

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2517

Title: Innovation Partnership legal fees

Executive Summary:

The Mayor has established the Retrofit Accelerator for Homes (RA-H) to support London boroughs and housing associations to kick-start transformative 'whole-house' refurbishments and help build the retrofit supply chain.

A key principle for RA-H is the development of a means to drive down the cost of 'deeper' retrofit while driving up demand and supporting supply chain growth. To support this, the GLA conducted a market review of available procurement routes which found that an Innovation Partnership Procedure (IPP) was the most suitable option.

The IPP procurement is almost completed, with the preferred bidders having been identified following a rigorous process. The final work is being done through TfL's internal procurement governance boards however, additional legal support is necessary to finish compiling contracts, as there is not sufficient resource nor expertise within TfL.

This Decision seeks approval of expenditure for external legal support through an existing framework.

Decision:

That the Assistant Director of Environment and Energy approves:

Expenditure of up to £25,000 for legal fees to pay Addleshaw Goddard to complete the compilation of contracts for the Innovation Partnership

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.

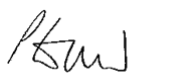
Name:

Peter Daw

Position:

Interim Joint Head of Environment and Energy

Signature:



Date:

7 May 2021

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 The Mayor's London Environment Strategy sets out a plan to re-establish London's position as a leader in tackling climate change by setting a target for London to become zero carbon by 2050. More recently the Mayor stated his intention to accelerate his commitment to making London a zero-carbon city by 2030, and that commitment is central to London's recovery from the Covid-19 pandemic.
- 1.2 The Mayor's Green New Deal Fund (MD2708) aims to tackle some of London's key environmental challenges, including the climate emergency and air quality, whilst creating jobs, developing skills and supporting a 'just' transition to a low carbon circular economy. The Fund is also aligned to delivering the priorities of the London Recovery Board's Green New Deal mission as part of London's response to the COVID-19 pandemic. The Mission includes the key theme of Decarbonising the Built Environment.
- 1.3 London's 3.4 million homes account for around a third of London's total greenhouse gas emissions and so are a priority sector to tackle if these ambitions are to be met.
- 1.4 The Mayor has established the Retrofit Accelerator for Homes (RA-H), with ERDF match funding, to support London boroughs and housing associations to kick-start transformative 'whole-house' retrofit and to help to build the supply chain and business case to accelerate a retrofit revolution.
- 1.5 A key principle for RA-H is the development of a means to drive down the costs of 'deeper' retrofit while driving up demand and supporting supply chain growth. To support this, the GLA conducted a market review of available procurement routes which found that an Innovation Partnership Procedure (IPP) was the most suitable option.
- 1.6 The proposed procurement aims to enable the development of a solution that does not presently exist in the UK market: a performance assured 'whole house', net zero energy (NZE) solution for retrofitting homes at an economic price point while providing an effective route to market for pipeline projects through a framework.
- 1.7 The IPP procurement is almost completed, with the preferred bidders having been identified following a rigorous process. The final work is being done through TfL's internal procurement governance boards however, additional legal support is necessary to finish compiling contracts, as there is not sufficient capacity or detailed knowledge of the contract within TfL to deliver the work within the short timescales. Addleshaw Goddard have provided legal input on the contract to date and therefore don't require additional funding and time to get up to speed on the task straight away. Addleshaw Goddard have reviewed the list of outstanding actions which we have provided to complete the contract compilation and have priced up the work on the basis of their pre-existing knowledge and an assessment of the time it will take to complete the tasks.
- 1.8 This Decision seeks approval of expenditure for external legal support through an existing framework.

2. Objectives and expected outcomes

- 2.1 Additional external legal support will allow the contracts to be finalised and issued in line with the procurement timetables. This will facilitate delivery of the Innovation Partnership to the wider project timescales, including being able to use the external funding drawn in to support delivery.

3. Equality comments

- 3.1. The public sector equality duty requires the identification and evaluation of the likely potential impacts, both Under Section 149 of the Equality Act 2010 (the “Equality Act”) as public authorities, the Mayor and the GLA must have due regard to the need to eliminate unlawful discrimination, harassment and victimisation, and to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not. Protected characteristics under the Equality Act comprise age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status.
- 3.2. This work furthers actions and policies set out in the London Environment Strategy (e.g. reducing carbon emissions from homes in London) which has been consulted on publicly and sought input from all groups and communities. All responses to those consultations were analysed to help ensure the Strategy reflects diverse views and needs.
- 3.3. The Innovation Partnership is intended to develop a commercialised, cost-effective approach to delivering carbon reductions. This will allow more homes to be improved, more quickly. This in turn will support fuel poverty reduction objectives.

4. Other considerations

a) *Key risks and issues*

Risk/issue	Mitigating actions
1. Legal costs rise	The substantial elements of the work have now been completed and the final elements remaining have been scoped. The remaining elements are largely procedural rather than contentious and therefore this substantially reduces the scope for costs to rise.
2. Project initiation not completed on time	A huge amount of work has been done on this project by the GLA, TfL and our delivery partners. The final elements of the legal work will support getting this project to initiation phase.

b) *Link to Mayoral Strategies and Priorities*

- 4.1. This work is designed to support delivery of the Mayor’s London Environment Strategy and ambition for London to be zero carbon by 2030. Delivering upon this ambition requires scaling up the pace and depth of retrofit and the Innovation Partnership is designed to facilitate that.
- 4.2. The Green New Deal Recovery mission has been designed in collaboration with London Councils, taking account of the views of Londoners and stakeholders. The mission has set the challenge of tackling the climate and ecological emergencies and improving air quality by doubling the size of London’s green economy by 2030 to accelerate job creation for all. The mission identifies the opportunity to support London’s recovery through tackling huge city challenges like improving London’s homes and workplaces to reduce their energy demand and carbon emissions.

c) *Conflicts of interest*

- 4.3. There are no conflicts of interest to note for any of the officers involved in the drafting or clearance of this decision form.

5. Financial comments

- 5.1 Approval is being sought for expenditure of £25,000 to procure legal services to support development of the Innovation Partnership. The funding source for this project will be drawn from the available

resources within the 2021-22 Energy Efficiency budgets, with 50% expected to be reclaimed from ERDF in match funding.

- 5.2 The Energy Efficiency team are planning on paying the selected external consultant in arrears, based upon evidence of works completed. Expenditure is expected to take place and be completed by May 2021.

6. Planned delivery approach and next steps

- 6.1. This sets out the proposed timetable

Activity	Timeline
GLA/TfL Commercial Approval Process	14 – 29 April
TfL notify bidders and commence standstill period	30 April
Contracts issued	14 May

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? NO

If YES, for what reason:

Until what date: (a date is required if deferring)

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:

Sarah Fletcher has drafted this report in accordance with GLA procedures and confirms the following:

✓

Corporate Investment Board

This decision was agreed by the Chair of the Corporate Investment Board on 6 May 2021.

ASSISTANT DIRECTOR OF FINANCIAL SERVICES

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

Signature



Date

6 May 2021