# GREATER**LONDON**AUTHORITY

# **REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2471**

## Title: Procurement of consultancy services to identify solid fuel suppliers in Greater London

#### **Executive Summary:**

Fine particulate matter (PM2.5) are tiny particles or droplets suspended in the air that, once inhaled, can settle in the airway and deep in the lungs and cause health problems. In order to reduce PM2.5 emissions and achieve the WHO recommended limit of 10µgm-3 by 2030 we need to tackle non-transport sources of PM2.5. A recent King's College London study indicates that biomass wood burning accounts for between 23 and 31% of the urban derived PM<sub>2.5</sub> in London.

New Air Quality Solid Fuel Regulations have recently been approved by Parliament and will come in to force on 1<sup>st</sup> May 2021 banning the sale of wet wood and bitumen coal. We need to identify suppliers and vendors of solid fuels in London so we can raise awareness of these upcoming changes and to the support the London boroughs in carrying out inspections (post May 2021) to ensure only approved fuels are being sold. Currently, we do not have any data on locations of sellers, types of fuel they sell and if they are aware of smoke control area legislation.

We therefore need to procure consultancy services to identify commercial and retail solid fuel suppliers in Greater London and engage with vendors to complete surveys so we can find out what type of fuels they sell, if they are aware of smoke control area regulations, and if they are aware of the Air Quality Solid Fuel Regulations. This will be financed through the 2020-2021 Air Quality team budget.

Assistant Director approval is sought to spend up to £30,000 procuring consultancy services through an open tender process to identify solid fuel suppliers and vendors in Greater London.

#### Decision:

That the Assistant Director of Environment approves:

1. The expenditure of up to £30,000 to procure consultancy services to identify and engage with suppliers and vendors of solid fuels in Greater London.

# 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:

Mrn Word

Date: 2 November 2020

## PART I - NON-CONFIDENTIAL FACTS AND ADVICE

## Decision required – supporting report

#### 1. Introduction and background

- 1.1. Based on current evidence, PM<sub>2.5</sub> is understood to be the air pollutant which has the greatest impact on human health. Both short and long-term exposure to PM<sub>2.5</sub> increases the risk of mortality from lung and heart diseases as well as increased hospital admissions.
- 1.2. Around a third of the PM<sub>2.5</sub> emitted in London comes from road transport, with a large proportion also coming from construction, wood burning and commercial cooking. Efforts to reduce PM<sub>2.5</sub> from transport and construction sources have been successful with the introduction of the Ultra Low Emission Zone and the Non-Road Mobile Machinery Low Emission Zone. In 2016, the whole of London exceeded the World Health Organization (WHO) limit for PM<sub>2.5</sub>. In 2019, for the first time, areas in outer London were within the limit. However, there is much work still to be done as 99 per cent of Londoners still live in areas exceeding the WHO PM<sub>2.5</sub> limit.
- 1.3. A recent King's College London study indicates that biomass wood burning accounts for between 23 and 31% of the urban derived PM<sub>2.5</sub> in London. Addressing this source is therefore crucial in achieving the London Environment Strategy aim of meeting the 10ugm<sup>-3</sup> WHO limit for PM<sub>2.5</sub> by 2030.
- 1.4. The Air Quality Solid Fuel Regulations (2020) have recently been approved with new rules restricting the sale of wet wood and bitumen coal coming into force 1<sup>st</sup> May 2021. Defra will shortly be issuing an Invitation To Tender for organisations wanting to run the wood fuel certification scheme. Once appointed the successful contractor will run the scheme on Defra's behalf, taking applications from fuel suppliers, assessing the suitability of the fuel and providing the supplier with a certification number and logo that they must use on the fuel packaging. The existing approval body (Hetas) for manufactured solid fuels (MSFs) will do the same for the MSFs.
- 1.5. This information will need to be provided to suppliers and vendors in advance of the 1<sup>st</sup> May 2021 date so that suppliers are compliant with the legislation. We therefore need to identify suppliers and vendors in Greater London now and make them aware of the upcoming changes to the legislation and the need to be compliant. Once we have a database of supplier/ vendor locations we can share this with boroughs so trading standards officers can inspect premises and ensure only compliant and approved fuels are being sold from 1<sup>st</sup> May 2021.
- 1.6. We are therefore seeking approval to spend up to £30,000 from the 2020-2021 Air Quality budget to procure consultancy services to: identify solid fuel suppliers and vendors in Greater London, engage with suppliers and vendors, and provide locations in a GIS map layer.

#### 2. Objectives and expected outcomes

- 2.1. The objective of this project is to identify vendors of solid fuels across Greater London and gather baseline information on their awareness of existing smoke control area legislation and the upcoming Air Quality Solid Fuel Regulations.
- 2.2. Once identified, the vendors will form a database that will be shared with boroughs trading standard officers who will be responsible for inspecting vendors in their boroughs to ensure only compliant fuels are sold. The vendor locations will also be digitised to create an online interactive map of compliant vendor locations which will be hosted on the GLA website. In addition to supporting borough-led enforcement, this will provide a resource for members of the public to be able to search and identify nearby vendors from which they can purchase approved solid fuels.

2.3. Expected outcomes include reducing the sale of uncompliant solid fuels (and associated emissions), increased visibility and awareness of smoke control areas, and an interactive map of compliant vendors.

## 3. Equality comments

- 3.1. The Mayor, GLA and TfL are subject to the "public sector equality duty" contained in s 149 of the Equality Act 2010. This duty requires each body to have due regard to three outcomes when exercising their functions: (1) the need to eliminate unlawful discrimination, harassment and victimisation; (2) to advance equality of opportunity between those who share a protected characteristic<sup>1</sup> and those who do not; and (3) to foster good relations between.
- 3.2. There is currently significant exposure of the London population to air pollution. Recent monitoring results show that in 2019, 119,000 Londoners are living in areas exceeding the legal limit for NO<sub>2</sub> and 99 per cent of Londoners still live in areas exceeding the WHO PM<sub>2.5</sub> limit.
- 3.3. Populations living in the most deprived areas are on average currently more exposed to poor air quality than those in less deprived areas. An independent report by Aether published by the GLA showed that those people living in the most deprived areas were on average exposed to 24% more nitrogen dioxide air pollution than those living in the least deprived areas.
- 3.4. Data taken from the GLA database of EPC records, which contains energy use and efficiency information for 1,326,715 properties in London, show that over 1200 households in London rely on solid fuel appliances for their primary source of heating and over 170,000 properties in the database have one or more open fireplaces. By ensuring only approved solid fuels are purchased and consumed in London we can reduce the personal pollution exposure of solid fuel users and contribute to improving air quality in London. The Aether report showed that while everyone will benefit from improved air quality, those living in the most deprived areas would benefit the most on average.

#### 4. Other considerations

- a) Risks and issues
- 4.1. Uncertainties exist as to the extent suppliers and vendors will respond to the engagement due to the impact of the COVID-19 pandemic on the economy, staff availability and hours of business. There is also a risk the consultants may not be able to carry out site visits due to COVID-19 restrictions and will have to rely on desk-based investigations to identify suppliers/vendors and rely on telephone/ posted surveys which are unlikely to receive the same response rate as face to face engagement. To mitigate these risks, GLA officers engaged with London boroughs, Defra and other stakeholders to take their input and feedback into consideration when developing this proposal.
- 4.2. There is a risk that failing to identify and engage with suppliers and vendors now could lead to uncompliant fuels continuing to be sold after the solid fuel regulations come into force which would hinder the Mayors efforts to deliver on the commitment to reach the WHO PM<sub>2.5</sub> target by 2030.
  - b) Links to Mayoral Strategies and priorities

#### London Environment Strategy

4.3. The Mayor's London Environment Strategy was published in May 2018 and prioritises reaching legal air pollutant levels as soon as possible by the most effective route through a number of proposals.

<sup>&</sup>lt;sup>1</sup> The protected characteristics covered by section 149 are: age; disability; gender reassignment; pregnancy and maternity; race; sex; religion or belief; and sexual orientation, and in certain circumstances civil partnership or marriage. Compliance with the PSED may involve, in particular, removing or minimising any disadvantage suffered by those who share a relevant protected characteristic, taking steps to meet the needs of such people and encouraging them to participate in public life or in any other activity where their participation is disproportionately low, including tackling prejudice and promoting understanding.

These proposals include aiming to reduce emissions by revitalising smoke control areas, address wood burner emissions through a new fit-for-purpose testing regime and working work with government and other partners to seek reductions in emissions from wood and other solid fuel burning in London.

4.4. Proposal 4.2.4.b states:

"The Mayor will work with the government to achieve full legal compliance with UK and EU legal limits as soon as possible. Comprehensive and coordinated action is needed at a national level to achieve legal limits as quickly and effectively as possible. The Mayor calls on the Government:

- to revitalise smoke control zones by making it easier to declare them, strengthening and bringing up to date local authority enforcement powers and conferring the ability to create zero emission zones where no combustion is allowed on certain, time limited occasions. This should include new powers to require appropriate abatement of significant combustion related sources of PM2.5 in London
- address wood burner emissions through a new fit-for-purpose testing regime and information on appropriate technology/ fuels for smoke control zones at point of sale as well as new powers for the Mayor to set tighter minimum emission standards for wood burning stoves sold in London (for example, eco-design standard), or other standards based on contemporary understanding of pollutants such as PM2.5, rather than "dark smoke" or "grit and dust"."
- 4.5. Proposal 4.3.3.c states:

"The Mayor, working with London's boroughs and other partners, will seek to reduce emissions from wood and other solid fuel burning in London".

#### Mayor's Equality, Diversity and Inclusion Strategy

4.6. The Mayor's Equality, Diversity and Inclusion Strategy sets out how he will work to create a fairer, more equal, integrated city where all people feel welcome and able to fulfil their potential.

Strategic Objective 9 states:

"To work with boroughs, communities, transport providers and businesses to help regenerate the most deprived parts of London in a way that supports good growth and opens up opportunities for the most disadvantaged groups."

#### Strategic Objective 11 states:

"To work with all relevant partners to ensure actions to improve levels of air quality and mitigate the effects of air pollution are informed by an understanding of the groups most likely to experience poor air quality."

- c) Conflicts of interest
- 4.7. There are no known conflicts to declare regarding those involved in the drafting or clearance of this form.

# 5. Financial comments

- 5.1 Approval is sought for the expenditure of £30,000 for the procurement of consultancy services to identify solid fuel suppliers and vendors in Greater London. The funding for this project will be sourced from the available 2020-21 Air Quality budget held within the GLA's Environment Unit.
- 5.2 The award of the contract will go through an open tender process. The procurement framework has been agreed upon for the awarding of the contract and this will be in line with the PSF2 Transport Planning & Impact Monitoring Framework. Payment for consultancy services will be made in arrears following delivery of agreed upon milestones as set out in the contract.

5.3 The contract will commence in Jan 2021 and it is expected that work will be completed by the 31 March 2021. If unforeseen delays are experienced due to a second lockdown, funding may need to be reprofiled to the 2021-2022 Financial year, subject to the Authority's closing of accounts and outturn process. If this occurs, it is expected the works would be completed no later than May 2021.

#### 6. Planned delivery approach and next steps

6.1. Key milestones for the transfer of the budget are set out below

Activity	Timeline
Open tender process	Nov - Dec 2020
Review submissions and appoint consultant	Dec 2020 - Jan 2021
Completion of work	March 2021

## 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? YES

If YES, for what reason:

Until what date: Until the completion of the procurement process to enable the Authority to secure best value and to enable an announcement of the creation of an online interactive map of compliant vendor locations in March 2021.

#### 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:	
<u>Matthew Browning</u> has drafted this report in accordance with GLA procedures and confirms the following:	$\checkmark$
Corporate Investment Board	
This decision was agreed by the Corporate Investment Board on the 2 November 2020	

#### ASSISTANT DIRECTOR OF FINANCE AND GOVERNANCE:

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

Signature

Anna Casteolt

Date: 2 November 2020