

**REQUEST FOR DIRECTOR DECISION – DD2727**

**Infrastructure Coordination Service – Integrated Water Management Strategies Programme**

**Executive summary:**

The Infrastructure Coordination Service (ICS) is seeking approval to spend £112,050 from the GLA’s 2024-25 and 2025-26 budgets, to support the GLA’s Integrated Water Management Strategies (IWMS) programme. IWMSs offer a joined-up approach to water management; and are key to supporting a system-based approach to London’s water networks. This is critical for improved climate resilience in London.

The London Climate Resilience Review (LCRR) recommends rolling out IWMSs more widely, in collaboration with stakeholders, to address challenges around flooding, water quality and water supply. This work will help develop planning policy at the London-wide and local levels. It will also give key stakeholders (such as Thames Water, the Environment Agency and local authorities) the evidence they need to improve alignment across their investment plans and, where relevant, present regulators with a strong case for any changes.

Aligning investment plans and improving planning policy are the first steps toward improved outcomes on the ground—for example, by changing how much water new developments use in order to preserve water for drinking and improve the health of rivers, whilst avoiding unintended consequences.

In addition to delivering IWMSs, this programme will deliver a digital platform to host data outputs from IWMS studies. These outputs will help further in aligning stakeholders’ plans.

The workstreams outlined here cover activity in year one of the proposed programme. Following an initial pan-London study, we expect to commission additional, targeted IWMSs. In addition to this, the user research covered here will be used to support the development of an improved digital tool.

This programme of work responds to the objectives of the Upgrading London’s Infrastructure mandate. It helps in implementing the LCRR and wider work on the London Surface Water Strategy; prioritising and scaling up the delivery of sustainable drainage systems; and supporting the Clean and Healthy Waterways programme ambitions.

**Decision:**

That the Executive Director of Good Growth approves the GLA’s revenue expenditure of £112,050 (£53,500 in 2024-25 and £58,550 in 2025-26), toward the Integrated Water Management Strategies programme.

**AUTHORISING DIRECTOR**

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:** Philip Graham

**Position:** Executive Director, Good Growth

**Signature:**



**Date:**

03/12/2024

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

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

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

- 1.1. Climate change will have a significant impact on London's water systems. Higher temperatures and more frequent storms will lead to more flooding. Drier summers will lead to higher risks of drought and reduced water supply. Additionally, our rivers provide a unique resource and opportunity, in terms of biodiversity and amenity, that will improve health and wellbeing for Londoners, but are not resilient to changes in flows caused by climate change. Management of London's water resources is split across multiple stakeholders with different mandates and priorities. Therefore, our ambition is to create an aligned, system-wide understanding of water priorities, so as to deliver them in a holistic way through integrated water management.
- 1.2. In recent years, the GLA has successfully delivered several local Integrated Water Management Strategies (IWMSs) across London. These offer a joined-up approach to water management, and are widely endorsed by the sector. Recently, the GLA piloted a Subregional Integrated Water Management Strategy for East London (the pilot SIWMS) spanning seven local authorities across the Lea River basin. This study benefited from economies of scale; and used a systems approach to identify the unintended consequences of planned interventions, and misalignment of plans, across water networks. This has formed the basis for building consensus, informing planning policy, and providing the evidence so that key stakeholders (such as Thames Water, the Environment Agency and local authorities) can align their investment plans (and, where relevant, present regulators with a good case for these changes).
- 1.3. Based on the success of the pilot SIWMS, the London Climate Resilience Review (LCRR) (published in July) has recommended applying a similar systems approach to the rest of London. This programme of work will also respond to the objectives set out in the Upgrading London's Infrastructure mandate, as a key activity of the Infrastructure Coordination Service (ICS), from 2024 to 2027, as well as to those of the Delivering a Greener and More Resilient London mandate.
- 1.4. The purpose of the IWMS programme is to introduce a systems approach to water management in London. This programme consists of several workstreams – including undertaking London-wide IWMS investigations; commissioning subsequent IWMSs at the subregional or more targeted scale; developing a digital platform to host data outputs from these studies; and helping to implement recommendations from IWMSs.
- 1.5. The first year of the proposed programme, for which this Decision seeks funding, consists of baseline research to be undertaken in 2024-25 and 2025-26. The London-wide IWMS investigations will provide technical evidence to inform the commissioning of future IWMSs across London, and to lower their cost. User requirements and use-case testing will also be commissioned in year one; this will inform the development of a digital platform to host data resulting from the IWMS programme.
- 1.6. The overall level of revenue expenditure requested is £112,050 for a 12-month work programme running across 2024-25 and 2025-26. The workstreams that this will cover are detailed below:
  - Delivering London-wide IWMS investigations: The findings from this work will indicate the ideal locations and scale for IWMSs in the second and third years of the programme. These investigations will also inform policy development and priorities across London; and identify opportunities for stakeholders to better align plans.
  - Appointing a Technical Advisory Panel: The panel will provide expertise on drainage and wastewater, flooding, water resource management, and river health (and associated modelling) to inform the London-wide IWMS strategic investigations. Although these investigations build on the systems approach tested in the pilot SIWMS, they will involve novel aspects (such as pan-London meta-modelling), so access to specific technical expertise is required to ensure quality and value for money.

- Delivering a IWMS digital platform – user requirements discovery: The pilot SIWMS project explored the development of a digital platform; the GLA has since developed a minimum viable product (MVP) in-house. The next stage of the project will identify detailed user requirements and carry out use-case testing, and the findings of this discovery project will shape the full-scale IWMS digital platform in the second and third years of the IWMS programme.

1.7. The IWMS programme is being delivered with strong support from local authorities, Thames Water and the Environment Agency. These last two had significant involvement in the pilot SIWMS; and have been involved developing the ongoing work programme. A memorandum of understanding between these two bodies and the GLA is being developed to formalise their future involvement.

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

- 2.1. The IWMS programme will provide an improved understanding of water-related challenges across London. These challenges include flooding; securing resilient water supplies; and improving river health. This is critical to ensure that action to improve London's resilience to climate change is well-targeted, and to maximise opportunities for future investment.
- 2.2. This programme will deliver on the LCRR's recommendation to roll out IWMSs in the most impactful way for London. This work will support the Mayor's manifesto pledge to achieve cleaner and healthier waterways, promoting action to drive forward a reduction in surface-water flooding, and facilitating the mapping and prioritisation aspects of the surface-water strategy.
- 2.3. Different stakeholders have responsibility for addressing different challenges in the water system, even though water quality, flood risk and water supply are all interconnected. Misalignment between these stakeholder plans and investments result in increased risks due to unintended consequences and missed opportunities to fund interventions with multiple benefits. The IWMS programme aims to overcome this.
- 2.4. IWMSs add most value in basins where there are complex interdependencies between various aspects of the water system. This means IWMSs should be targeted strategically at areas needing them most. Evidence drawn from the London-wide IWMS investigations will inform how subsequent IWMSs are commissioned, in locations where the methodology can leverage maximum impact.
- 2.5. Through this work and subsequent IWMSs, boroughs and the GLA will be able to use technical analysis to further develop water policy. IWMSs are also key in Thames Water making the case to its regulator that the need for investment in London, and the investment priorities to address customer needs, are evidence-based. The outputs from the London-wide investigations and IWMSs will support better alignment between Thames Water's business plans and other stakeholders' investment plans.
- 2.6. Aligning investment plans and improving planning policy are the first steps toward improved outcomes on the ground. For example, planning policies dictate how much water new developments use, and by changing this appropriately, London's water resources will be preserved for drinking and the health of rivers improved without unintended consequences. This work will also highlight areas where investment will have the biggest impact on flood risk, again targeting interventions that avoid negative impacts to other parts of the water systems. This could help to unlock widespread deployment of sustainable drainage systems (SuDS), for example, which reduce surface water flooding by allowing water to infiltrate rather than run off into the sewer system, as well as delivering amenity and water quality benefits by improving blue-green spaces in our communities.

## **3. Equality comments**

- 3.1. Under section 149 of the Equality Act 2010, the Mayor and the GLA are subject to the public sector equality duty. They must have due regard to the need to: eliminate unlawful discrimination,

harassment and victimisation; and advance equality of opportunity, and 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 the need to: remove or minimise any disadvantage suffered by those who share or are connected to a protected characteristic; take steps to meet the different needs of such people; and 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. In line with the Mayor's ambitions, the ICS aims to improve all Londoners' access to essential services and housing.
- 3.4. The London-wide IWMS investigation will provide evidence to inform the London Plan and borough policies for growth and resilience.
- 3.5. The IWMS work will support the Climate Adaptation team to enable Londoners to adapt and be more resilient to the growing issues of water scarcity, and poor water quality, in the face of climate change. Marginalised communities, and groups with protected characteristics, are often disproportionately affected by climate change risks such as flooding and water scarcity. The London-wide IWMS investigations will identify areas currently prone to floods or at future risk of flooding, and ways to increase community resilience.
- 3.6. Marginalised communities and groups with protected characteristics are also often disproportionately impacted by a lack of access to blue and green spaces. The IWMS programme can help improve water quality in London's rivers, by identifying harmful interactions in the whole water system and interventions where primary or secondary impacts would have a positive effect.
- 3.7. The GLA Infrastructure team convenes the Infrastructure Advisory Panel and the Young Professionals Panel to advise on its work. Both panels bring together a diverse range of leaders in the infrastructure sector to contribute to, challenge and inform the infrastructure team's work programme. This ensures the ICS's contributions are informed by diverse perspectives.

#### 4. Other considerations

- 4.1. Risks around continued IWMS programme work delivery are detailed in the table below:

Risk	Mitigation/response	Probability	Impact	Overall
Stakeholder expectations are not met, resulting in reputational risk to the GLA	<ul style="list-style-type: none"> <li>Longstanding stakeholder involvement in designing work programme to ensure aligned expectations.</li> <li>Agreement of a comprehensive work programme with clear delivery targets.</li> <li>Dedicated Engagement and Delivery team focused on communicating projects and initiatives on an ongoing basis.</li> <li>Regular updates to the Mayor's London Infrastructure Group.</li> </ul>	Low	High	Amber
Project milestones are not met, or are not met on time	<ul style="list-style-type: none"> <li>Team in place with dedicated resources to ensure work is kept on track and on budget, and procurement timelines are met.</li> <li>A dedicated Engagement and Delivery team in place to ensure procurement timelines are met.</li> </ul>	Low	Medium	Green

Aspects of the project do not deliver expected benefits	<ul style="list-style-type: none"> <li>The pilot SIWMS has created a strong evidence base of the system approach's benefits, ahead of a London-wide rollout.</li> <li>A TAP has been appointed to support novel aspects of the work; and to give the GLA, stakeholders and appointed consultants a sounding board when navigating uncertainty.</li> <li>Monitoring and evaluation will allow the team to assess ongoing benefits. The work programme will be adjusted accordingly.</li> </ul>	Low	High	Amber
London boroughs do not engage fully in the programme	<ul style="list-style-type: none"> <li>The pilot SIWMS demonstrated strong interest from boroughs involved. The steering group still meets post project completion, and the boroughs will be involved in the IWMS digital platform: user requirements discovery.</li> <li>Initial investigations can be undertaken with limited asks on boroughs' time, due to the pan-London, strategic nature of the study. Before deciding on where to carry out subsequent IWMSs, there will be engagement with London boroughs in potential study areas (see below).</li> <li>Borough engagement will occur in year two of the IWMS programme, following the steering group model of the pilot SIWMS. This will include discussing the technical findings of the London-wide IWMS investigations; and confirming involvement from London boroughs, before starting subsequent IWMSs.</li> </ul>	Low	High	Amber

4.2. Links to Mayoral strategies and priorities are detailed in the table below:

Strategy	Links
Environment Strategy	<ul style="list-style-type: none"> <li>Work with stakeholders to improve London's sewerage system so it is sustainable, resilient and cost-effective; and makes best use of innovation.</li> <li>Reduce risks and impacts of flooding in London on people and property; and improve water quality in London's rivers and waterways.</li> <li>Improve the efficiency of London's energy and water distribution networks, by improving coordination and master planning between providers; and between providers, boroughs and developers.</li> <li>Ensure long-term water resources and supply, to address risks of extreme heat and drought.</li> <li>Improve water quality in London's rivers; identify potential sources of pollution and pathways to improvement.</li> </ul>
Housing Strategy	<ul style="list-style-type: none"> <li>Help to improve viability of development by testing growth scenarios relative to capacity.</li> </ul>
The London Plan	<ul style="list-style-type: none"> <li>Make infrastructure assets and developments more efficient and resilient by engaging with providers at an earlier stage; and facilitate investment ahead of demand in utilities infrastructure.</li> </ul>

The Mayor's Equality, Diversity and Inclusion Strategy	<ul style="list-style-type: none"> <li>• Work with partner organisations to improve diversity and inclusion across the infrastructure sector.</li> </ul>
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4.3. No one involved in the drafting or clearance of this document has any conflicts of interest to declare.

## 5. Financial comments

- 5.1. Approval is sought to spend up to £112,050 to deliver London-wide IWMS investigations and the IWMS digital platform, and to fund the TAP to support this delivery.
- 5.2. This work is to be funded by the Climate Change Adaptation budget within the Environment Unit's approved budget for 2024-25 and within the draft budget for 2025-26. The 2025-26 budget requires formal approval as part of the Mayor's budget-setting process. As such, exercisable break clauses should be included within any contracts, to mitigate the risk of the project being insufficiently resourced in future years following the budget-setting process.
- 5.3. Although the budget for this work is from the Climate Change Adaptation budget, the work will be delivered by the ICS. This will require a virement of budget between Units.
- 5.4. The expected profile of the expenditure for this programme is shown in the table below:

<b>Expenditure</b>	<b>2024-25</b>	<b>2025-26</b>	<b>Total</b>
London-wide IWMS strategic investigations	£35,000	£40,000	<b>£75,000</b>
TAP to support London-wide IWMS strategic investigations	£6,000	£6,050	<b>£12,050</b>
IWMS digital platform: user requirements discovery	£12,500	£12,500	<b>£25,000</b>
<b>Total</b>	<b>£53,500</b>	<b>£58,550</b>	<b>£112,050</b>

## 6. Legal comments

- 6.1. The foregoing sections of this report indicate that the decisions requested of the Executive Director of Good Growth, in accordance with their delegated authority granted under MD3080, 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 economic development and wealth creation, social development, and the improvement of the environment in Greater London. In formulating the proposals in respect of which a decision is sought, officers have complied 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 UK
  - consult with appropriate bodies.
- 6.2. In taking this decision, the Executive Director of Good Growth should have due regard to the public sector equality duty under section 149 of the Equality Act 2010 – namely, the need to: eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act; and advance equality of opportunity, and foster good relations, between persons who share a relevant protected characteristic and persons who do not. This requirement is addressed at section 3, above.

- 6.3. All procurements of works, services and supplies required for the project must be procured in accordance with the GLA's Contracts and Funding Code (the Code); and, where the value exceeds £150,000, the Public Contracts Regulations 2015 (the Regulations). Furthermore, the officers must liaise with TfL's procurement and supply chain team, which will determine the detail of the procurement strategy to be adopted in accordance with the Code and the Regulations. Officers must ensure that appropriate contractual documentation is put in place and executed by the chosen service provider/supplier and the GLA before the attendant works, services or supplies begin.

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

- 7.1. Project timelines are captured below:

<b>Activity</b>	<b>Appointment</b>	<b>Duration</b>
TAP	Autumn 2024	September 2024 – August 2025
London wide IWMS investigations	Winter 2024	January 2025 – August 2025
IWMS digital platform: user requirements discovery	Winter 2024	January 2025 – April 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:**

Eloise Rousseau has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Assistant Director/Head of Service:**

Elliot Treharne has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

**Financial and Legal advice:**

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

**Mayoral Delivery Board**

A summary of this decision was reviewed by the Mayoral Delivery Board on 2 December 2024.

✓

**CHIEF FINANCE OFFICER:**

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

**Signature:**

*Fay Hannan*

**Date:**

03/12/2024