GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD3365

Title: Greener Schools pilot 2025-26 funding

Executive Summary:

The Mayor of London is committed to helping London reach net zero. To support this, the Greener Schools initiative was launched in December 2024, and in January 2025, a £2 million grant funding opportunity (approved under MD3297) opened, receiving over 100 applications. This decision seeks approval to increase the Greener Schools capital grant budget by an additional £984,000. This extra funding will allow more schools to take part in the pilot, supporting the highest-ranking applicants who narrowly missed out on the initial £2 million available. The increase will be funded through the Environment and Energy unit's underspend from 2024-25, to be carried forward into 2025-26. By expanding the pilot, we can generate valuable insights from a broader range of interventions, helping more schools lower their energy bills and reduce their carbon footprint. These insights will be key in making the case to the government for further investment in school, and wider public sector, decarbonisation aligning with GB Energy's Local Power Plan.

Decision:

That the Mayor:

- approves £984,000 expenditure to increase the Greener Schools capital grant budget, in addition to the £2 million approved under Mayoral Decision (MD) 3297
- delegates authority to the Assistant Director, Environment and Energy to allocate the £984,000 funding to the highest-ranking applicants that were not awarded funding from the initial £2 million.

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.

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Date:

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

Decision required - supporting report

1. Introduction and background

Background

- 1.1 The Mayor is committed to supporting schools to implement net zero interventions in order to improve the learning environment for young Londoners, cut fuel bills for schools and contribute towards London becoming a net zero carbon city.
- 1.2 In December 2024, under MD3297, the Mayor of London launched the Greener Schools pilot a £2 million capital grant funding scheme aiming to trial different approaches to decarbonising London schools, working in close collaboration with London boroughs, schools, young Londoners and local communities including community energy groups. The pilot funds a variety of measures including solar PV, LED lighting and air source heat pumps. Each school can receive up to £100,000 to roll out these interventions.
- 1.3 In January 2025, over 100 London schools submitted applications for a Greener Schools grant, seeking funding to roll out solar panels, retrofit and other decarbonisation measures. 25 of these schools were shortlisted to receive a total of c.£2,000,000 of Greener Schools capital funding approved under MD3297, to be delivered by December 2025. However, good quality bids exceeded the level of funding available.
- 1.4 The initial 25 shortlisted projects were identified based on the assessment criteria described in the pilot's funding guidance (project readiness, financial savings to be delivered, environmental impact and integration of other climate interventions, outreach and engagement, co-funding, partnership with community groups, etc.). The same assessment process will be used to identify additional projects that can be supported by funding approved through this MD. This decision requests that delegated authority is granted to the Assistant Director Environment and Energy to approve allocations from the £984,000 towards up to 20 additional Greener Schools projects without the need for a further decision form. This will enable the efficient allocation of additional funding towards additional projects that can be delivered in 2025-26 and in line with the Greener Schools pilot objectives (i.e. rapid delivery and identification of replicable and scalable net zero interventions that generate financial savings for schools).
- 1.5 The decision sought from the Mayor will, if made, increase the amount of capital grant available under this pilot from £2 million to up to £2.984 million in total. Increasing the Mayor of London Greener Schools capital grant will support a larger number of schools across London and increase the initiative's potential to identify decarbonisation measures that have the highest potential for replicability and scaling up.
- 1.6 The pilot is already designed to 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.

2. Objectives and expected outcomes

- 2.1 The primary objectives of this pilot are:
 - to design a scalable, repeatable approach to net zero delivery with schools, students, local authorities, communities and technical partners and to pilot its roll out

¹ Greener Schools Pilot Funding Guidance Greener Schools pilot fund | London City Hall

- to demonstrate the savings that could be made to London schools' 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 small and mediumsized enterprises (SMEs).
- 2.2 In addition to the objectives identified above, the ambition of the pilot is to help secure further external funding to deliver a multi-year programme of work, which would 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 Greener 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 has taken 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 has been 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 school be eligible, and there will be equality of access to participate in the delivery and benefit from the scheme, without discrimination.
- 3.4 Through the assessment criteria, efforts have been made to reach schools in more income-deprived areas as a priority for the pilot programme.

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 Greener Schools Pilot will contribute towards a broad range of objectives, policies and proposals in the London Environment Strategy, 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 Greener Schools 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 Accelerator programme, and the School Superzone initiative.

Relevance to other local and national initiatives

- 4.4 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 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 school projects using Carbon Offset Funds, community energy and share schemes and minor works budgets. In addition, there are small funding pots and programmes available linked to adaptation and resilience. The pilot will 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.
- 4.5 The Greener Schools pilot has been 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. The same will apply for any successor programme(s).
- 4.6 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, Minimum Energy Efficiency Standards, and 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 the Greener 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	The recipients of the additional funding provided by this MD will not be able to complete their projects by the original pilot deadline of December 2025.	2	4	8	 The pilot deadline will be extended by three months for the recipients of this additional funding Commercial and Programme Management support will be deployed from the GLA to support the boroughs and schools appropriately, for instance through the Zero Carbon Accelerator.
2	An increase in the number of funding recipients will lead to an increase in the scope of works for the external Strategic Partner supporting the pilot.	3	2	6	The procurement of the Greener Schools Strategic Partner allows for the provision of additional services, which can be agreed via a change control procedure.
3	The GLA will not have the required capacity to support the delivery of the additional projects funded by this MD.		4	4	Up to £500k has been assigned to resourcing under MD3297, including for programme-funded staffing and external support for delivering school engagement activities and learning. This has increased delivery capacity since the pilot launch.

Conflicts of interest

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

Subsidy control

4.8 The Subsidy Control Act 2022 requires that grant funding comply with its subsidy control principles. Officers have assessed the proposed award of funding and are satisfied that it does not constitute the provision of a subsidy. This is because it does not meet the four-limb test used (and set out in statutory guidance) to determine if a subsidy is present. Specifically, the recipients of the funding will be:

- local authorities engaged in the discharge of their statutory duties and not providing services, works or supplies on markets for the same and so are not considered to be acting as "enterprises"
- acting as intermediaries, passing on the benefit of the funding to the relevant schools (in procuring works and supplies for the benefit of those schools) and so will not receive any "selective advantage".

5. Financial comments

- 5.1 Approval is requested for expenditure of £984,000 to increase the Greener Schools capital grant funding to support more schools that applied to the initial £2m grant funding on offer.
- 5.2 The capital expenditure is to be funded from the Environment and Energy unit's underspend from 2024-25, to be carried forward into 2025-26. This is not included in the 2025-26 budget and will result in additional drawdown from reserves.
- 5.3 All relevant budget adjustments will be made.
- 5.4 This project is linked to the Reducing Non-Residential Emissions programme and there is budget allocation within this delivery plan.

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 The Subsidy Control Act 2022 requires that grant funding be assessed in relation to its four-limbed test. Officers have made this assessment at paragraph 4.8 above and have concluded that the proposed funding does not amount to a subsidy.
- 6.4 Any function exercisable by the Mayor on behalf of the GLA may also be exercised by a GLA officer albeit subject to any conditions, which the Mayor sees fit to impose. To this end, the Mayor may make the requested delegation to the Assistant Director, Environment and Energy if he so chooses.
- 6.5 If the Mayor makes the decisions sought, officers must ensure that:

- the award of grant funding is made 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
- as per MD3297, 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.

7. Planned delivery approach and next steps

Activity	Timeline
Announcement of pilot participants and Strategic Partner	March 2025
Stakeholder workshops to outline interventions to be piloted and agree schedule of work	March 2025
Procurement (incl. funding transfer and procurement of installers)	March 2025 – June 2025
Initial installations begin	June 2025
Interim evaluation of the pilot completed with recommendations for future programme design	September 2025
First wave of installations completed	September 2025
Final installations completed	December 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 31 March 2025.	√

CHIEF FINANCE OFFICER:

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

Signature:

Date:

FayHannand

08/04/2025

CHIEF OF STAFF:

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

Signature:

Date:

04/04/2025

D. Belleny