

GREATER LONDON AUTHORITY

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2393

Title: Development of guidance for businesses – reducing environmental impacts

Executive Summary:

Toxic air, the threat to our green spaces and the adverse effects of climate change all pose major risks to the health and wellbeing of Londoners. However, the Mayor's vision is for London to be a zero-carbon city by 2050, with energy efficient buildings, clean transport and clean energy. Businesses are going to need to play a key role in this since London businesses represent 37 per cent of London's direct GHG emissions. There is a short window of time in which significant emissions reductions need to take place alongside major improvements to air quality, green spaces and waste reduction and management. Whilst there are some businesses, leading the way and taking strong action, others are far from contributing their full potential towards the Mayor's goals.

We propose to hire consultants to develop guidance for large businesses in London that they could use to guide them in meeting the Mayor's headline environmental objectives. This guidance would be targeted at large corporates, as our experience shown that SMEs typically have limited capacity to engage with guidance of this nature. However, a major theme in the guidance would be how companies can support SMEs in their supply chain to deliver on the Mayor's environmental goals.

In the process of developing the guidance, a formal workshop would be held with the Environment Team and other relevant stakeholders in order to capture and incorporate examples of best practice.

Alongside the guidance, the consultants will develop case studies that demonstrate best practice from businesses across London that have successfully managed to reduce their environmental footprint in a range of different ways. It is anticipated that this set of case studies will be added to over time.

The consultants will also provide support with the launch of the guidance and develop a plan for business engagement post-launch in order to maximise the awareness and use of the guidance.

Decision:

That the Assistant Director, Environment approves:

Expenditure of up to £45,000 on consultancy services to develop guidance and case studies that will support London's businesses in understanding how they can reduce their greenhouse gas emissions, air quality and waste impacts, and those of SMEs in their supply chain, and contribute to the London's ambition to become a zero carbon and zero waste city by 2050.

AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT

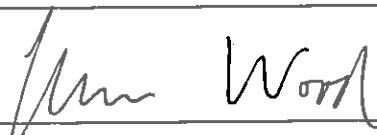
I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Aram Wood

Position: Assistant Director - Environment

Signature:



Date:

10/12/19

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1. Toxic air, the threat to our green spaces and the adverse effects of climate change all pose major risks to the health and wellbeing of Londoners. Real progress to improve the quality of our air, clean up our natural environment and decarbonise our energy sources will take time. A good start has been made in London. Delivering on these ambitions will make London a cleaner and healthier city and a more attractive place to live, work and visit
- 1.2. But everyone needs to play their part to make this happen – national government, businesses, communities, charities, local authorities and ordinary Londoners. Businesses large and small will play a key role in ensuring that we have good growth in London, one that does not compromise the environment but recognises it as essential to London's success.
- 1.3. We are in a climate emergency. The Mayor wants London to be a zero-carbon city by 2050, with energy efficient buildings, clean transport and clean energy. London businesses represent 37 per cent of London's direct GHG emissions as reported in the London Energy and Greenhouse Gas Inventory (LEGGI)¹. In order for London to meet its carbon budgets, by 2030, emissions from workplaces need to be half what they are today.
- 1.4. There is a short window of time in which significant emissions reductions need to take place. Whilst there are some businesses, such as our London Business Climate Leaders, that are leading the way and taking strong action, others are far from contributing their full potential towards the Mayor's goals.
- 1.5. There are also clear benefits associated with investing in both climate mitigation and adaptation. Businesses wishing to attract and retain staff will increasingly need to demonstrate they are addressing their carbon impact. Well maintained buildings are required to ensure productivity is maximised e.g. ensuring temperatures stay within controlled limits, there are high levels of ventilation and natural light and the local public realm is attractive, green and safe.
- 1.6. As well as cutting their carbon emissions, businesses also have an important role in preparing for a warmer London. They already often have high cooling requirements that will increase as average temperatures increase and heat waves become more frequent. It will be important for businesses to prepare for this to ensure their operations are resilient and productivity is maintained.
- 1.7. We have heard from many big businesses in the commercial sector, including the Mayor's Business Advisory Board, the CBI, London and Partners' hospitality sector members, businesses involved in London Climate Action Week, that there are many businesses that would like to take action but are baffled by the amount of information out there and the lack of a clear message is actually acting as a barrier to them taking action, as they do not know which actions they should prioritise to address their environmental footprint.
- 1.8. The GLA published in July 2019 a one-page checklist of "quick wins" to improve the operation of existing commercial buildings to reduce energy use and wastage during London Climate Action Week, which was well received. The positive response from key actors in London, such as the Better Buildings Partnership and companies that manage large numbers of commercial buildings across London (e.g. CLS holdings), indicated that there was an appetite for clear guidelines for businesses on a wider set of actions that they could take to reduce their environmental impact, specifically when this guidance is linked to an overarching objective, such as the Mayor's commitment to zero carbon or zero waste.

¹ <https://data.london.gov.uk/dataset/leggi>

- 1.9. The experience of the environment team has also been that most SMEs have limited capacity to engage with environmental guidance or initiatives that are not core to their short-term business goals. As such, we do not propose that this guidance would be “one-size fits all” and targeted at both SMEs and large businesses. Instead, it would be targeted at the large businesses who are more likely to have the capacity to implement the actions within the guidance. However, this does not mean that the role of SMEs in delivering on the Mayor’s environmental goals would not be addressed with this guidance. On the contrary, one of the key themes of the guidance would be to highlight actions that businesses can take to support SMEs within their supply chain to reduce their environmental impact and help innovative new or growing London SMEs prosper.
- 1.10. Our proposal is therefore to go out to competitive tender for consultants who can develop guidance that provides large businesses with priority actions that they should take to align with the Mayor’s objectives to reduce their environmental footprint and help London adapt to a warming climate. This guidance should make best use of existing guidance², whilst tailoring the output specifically for a London business audience and ensuring the actions identified align with the Mayor’s environmental objectives.
- 1.11. A panel of businesses will be used to test and critique the guidance and case studies to ensure they are fit for purpose. In addition, a formal workshop will be carried out with the GLA Environment Team, and other relevant stakeholders, as appropriate, to ensure that key actions identified through GLA programmes are incorporated into the guidance. This will also provide an opportunity for incorporating the team’s know-how relating to approaches for engaging and supporting SMEs within supply chains to take action.
- 1.12. We also know that the environmental impact of businesses varies by sector and therefore there is a different set of actions or a different prioritisation, depending on the business sector. For example, the hospitality sector has a high consumption of natural gas for space heating, cooking and hot water compared with offices, where the emissions associated with their data centres and IT equipment can be more of a concern. However, there is also cross-over between sectors, e.g. there is some catering within workspaces. We will therefore look to the consultants to propose either an overarching guidance for all businesses or a set of guidance documents targeted to different sectors. If a sectoral approach is taken, priority would need to be given to business sectors with a considerable environmental impact in London which have made less progress to date on mitigating this impact.
- 1.13. The appointed consultants will also develop an archive of case studies from businesses across London that share best practice and tips so that businesses can learn from each other. We anticipate that this study would provide around 20 case studies, but the expectation is that these will be added to over time, providing a very valuable source of ideas for businesses looking for tangible examples of how they can reduce their environmental impact.
- 1.14. Consultants will be procured through a competitive tender process following the GLA Contracts and Funding Code.
- 1.15. Deliverables will include:
- targeted accessible guidance focused on actions that large businesses in London should be taking across the environmental spectrum to meet the objectives of the Mayor’s London Environment Strategy and specifically focusing on how they can support SMEs on their supply chain to reduce their environmental impact;
 - detailed, inspiring case studies from businesses already taking action, highlighting the benefits of taking action;

² For example, the Carbon Trust has a number of detailed guides (<https://www.carbontrust.com/resources/guides/>) on different areas such as green tariffs, electric vehicles, heat pumps, office energy efficiency, etc. There are also excellent resources from Wrap relating to, for example, food waste reduction (<https://www.guardiansofgrub.com/>).

- a workshop with the GLA environment team and other relevant stakeholders to ensure that the guidance is informed by the learnings of the GLA's programmes;
- testing of the guidance by a panel of large businesses to test and critique the outputs; and
- support with the launch of the guidance and a plan for business engagement post-launch in order to maximise the awareness and use of the guidance.

2. Objectives and expected outcomes

2.1. The objective of this work is to develop sector specific guidelines for London businesses to tackle their environmental impacts and those of SMEs in their supply chain, and case studies highlighting best practice examples from businesses in London. Specifically, the guidance will:

- support London businesses to align with the Mayor's environmental objectives, e.g. zero carbon and zero waste by 2050 and highlight the benefits of doing so;
- make use of the best available existing national and international guidance on how businesses can reduce their environmental impact, in terms of GHG emissions, waste, air quality, sustainable development and have a positive impact in terms of climate adaptation;
- focus on actions large businesses can take, but identify tangible actions that they can take to support SMEs in their supply chains to reduce their emissions;
- draw on the insights across the GLA Environment team, in terms of priority actions and helping reduce the environmental impact of SMEs in their supply chain;
- provide a checklist for priority actions business should take to reduce its environmental impact focusing on key issues in London; and
- help businesses consider their environmental impact both in London and beyond.

2.2. The case studies will:

- provide around 20 examples of how businesses in London are reducing their environmental impact;
- be spread across businesses of a variety of sectors (e.g. retail, hospitality, health, etc) with some also showing how large businesses have supported SMEs in their supply chains;
- demonstrate actions being taken in a range of environmental areas e.g. carbon emissions reductions, air quality, climate adaptation, waste, sustainable development;
- provide as much detail as possible on how the business set about instigating change, the benefits and costs involved and the measurable and non-measurable impacts of the action; and
- have a common template that can be used for future case studies.

2.3. The expected outcomes are:

- large businesses have a clear understanding of the priority actions they should take to align with the Mayor's environmental objectives;
- large businesses understand how they can engage SMEs in their supply chain to support them in reducing their environmental impact;
- businesses undertake action in a wide range of areas to reduce their environmental impact; and
- greenhouse gas emissions from the commercial sector alongside other environmental impacts in London are reduced.

3. Equality comments

- 3.1. Under section 149 of the Equality Act 2010, as public authorities, the Mayor and the GLA are subject to a public-sector equality duty and must have 'due regard' to the need to (i) eliminate unlawful discrimination, harassment and victimisation; (ii) advance equality of opportunity between people who share a relevant protected characteristic and those who do not; and (iii) foster good relations between people who share a relevant protected characteristic and those who do not. Protected characteristics under section 149 of the Equality Act are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status.
- 3.2. The project will comply with the GLA's policies on equality and accessibility, and further the public sector duty to promote equal opportunities, avoid unlawful harassment and discrimination, and foster good relations between people who have a protected characteristic and those who do not.
- 3.3. This work is not expected to have any negative impact on protected groups.
- 3.4. This work will develop guidance to help businesses reduce their environmental impact in London. We will ensure our equalities duty is met by requiring that the consultant can demonstrate conformance with the GLA's Responsible Procurement Policy, including Equality, Diversity and Sustainability. The results of this project will be relevant and applicable to all people and groups in society.

4. Other considerations

a) Key risks and issues

- 4.1. Key risks and mitigation are shown in the table below.

Risk	Probability	Impact	Mitigation
Consultants are unable to deliver guidance on time	L	M	Require a detailed project plan and regular meetings to assess progress
There is insufficient existing guidance to draw on	L	L	Ensure the consultants hired have a good understanding of the actions that a wide range of businesses should be taking to reduce their environmental impact.
Guidance already exists in exactly the format we want	L	L	If such guidance already exists, we would work with the authors to update this and tailor this to London and focus our efforts on promoting this more broadly.
There are insufficient examples to draw on for the case studies	L	M	The GLA already has a wide range of contacts in businesses and are aware of a wide range of actions being undertaken so this is unlikely to happen
Lack of interest in the guidance and case studies	L	H	Throughout the development of the guidance and case studies, we will engage with key players who will be in a position to promote the work we are undertaking, e.g. the CBI, Better Buildings Partnership, boroughs, BIDs etc. We will also consider using the guidance as a basis for climate 'challenges' over defined time periods for interested sectors.

b) Links to Mayoral Strategies

- 4.2. This work helps deliver the ambition of the London Environment Strategy and Economic Development Strategy. The guidance and case studies will provide useful information to businesses who need help in understanding how they can reduce their environmental impact in the areas of CO2 emissions, waste, air quality and also the steps they can take to adapt their business to a warming climate.

c) Impact assessments and consultations

- 4.3. This programme of work has been designed – and will be delivered - in collaboration with officers from the GLA directorates and departments to ensure that the methodologies and results are robust and relevant.
- 4.4. Production of the outputs of this programme of work will be developed with consultation from key GLA teams who cover the issues and areas of focus for the report – e.g. Energy Efficiency Delivery, Air Quality, Waste and Circular Economy.
- 4.5. The guidance and case studies will be tested by businesses to ensure that they are fit for purpose.

d) Conflicts of interest

- 4.6. There are no known conflicts of interest arising and bids will not be considered that have the potential to financially benefit any GLA.

5. Financial comments

- 5.1. Approval is sought for expenditure of up to £45,000 on consultancy services to support and develop guidance and case studies with the aim of helping businesses achieve the Mayor's environmental objectives in London.
- 5.2. The expenditure will be funded from the Environment team's Zero Carbon 2019/20 budget.

6. Planned delivery approach and next steps

- 6.1. The specification for the work will be put out to tender in early-mid December with the aim of receiving tenders in early January and selecting and starting work by mid January and completing the work by the end of March 2020, as outlined in the table below.

Activity	Timeline
Procurement of contract	11 December 2019
Delivery Start Date	W/C 20 January 2020
Main milestones – Guidance delivery	W/C 24 February 2020
Main milestones – Case studies	W/C 2 March 2020
Delivery End Date	16 March 2020
Project Closure	31 May 2020

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 or on the defer date.

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? YES

If YES, for what reason: To get best value for money in the procurement phase

Until what date: 20 January 2020

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:

Claire Jamieson has drafted this report in accordance with GLA procedures and confirms the following:

Corporate Investment Board

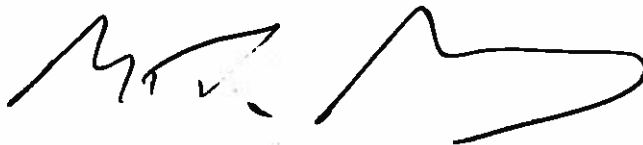
This decision was agreed by the Corporate Investment Board on 9 December 2019.

✓

ASSISTANT DIRECTOR OF FINANCE AND GOVERNANCE:

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

Signature



Date

09.12.19

