young Londoners. The primary objectives of this Pilot are:
 - to design a scalable, repeatable approach to Net Zero Schools delivery with schools, students, local authorities, communities and technical partners and to pilot its rollout
 - the pilot will aim to demonstrate the savings that could be made to the government boroughs' for their education budgets
 - to reduce emissions and generate financial savings for participating schools once interventions have been implemented
 - to identify a pipeline of projects and solutions that could be rolled out with greater funding/financing
 - to generate a pipeline of activity and jobs for Londoners and London based SMEs.
- 2.2 In addition to the objectives identified above, if further external funding could be secured to deliver a multi-year programme it could contribute to achieving the following outcomes:
 - to reduce London's emissions from the non-domestic sector and accelerate progress towards the Mayor's Net Zero 2030 target
 - to create a blueprint for Net Zero Schools delivery including appropriate business models that can be replicated at scale across London and in the UK, informing the design of future national government schemes
 - to deliver environmental, financial and educational benefits for schools, through improving learning environments, reducing schools' carbon footprints and cutting energy bills
 - to lead by example: schools are catalysts for change and for inspiring future generations to take action to tackle the climate crisis.

3. Equality comments

- 3.1 Under Section 149 of the Equality Act 2010, as a public authority, the GLA is 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 Protected characteristics under section 4 of the Equality Act are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sex orientation, and marriage or civil partnership status (all except the last being "relevant" protected characteristics).

- 3.3 The GLA will take appropriate steps to ensure there are no potential negative impacts on those with protected characteristics in relation to the development, design, targeting, marketing, and delivery of the scheme. This will be done by ensuring compliance with the Mayor's Equality, Diversity and Inclusion Strategy and developing and testing in line with GLA guidance on equalities and diversity. Those with protected characteristics will gain from the positive benefits of this scheme in equal measure should their households be eligible, and there will be equality of access to participate in the delivery and benefit from the scheme, without discrimination.
- 3.4 Efforts will be made to reach schools in more income-deprived areas as a priority for the Pilot programme and subsequent phases (should further funding be available).
- 3.5 The programme has been designed in line with the London Environment Strategy and the proposals were tested to ensure they had due regard to the public sector quality duty.

4. Other considerations

Links to Mayoral strategies and priorities

- 4.1 The Pilot will contribute towards a broad range of objectives, policy and proposals in the London Environment Strategy and the Mayor's Pathways to Net Zero by 2030, as set out below:
 - proposal 6.1.1b pilot innovative methods to implement the stronger energy-efficiency retrofitting needed
 - policy 6.1.3 improve the energy efficiency of London's workplaces and support the transition to low carbon heating and power
 - proposal 6.1.3.a provide direct technical support and assistance to help reduce CO2 emissions and energy within the public sector
 - policy 6.2.1 delivering more decentralised energy in London
 - proposal 6.2.1b increase the amount of solar generation in London including through community energy projects.
- 4.2 The Pilot also assists the delivery of the Mayor's Solar Action Plan to "...encourage public sector organisations and providers of social housing to retrofit solar energy technologies on buildings by promoting the use of technical assistance programmes...".
- 4.3 The Pilot and any longer-term programme which follows it will help strengthen and continue the legacy of the Mayor's net zero and climate resilience initiatives across the city, as well as other schools programmes including the GLA Climate Resilient schools programme, the Free School Meals initiative, the GLA Zero carbon Accelerators Programme, the School Superzone initiative.

Relevance to other local and national initiatives

- 4.4 This Pilot and any subsequent programme will be designed to align with the Great British Energy (GB Energy) Local Power Plan, which is expected to invest significantly in clean energy projects in community buildings and schools.
- 4.5 This Pilot will support the scaling up of individual school initiatives across London. Schools and councils in London mostly use a combination of loans and Public Sector Decarbonisation Scheme (PSDS) funding to pay for climate measures in schools. Schools also use Department for Education capital funding pots to tackle safety and quality problems, and some have run schools projects using Carbon Offset Funds, community energy and share schemes and minor works budgets. There are also small funding pots and programmes available linked to adaptation and resilience. The Pilot will aim to

work with boroughs that can provide match funding through some or all of these routes, in order to maximise the value achieved through any GLA funding, as well as providing learning and best practice to support wider sector and borough initiatives.

4.6 Net zero carbon policies: this project will align with the strategies and policies that fall under the general auspices of the 2008 Climate Change Act, including Powering Up Britain: Net Zero Growth Plan, MEES, Heat and Buildings Strategy. Decarbonising schooling is explicitly referenced in the Powering Up Britain: Net Zero Growth Plan. There are no other major, active strategies that currently address this need directly. The longer-term Net Zero Schools Programme will be designed to be a major response to Powering Up Britain focused on the schools' sector.

Key risks

Risk no.	Risk	Likelihood (1-4)	Impact (1-4)	Rating	Mitigation
1	Poor levels of engagement due to competing priorities by schools	3	4	12	 Identify already engaged/supported schools with the delivery model design for better engagement. Engage all stakeholders early on with a clear calendar of engagements.
2	No resources identified to deliver	3	4	12	 £500k assigned to resourcing including programme-funded staffing. A programme delivery unit team of approximately 3 FTE and a Strategic Partner support delivery, with the latter brought on early in the process. Commercial and Programme Management support would be deployed from the GLA to support the Boroughs and Schools appropriately.
3	There is no GLA funding post-Pilot, and the programme fails to secure central government funding.	3	4	12	 Boroughs can continue to apply for PSDS funding for London schools but with greater coordination via the programme and enhanced technical support through the Mayor's Zero Carbon

					Accelerator and London Community Energy Fund. Clear communication and engagement at official and political levels to ensure higher chances of improved funding from government.
4	The required operational capabilities and service changes are not delivered, and the model cannot be rolled out at scale.	3	3	9	 Appropriate coordination function and periodic review points established at design stage.
5	Key success, including relevant technical support are not secured/provided.	3	3	9	 Detailed design and accurate appraisal of providers. Early engagement with stakeholders.
6	Poor data prevents planning at scale	3	3	9	 Procure Strategic Partner with capability to collect data.
7	Pressure to deliver this programme within short timeframes lead to a lack of coordination of other GLA schools/environment programmes	3	2	6	 Continue engaging with other GLA teams and programmes during programme design and pilot implementation. Identify opportunities to connect with other initiatives during design phase and translate into strategies for scaling up.

Conflicts of interest

4.7 None of the officers involved in the drafting or clearance of this decision form have any conflicts of interest.

5. Financial comments

- 5.1 Approval is requested for expenditure of £2.5m to roll out the Pilot Net Zero Schools programme. This expenditure will be comprised of:
 - £2m capital expenditure for the Pilot to cover the cost of installation of net zero and climate resilience measures
 - £500k revenue expenditure for the Pilot to cover the cost of Strategic Partners, commercial and programme management and staffing.
- 5.2 The estimated profile of the expenditure is shown below:

2024-25		2025-26		
Capital	£1,500,000	£500,000		
Revenue	£250,000	£250,000		

- 5.3 The capital expenditure is to be funded from the Environment and Energy unit's existing 2024-25 capital budget with any underspend carried over to cover the 2025-26 costs.
- 5.4 The revenue expenditure for 2024-25 will be funded from unspent funds within the Environment and Energy unit's 2024-25 approved revenue budget. This will require the use of some programme funds to pay for staffing costs. There is no allocated revenue budget for this in 2025-26 financial year. This programme is being considered for funding as part of the Mayor's budget setting process for 2025-26. Should no additional funding be identified as part of the budget setting process then this expenditure will need to be a first call on Environment and Energy unit core funds.
- 5.5 All relevant budget adjustments will be made.

6. Legal comments

- 6.1 The foregoing sections of this report indicate that the decisions sought concern the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further, or that are facilitative of, or conducive or incidental to, the promotion of the improvement of the environment in Greater London. In formulating the proposals in respect of which a decision is sought, officers must comply with the GLA's related statutory duties to:
 - pay due regard to the principle that there should be equality of opportunity for all people
 - consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom
 - consult with appropriate bodies.
- 6.2 In taking any decisions sought, the Mayor must have due regard to the Public Sector Equality Duty namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010; and to advance equality of opportunity, and foster good relations, between persons who share a relevant protected characteristic (race, disability, sex, age, sexual orientation, religion, gender reassignment) and persons who do not (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 (above) of this report.
- 6.3 If the Mayor makes the decisions sought, officers must ensure that:
 - no reliance is placed, nor commitments made which rely upon the availability of future years budgets, or any third-party funding which is not yet secured either by definitive GLA approval or in the case of third-party funding, binding legal commitments from the funders
 - any award of grant funding is made:
 - o fairly, transparently, in accordance with the GLA's equalities requirements and with the requirements of GLA's Contracts and Funding Code and funding agreements are put in place between and executed by the GLA and recipients before any commitment to fund is made
 - o in compliance with the principles set out in the Subsidy Control Act 2022; and, where the total of such funding to any one recipient exceeds £100,000 in aggregate (whether approved under cover of this or any other approval paper), they register the grant on the Department for Business, Energy, and Industrial Strategy's Transparency Database

- all services, supplies or works required are procured in liaison with TfL Procurement and in accordance with the GLA's Contracts and Funding Code; and contracts are put in place between and executed by the GLA and contractors before commencement of such services
- if there, is a desire to "roll-out" related activity, if the proposed pilot activity is considered successful, that the processes for the award of funding and/or procurement of associated contracts include such options and/or the arrangements for such "roll-out" activity are procured competitively
- to the extent that the activity approved concerns the creation of new posts, all applicable GLA HR protocols and procedures are followed, and approvals obtained.

7. Planned delivery approach and next steps

Activity	Timeline
Pilot design – including selection criteria to select pilot schools	October 2024
Selection of strategic partner	November 2024
Project launch, including announcement of schools participating in the Pilot Initiative	November 2024
Stakeholder workshops to outline interventions to be piloted and agree schedule of work	November 2024
Procurement (incl. funding transfer and procurement of installers)	December 2024 – February 2025
Initial installations completed	June 2025
Final evaluation of the pilot completed with recommendations for future programme design	August 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 either be published within one working day after it has been approved <u>or</u> 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 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:	
Enora Robin has drafted this report in accordance with GLA procedures and confirms the following:	√
Sponsoring Director:	
Philip Graham has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.	√
Mayoral Adviser:	
Mete Coban has been consulted about the proposal and agrees the recommendations.	√
Advice:	✓
The Finance and Legal teams have commented on this proposal.	
Mayoral Delivery Board	
This decision was agreed by the Mayoral Delivery Board on 14 October 2024	✓

CHIEF FINANCE OFFICER:

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

Signature:

Date:

Fayllinment

14/10/2024

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature:

Date:

14/10/2024