

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2235

Title: Energy for Londoners – Homes energy efficiency programme

Executive Summary:

The Mayor is building on current initiatives to design and roll-out a world-class homes energy efficiency programme as part of Energy for Londoners (EfL). As set out in the Mayor's draft London Environment Strategy, he intends to introduce a successor to the RE:NEW programme. This new programme, which complements Warmer Homes, would provide technical assistance to boroughs and housing providers to develop energy efficiency projects that deliver deep home retrofits and the next generation of energy efficiency approaches. This decision form therefore seeks approval for the funding and delivery of this new EfL homes energy efficiency programme, from June 2018.

It is proposed that the three-year, £3.6m programme is funded on a 50:50 basis by the GLA and the European Regional Development Fund (ERDF). An offer of ERDF match funding was received by the GLA on 21 December 2017 following a successful application. The new programme aims to facilitate the deep retrofit of 1,678 homes over three years, resulting in a saving of 4,161 tonnes of CO₂ per annum.

Decision:

That the Mayor approves:

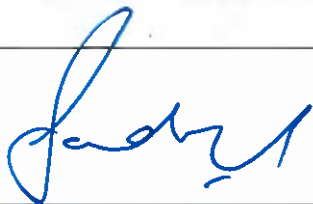
- receipt of £1.8m of European Regional Development Fund match funding for the Mayor's Energy for Londoners homes energy efficiency programme; and
- expenditure of £3.6m (comprising the above £1.8m of ERDF and £1.8m from existing GLA Development, Enterprise & Environment budgets) from 2018-19 to 2021-22, including up to £200,000 on external evaluation and specialist services.

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.

Signature:



Date:

15/3/18

PART 1 – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1 Introduction and background

- 1.1 The Mayor's draft 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. However, the pathway to delivering this is becoming increasingly challenging, particularly in home energy performance, where the national policies required to help London have not materialised or have been scaled back.
- 1.2 London's 3.4 million homes are responsible for around one third of London's total greenhouse gas (GHG) emissions. Approximately 80 per cent of these will still be standing in 2050. The poor energy efficiency of London's homes is a major contributor to our GHG emissions. A quarter of London's homes that have been given an Energy Performance Certificate since 2009 have the worst energy ratings of E, F or G. This year, Londoners will spend over £3.9bn on heating and powering their homes. Over 10 per cent of London's households were in fuel poverty in 2015.
- 1.3 By 2050 the emissions from London's homes will need to reduce to around 1.0 MtCO₂e a year from 12.2 MtCO₂e today. This implies retrofitting, up to 2050, more than an average of 100,000 homes each year with energy efficiency improvements and renewable technologies.
- 1.4 This will require a combination of trigger mechanisms, such as deeper engagement with renovation activities, retrofit requirements at point-of-sale targeted at sellers and purchasers, high-performance design and operating strategies, low cost financing, landlord and tenant behaviour changes, and large scale renewable energy production and, most important of all, bold government policy and regulation. If we get it right, energy efficiency will be at the heart of London's economy. By reducing energy use and cutting down on waste in London's homes, we can reduce energy bills and protect the most vulnerable, make our energy system more sustainable, regenerate communities, and drive down greenhouse gas emissions.
- 1.5 Since 2009, programmes such as RE:NEW, the London Boiler Cashback Scheme and Better Boilers have delivered improvements in around 134,000 homes (many of which require further improvements to maximise energy efficiency and carbon savings). A step-change in the scale and pace of our energy efficiency retrofitting needs to start now.
- 1.6 The Mayor wants to build on current initiatives to design and roll-out a world-class homes energy efficiency programme as part of Energy for Londoners (EfL). This includes the introduction of a successor to the current RE:NEW programme (which provided technical assistance to London boroughs and housing associations through a specialist RE:NEW Support Team). Since 2014, the third phase of the multi-award winning RE:NEW programme has supported the contracting of retrofit projects in over 30,000 homes. As at December 2017, the value of the improvements delivered was £116m, representing a leverage factor of 42 times the investment in the programme of £2.74m (90 per cent of which was co-funded by the EIB ELENA facility (£2.466m) and 10 per cent of which was funded by the GLA (£274k)), saving over 27,000 tonnes of carbon per annum (as at December 2017). That equates to about 0.9 tCO₂ saved per annum per home.
- 1.7 The successor to RE:NEW will form a key strand of the wider homes energy efficiency programme being established under EfL. To be effective across all of London's housing, we will need to incorporate a variety of approaches to address the barriers to retrofit in different physical contexts (e.g. age and type of homes), different tenures (i.e. social, private rented and owner-occupied housing), and respond to a range of occupant situations, motivations and behaviours. The RE:NEW successor will complement the Mayor's Warmer Homes scheme, but differ in significant ways:

- Warmer Homes provides advice, home visits, and the capital-funded installation of energy efficiency measures to individual fuel poor (primarily) **owner-occupier homes**. Whereas this programme provides technical assistance to (primarily) **social landlords** to help them identify, specify, fund and procure deep energy efficiency retrofit projects (including through whole-house retrofit and preferably as part of a multi-tenure area-base retrofit approach).
- the primary focus of this new programme on social housing aims to support beneficiaries to develop the approaches and models that will leverage finance and drive innovation that will enable a mass market, cross tenure, scale up of deep energy efficiency retrofit well beyond the lifetime of the programme. Of the total 3.28m homes in London, 766,100¹ are owned by social landlords. Of those social homes with an EPC, 49 per cent are rated below an EPC C. To take homes to a EPC C or above, moving towards a zero carbon London by 2050, they need to be retrofitted deeply with a range of measures²
- although the programme will not provide direct support to private landlords (or owner occupiers), it will provide enabling mechanisms to facilitate retrofit in these sectors. Currently 29 per cent of Londoners live in the private rented sector and the proportion is set to grow in the coming years. This tenure is particularly diverse and has complex barriers to enabling retrofit. Government has not regulated here until very recently and several key challenges are foreseen with the proposed implementation of the Private Rented Sector Minimum Energy Efficiency Standards (MEES)³
- while the main driver on Warmer Homes is to **reduce the number of fuel poor households and the overall fuel poverty gap** in London whilst reducing carbon emissions, the new programme aims to enable deep home retrofit and consequently **a level of carbon saving in those homes treated in line with the Mayor's target for London to be a zero carbon city by 2050**. This new programme will focus on the homes most in need of energy efficiency improvements in sectors where fuel poverty is prevalent⁴, consequently reducing fuel poverty. The new homes energy efficiency programme further dovetails with other EfL initiatives such as Decentralised Energy Enabling Project and the Smart Energy programme to increase the provision and management of local, clean energy supply, and will also be of assistance to the wider Mayor's environmental agenda, such as climate change adaptation (e.g. overheating in homes) and water efficiency.

1.8 The GLA has successfully secured grant funding of £1.8m under the European Regional Development Fund (ERDF) to provide 50 percent match funding for the new programme. A budget of £1.8m has been set aside within existing Development, Enterprise & Environment budgets for the homes energy efficiency programme over three years covering 2018-19 to 2021-22.

1.9 To help develop the new programme, an external evaluation of the current RE:NEW programme gathered leanings and provided recommendations for a successor scheme. These recommendations have been taken together with ERDF requirements to develop the approach for this new programme. It will continue the RE:NEW approach of supporting boroughs and housing providers whilst extending a technical assistance service to private landlords, where possible, and

¹ 403,300 are owned by local authorities and the remaining 362,800 are owned by housing associations and other registered providers.

² For example, to get homes in the worst performing EPC band G to an A rating typically retrofits could include: domestic hot water saving measures, smart building energy operation, cavity wall or solid wall insulation, loft insulation, domestic floor insulation, and triple glazing,

³ Including: the favoured cost cap of £2,500 is too low. Only 30 per cent of EPC F and G rated properties would be brought up to E and the worst homes would be barely improved; local authorities are under-resourced to carry out enforcement; and houses in multiple occupation (HMO) are exempt from the regulations – an estimated 39 per cent of England's HMOs are in London and Housing Benefit changes mean more low income and vulnerable people are moving into HMOs.

⁴ Primarily social housing where 14.2 per cent of local authority and 10 of housing association households are living in fuel poverty

will generate and accelerate deep home energy retrofit activity across London (involving greater carbon savings per household retrofit).

Scope of activities

- 1.10 It is intended that the new programme will deliver deep carbon savings per home, estimated at an average of around 2.48 tCO₂ per annum, per home, across the programme (compared to 0.81 tCO₂ per annum achieved through RE:NEW), and the next generation of energy efficiency retrofit approaches, some of which are already being tested (for example through the Mayor's Energy Leap pilot project). This technical assistance programme will involve intensive end-to-end advice and support, including utilisation of the existing RE:NEW procurement framework, to catalyse retrofit activity delivered by London boroughs and social housing providers. Assistance will be provided by a specialist technical support team, to enable energy efficiency retrofit projects to be designed, developed and successfully delivered.
- 1.11 This will be delivered through four key work streams:
1. **technical assistance for deep-retrofit** – builds on the engagement model undertaken through RE:NEW, but focusing on delivering projects through innovative approaches, new methods of construction and technologies (including net zero-energy retrofitting), in order to achieve deeper retrofit and enhanced carbon savings per household
 2. **unlocking finance and funding** – involves identifying and actively developing funding opportunities, including private finance to enable local authorities, social housing providers and other suitable organisations to take forward deep energy efficiency housing retrofit projects
 3. **supporting the roll-out of new and innovative delivery mechanisms** – focusses on supporting the roll-out of new home energy efficiency delivery mechanisms in London to ensure that deeper and 'hard-to-treat' energy efficiency retrofit is undertaken
 4. **piloting area-based retrofit schemes** – focusses on developing and piloting a package of assistance to support energy efficiency retrofit in mixed-tenure areas.

Planned approach

- 1.12 The total cost of the EFL homes energy efficiency programme will be circa £3.6m over three financial years 2018-19 to 2021-22.
- 1.13 In December 2017, the GLA (Intermediate Body⁵) confirmed that the GLA had been successful in bidding for ERDF grant funding of circa £1.8m to cover 50 per cent of the cost of programme delivery. The GLA will need to provide a 50 per cent match contribution of circa £1.8m over three financial years 2018-19 to 2021-22. This is included in existing Development, Enterprise & Environment budgets. See Table 1-budget breakdown in the financial comments for more detail.
- 1.14 It is proposed that the GLA will procure a contractor (or consortia of contractors) to deliver technical assistance services of the EFL homes energy efficiency programme to beneficiaries. The proposed procurement approach is through an existing OJEU compliant framework: TfL Professional Services Framework, Project & Programme Management and Commercial Services, PSF-91306 or another suitable framework such as one managed by Crown Commercial Services (CCS). This contract, worth around £3.4m, is anticipated to commence in summer 2018 and run through to summer 2021. This would cover the ERDF match funded period and the contract will include options to extend beyond this. Beneficiaries will not receive direct project funding through the EFL homes energy efficiency programme. Support will be provided through the technical

⁵ For further details: <https://www.london.gov.uk/what-we-do/funding/european-social-fund/gla-intermediate-body/gla-intermediate-body-programme>

assistance services. For more detail of the beneficiary support process that will be provided by the technical assistance team, see Appendix 1.

1.15 The GLA will be responsible for making strategic decisions in relation to the programme with a full time GLA Programme Manager overseeing the overall management, operation and delivery of the technical assistance team. Their duties will include, to:

- specify and receive various performance reports, request relevant information from the technical assistance team and act as a key contract contact point for questions, proposals or requests from the technical assistance team
- oversee and quality assure the technical assistance team's delivery of contractual KPIs
- be the lead contact for the ERDF
- oversee the overarching promotion and publicity of the programme
- provide escalation support to the technical assistance team
- interface with central government (e.g. DBEIS) and EU and other international institutions.

1.16 From a governance perspective, the technical assistance team will report to the GLA monthly and fortnightly on: performance against KPIs – current and forecast, activities for each work stream, programme-wide and project-specific risks and issues, and timesheets. In addition, GLA project monitoring and reporting procedures will be adhered to. Delivery will be regularly reported to the Energy for Londoners Working Group which includes the Deputy Mayor for Environment and Energy and to an external Sponsors Board made up of senior members of London Boroughs, key housing associations and trade bodies.

1.17 In addition to the main contract outlined above, an allocation of up to £200,000 has been identified for procurement of a programme evaluation and additional specialist services (including legal, procurement and project management) to support delivery of the programme. The contracting approach for these services will be agreed in conjunction with TfL Procurement, and is included in the overall programme £3.6m spend figure.

2 Objectives and expected outcomes

Objectives

2.1 The project aims to generate and accelerate substantial home energy efficiency retrofit activity across London to:

- **reduce carbon** and therefore contributing to efforts to mitigate climate change, as markets for deep retrofit are kick-started in part by the actions of this programme
- **deliver energy efficiency measures** through deep retrofits to individual homes, and creating momentum to grow the market for many thousands more
- **reduce fuel poverty, excess winter deaths and illness** through making homes warmer, healthier and more affordable
- **create and sustain skilled jobs** in the low-carbon energy efficiency retrofit market, as the programme promotes and normalises innovative approaches and sustainable finance models
- **develop expertise and increase capacity** to deliver deep retrofit within social housing organisations, as expertise is shared through deep engagement
- **tackle planning and financial barriers and create multi-stakeholder approaches**, to facilitate a further roll out of area-based deep retrofit

- **increase the quality** of energy efficiency retrofit works.

2.2 In addition, the following national and sub-national strategic objectives (as defined in the ERDF call for proposals) are addressed by the programme:

- the priority and need to move towards a **low carbon economy**
- it will also **support innovation and create market demand** for the low carbon and environmental goods and services sector – through the programme’s focus on promoting energy efficiency market opportunities, developing finance and funding models (including those which encourage private sector investment), and driving innovation in home energy efficiency delivery models and technologies.

Expected outcomes

2.3 The programme is expected to deliver the following main outcomes:

KPIs	
Number of Homes receiving deep retrofit (with greatly improved energy efficiency rating)	1,678
Annual GHG reductions (saving in tonnes of CO ₂ e)	4,161

2.4 In addition, the GLA will seek to develop KPIs for the contractor delivering the technical assistance services of the programme to incentivise delivery of wider objectives (e.g. unlocking finance, growing the low-carbon economy, and creating and sustaining jobs).

2.5 Furthermore, it is estimated that, as well as attracting match funding from the ERDF, for every £1 invested in this programme the GLA will lever in around £20 of capital funding for retrofit projects (as calculated by an external consultancy). This is a reduction from the existing RE:NEW programme where £37 of capital expenditure has been leveraged for every £1 of RE:NEW funding invested (at evaluation stage). This is based on the current challenging operating environment and the focus on deep retrofit which currently attracts proportionally far less external funding (e.g. from the Energy Company Obligation).

2.6 Leveraging this level of capital expenditure is still expected to be stretching, and is reliant on the programme making a success of its finance and funding workstream.

3 Equality comments

3.1 Under Section 149 of the Equality Act 2010, as a public authority, the Mayor of London must have ‘due regard’ of the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who have a protected characteristic and those who do not.

3.2 The GLA has commissioned Jacobs UK Limited (Jacobs) to undertake an Integrated Impact Assessment (IIA)⁶ of the likely impacts of the Mayor’s policies and proposals, as set out in the draft London Environment Strategy. Assessment of the ‘Climate Change Mitigation and Energy’ Policy Area, that this programme will deliver within, concluded that there were a combination of minor positive and neutral effects.

3.3 The programme will target homes with poor levels of energy efficiency and potentially fuel poverty, and it will aim to promote community based energy systems and decentralised energy where suitable as part of whole-house and whole community retrofit. It is therefore expected that this

⁶ <https://www.london.gov.uk/WHAT-WE-DO/environment/environment-publications/draft-london-environment-strategy>

scheme will have a positive impact on lower income and fuel poor households directly through the home refurbishments, and by catalysing greater awareness of energy use and the opportunities to reduce their consumption.

- 3.4 Furthermore, research shows that sensitive retrofit can also contribute to better health outcomes for vulnerable groups (for example the very young and the elderly) through negating the negative impacts of cold and poorly ventilated homes.
- 3.5 Moreover, the Mayor intends to publish his Equalities, Diversity and Inclusion Strategy in Spring 2018. An Equalities Impact Assessment Toolkit will also be made available for GLA teams to use to ensure their projects do not discriminate against those with protected characteristics, including BAME, and that this is monitored and reported. The invitation to tender for the technical support services of this programme will include a requirement for the Contractor to undertake an equalities impact assessment using the toolkit. This will include an assessment targeting BAME and those with other protected characteristics as beneficiaries or as part of the supply chain. This process will be undertaken as part of the programme mobilisation phase and will include establishing the monitoring and reporting processes and metrics.

4 Other considerations

Key risks and issues

Risk No.	Risk	Likelihood (1-4)	Consequence (1-4)	Rating	Mitigation
Financial risks					
1	Unstable political environment leads to further cuts in Government funding streams that fund the implementation of energy efficiency programmes (primarily Capital funding).	2	2	2	<p>The project is designed to actively counter this risk, leveraging private sector finance and organisational funding on the back of strong business cases.</p> <p>At a national level, the UK's carbon budgets and targets are enshrined in law and so it is likely some Government funding will remain and potentially grow as the benefits of energy efficiency continue to grow in strength (e.g. the Government sponsored Each Home Counts review).</p>
Delivery risks					
2	Failure to bring forward identified energy saving activity and accelerate programme delivery in the early stages.	1	2	2	Good relationships and pipeline of potential projects are brought forward from the existing RE:NEW programme Demand has also been carefully gauged prior to application for ERDF grant funding.
3	Beneficiary organisations unable to provide sufficient commitment to the project.	2	2	2	<p>Programme to be set up in such a way that delivery and outputs are not at risk by changes in beneficiary resource levels.</p> <p>Demand and need have also been carefully gauged prior to application for ERDF grant funding.</p>

4	Poor quality of project management.	1	3	3	Ensure effective project planning, weekly project monitoring, identification and reporting of progress against milestones. Weekly highlighting of issues and risks. Ensure effective resourcing. Ensure regular and effective steering group meetings. GLA Programme Manager supported internally and subject to regular performance reviews. Internal Audit requested after first year of project.
Output risks					
5	Innovation does not lead to the development of schemes, techniques and mechanisms which yield the levels of GHG saving predicted.	1	2	2	Technical Assistance Team adequately incentivised through KPIs, low-regret innovation prioritised. Programme Manager and wider GLA Environment Team are very well networked with industry bodies, universities and innovators, feedback indicates that the projected GHG savings anticipated to be delivered through the programme are thought stretching yet achievable by all concerned.
6	Post-installation measurement and monitoring of retrofit demonstrate that individual homes are not performing as predicted.	2	3	3	Outputs are thought to be realistic by industry experts. Supply chain in any new schemes will be thoroughly vetted – the project also aims to normalise performance guarantees alongside improving quality. However, any poor performance early in the project will be studied, learned from and rectified as a matter of urgency.
7	Heightening of any delivery risk.	1	2	2	Monitor delivery risks regularly, ensure programme is responsive, flexible and resilient enough to mitigate any escalated delivery risks.

Links to Mayoral strategies and priorities

4.1 In terms of Mayoral Strategies and priorities, the programme will contribute towards the following objectives, policy and proposals in the draft London Environment Strategy:

- the overall target for London to become zero carbon by 2050
- objective 6.1 – reduce emissions of London’s homes and workplaces while protecting the most vulnerable by tackling fuel poverty:
 - Policy 6.1.1 – improve the energy efficiency of London’s homes and support the transition to low carbon heating and power through Energy for Londoners
 - Proposal 6.1.1a – contribute to helping Londoners improve the energy efficiency of their homes, where appropriate, by providing technical assistance, support and funding
 - Proposal 6.1.1b – pilot state of the art methods to implement the stronger energy retrofitting needed
 - Proposal 6.1.1d – improve the way energy is managed in London including through supporting the roll out of smart meters and advocating time of day tariffs
- objective 6.2 – develop clean and smart, integrated energy systems utilising local and renewable energy resources

- 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 and on GLA group buildings.

4.2 The programme will also assist the delivery of:

- the Draft Fuel Poverty Action Plan by “increasing the energy efficiency of London’s homes so they are better insulated and use less energy”
- the Draft Solar Action Plan by “helping Londoners to retrofit solar energy technologies on their homes and workplaces through Mayoral programmes and funding,” and “...encourage public sector organisations and providers of social housing to retrofit solar energy technologies on buildings by promoting the use of technical assistance programmes such as the Mayor’s RE:FIT programme and the introduction of a successor to the current RE:NEW programme.”

Impact assessments and consultations

4.3 Consultation was conducted with a group of 15 supply chain, industry expert and housing provider stakeholders in May 2017. The group:

- welcomed the deeper energy efficiency retrofit approach proposed for the programme
- agreed that finding ways in which to retrofit on an area-basis, across tenures if possible, was essential to meet the Mayor’s 2050 target
- asserted that retrofitting ‘hard-to-treat’ properties (blocks of flats, homes in conservation areas etc.) continued to be a significant challenge – hence the proposed programme must have a strong focus on innovation and problem-solving
- emphasised that funding and finance for retrofit continued to be a major barrier – this informed the development of a dedicated funding and finance workstream in the proposed programme.

4.4 In addition, detailed consultation with key stakeholders was conducted in initial development of the approach for this programme through an independent evaluation of the RE:NEW programme⁷. This included a survey (October 2016) of social housing associations and boroughs who had used the technical assistance on offer. The response was strongly in favour of technical assistance to address the market failure of reduced in-house expertise, and lack of capacity and resource in these organisations:

- 89 per cent felt they lacked the capacity and expertise needed to deliver
- >25 per cent highlighted that capacity had reduced in recent years
- 90 per cent rated the quality and usefulness of support as ‘good’ or ‘excellent’
- 84 per cent felt that support had improved value for money of their retrofit investment.

5 Financial comments

5.1 Mayoral approval is requested for expenditure up to £3.6m funded by a contribution of £1.8m ERDF grant and matched by GLA budget of £1.8m. The expenditure will be on the procurement of a new technical assistance team for three years, a programme evaluation and additional specialist services (including legal). This will be a successor programme of the current phase of the RE:NEW

⁷ https://www.london.gov.uk/sites/default/files/renew_evaluation_-_final_report.pdf

programme.

5.2 The project budget is expected to be profiled as follows:

Table 1-budget breakdown

Organisation	2018-19	2019-20	2020-21	2021-22	Total
ERDF	£ 509,400	£ 617,350	£ 629,600	£ 43,000	£ 1,799,350
GLA	£ 509,400	£ 617,350	£ 629,600	£ 43,000	£ 1,799,350
TOTAL	£ 1,018,800	£ 1,234,700	£ 1,259,200	£ 86,000	£ 3,598,700

5.3 The project budget comprises the following main items:

5.4 £3.404m for appointing a contractor to deliver the technical support service. This figure has been reached based on the following assumptions:

- costings were based on assumed contractor roles including: project manager, administrative officer, customer engagement and marketing, financial and commercial roles, technical appraisal, procurement, developing new delivery mechanisms and private sector delivery piloting
- an average of six full time equivalent posts within the contractor team over the three-year period, with an uplift to around eight over the first six months during mobilisation
- as this would be led by a main contractor following a procurement exercise, no recruitment delays were anticipated at the project outset
- rates were based on those used in the current RE:NEW programme
- rates were assumed to increase 1.6 per cent per annum in line with inflation.

5.5 £36,000 for summative⁸ evaluation work. This represents one per cent of the total budget, which is believed to be an appropriate allocation for evaluation. Evaluation is a required element of the overall project.

5.6 Circa £59,700 to develop ideas generated by the technical assistance team innovation unit or the GLA programme manager which may require specialist consultancy support. This funding is critical to support more innovative elements of the project, developing and testing new ideas and approaches to energy efficiency retrofit which could enhance cost effectiveness and help to further reduce household carbon emissions. The budget has been estimated in line with the level of funding required on an annual basis under the current phase of the RE:NEW programme, but has been frontloaded to early years in order that more of the early development of ideas can be carried through to piloting and delivery in later years.

5.7 Circa £99,000 has been allocated for additional delivery costs, including a contingency for legal fees related to the development of potential innovative delivery methods. The budget has been estimated in line with the level of funding required on an annual basis under the current phase of the RE:NEW programme, and is largely split evenly across the programme period, but with slight front loading in the first year to cover potential additional costs during programme mobilisation.

5.8 The Environment team's Energy Efficiency/Energy for London budget from 2018/19 to 2021/22 will fund the £1.8m and is subject to budget approval process.

⁸ An ERDF requirement which involves commissioning external evaluators to review the programme, particularly from a quantitative perspective

6 Legal comments

6.1 Sections 1 to 4 of this report indicate that the decisions requested of the Mayor (in accordance with the GLA's Contracts and Funding Code) concerns the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development, wealth creation, social development or the promotion of the improvement of the environment in Greater London; and 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 regards 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; and
- Consult with appropriate bodies.

6.2 In taking the decisions requested, 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 between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (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 Officers have indicated in paragraph 1.14 of this report that the:

- Framework under which it is proposed the services required are to be "called off" on behalf of the GLA in accordance with relevant procurement law; and
- The services required will be procured fully in accordance with the requirements of the framework.

Officers must ensure that appropriate "call-off" documentation is put in place and executed by the successful bidders and the GLA before the commencement of the services.

6.4 Paragraph 1.13 above indicates that the European Regional Development Fund is providing £1.8m of grant funding to the GLA. The GLA needs to ensure it complies with all the conditions of the funding. Officers must ensure that an appropriate funding agreement is put in place between and executed by the GLA and the GLA Intermediate Body.

7. Planned delivery approach and next steps

Activity	Timeline
Enter into ERDF Grant Agreement	March 2018
Procurement of main contractor	May 2018
Announcement	May 2018
Delivery Start Date	June 2018
Final evaluation finish (external)	September 2021
Delivery End Date	June 2021
Project Closure	September 2021

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) 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 approval 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: The delivery of this programme is dependent upon the procurement of services. Disclosure of the programme budget may compromise the procurement process. Therefore, it is recommended to defer publication of this MD until completion of the procurement processed.

Until what date: The award of the technical assistance team contract, expected by 30 June 2018

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be 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:

Kore Mason has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Fiona Fletcher-Smith has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Shirley Rodrigues has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on the 12/03/18

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

Date

12.03.18

TOM MIDDLETON ON BEHALF OF MARTIN CLARKE

CHIEF OF STAFF:

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

Signature

Date

12/3/2018.

