

## REQUEST FOR MAYORAL DECISION – MD1466

### Title: World Expo 2025

#### Executive Summary:

As a result of the findings of the London Bid Consideration Phase for Expo 2025 (approved under cover of DD1230 and MD1399), the Mayor's Investment and Performance Board (IPB) has endorsed the recommendation to continue the feasibility phase of the project at a cost of £150k and this is now put forward for Mayoral approval.

Detailed investigation into site, costs, revenues, funding and consultation with stakeholders has resulted in the recommendation that the project continues to a phase 2 which will:

- Undertake detailed work to assess potential site including site options to develop the legacy opportunity and forecast the cost and economic impact;
- Develop the funding model and the governance options;
- Continue business and government engagement;
- Develop an appealing Expo theme.

The outcome of this work will be to recommend whether a bid should be submitted and how much this would cost. It has been agreed that the allocated budget will take it to this stage and IPB will then need to recommend (based on the findings) whether to proceed.

#### Decision:

That the Mayor approves expenditure of up to £150k to conduct between April and September 2015, a second feasibility study phase focusing on the assessment of the site for London Expo 2025.

#### 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:**

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

### **Decision required – supporting report**

#### **1. Introduction and background**

- 1.1 The Bid Consideration phase for World Expo 2025 was approved under DD1230 and MD1399.
- 1.2 From June to December 2014 the project explored the feasibility of London bidding for and hosting a World Expo in 2025. Areas of focus included: site, economic impact, cost and revenues, business engagement and other factors key to assessing whether it would be worthwhile for London to bid.
- 1.3 The final Bid Consideration report concluded that there was a compelling argument to continue to explore the feasibility of London bidding for a World Expo which was endorsed by the project Steering Group and IPB (18<sup>th</sup> December). It offered the following specific conclusions:
- the business community is supportive of a UK bid for World Expo London 2025;
  - there were four potential sites in areas where the Expo could provide new infrastructure, development, employment and a legacy beyond what could ordinarily be delivered;
  - the UK's creativity could be showcased, and exports could be boosted through our Expo theme;
  - an Expo would attract millions of visitors. Whilst London has huge destination appeal for business and leisure tourists it is vital for the growth of tourism that we sustain our reputation as one of the most exciting cities in the world;
  - there are estimated to be broad economic benefits to the UK – direct (building the Expo site and infrastructure), indirect (supply chain), increased trade and investment as a direct result of the Expo and the unmeasurable boost to London and the UK's reputation;
  - the event would take place over 6 months and is projected to make a modest operating profit, with the main revenue sources being ticket sales and sponsorship;
  - in time the Expo project would need revenue funding for a bid and significant revenue and capital investment if London hosted the event;
  - the bid will need a recognisable figurehead, strong and sustained commitment across the political spectrum and support from the public and media to be successful.
- 1.4 An update was provided at IPB on the 14<sup>th</sup> April 2015. This narrowed the potential sites being looked at to just one, and IPB approved the undertaking of detailed work to assess the potential of that site to host Expo 2025 including a next-level assessment of costs and legacy potential. Expenditure for the second phase is estimated at up to £150k.
- 1.5 Officers will ensure that the services required are procured in accordance with the GLA's Contracts and Funding Code, and, as per IPB request, the Executive Director Housing and Land will be consulted on the briefs prepared for consultants.

#### **2. Objectives and expected outcomes**

- 2.1 The second phase of the feasibility study will focus on;
- carrying out further technical work and assessment of costs and legacy potential for the shortlisted site.
- Some work will also take place on:

- Developing an Expo theme to appeal to UK businesses, potential visitors, exhibiting countries and sponsors
- Continuing business and HM government engagement ahead of a central government decision to bid in autumn 2015
- Developing funding and governance options for the project

2.2 On completion of this second phase of work, a recommendation will be presented to Central Government, who in order to meet the bid timetable, would need to make a decision in autumn 2015.

### 3. Equality comments

3.1 The continuation of this project will ensure that Equality impacts are considered at all stages of the development, including how positive impact can be maximised.

### 4. Other considerations

4.1 This project can be linked to the following five objectives of the Mayor's Economic Development strategy;

- To promote London as the world capital of business, the world's top international visitor destination and the world's leading international centre of learning and creativity.
- To ensure that London has the most competitive business environment in the world.
- To make London one of the world's leading low carbon capitals by 2025 and a global leader in carbon finance.
- To give all Londoners the opportunity to take part in London's economic success, access sustainable employment and progress in their careers.
- To attract the investment in infrastructure and regeneration which London needs, and to maximise the benefits from this investment and in particular from the opportunity created by the 2012 Olympic and Paralympic Games and their legacy.

#### 4.2 Project Risks

Risk	Probability	Impact	Mitigation
The Expo theme is too limited in its appeal to the business community and is too weak to win the bid	Low	High	Consult widely on theme – within and outside the UK and test emerging ideas with the BIE (Expo awarding body)
Sites are not assessed in sufficient detail leading to inaccurate cost calculations and poor understanding of the legacy possibilities	Medium	High	<ul style="list-style-type: none"> <li>• Engage experts to carry out detailed and comprehensive site analysis as required.</li> </ul>
Businesses withdraw their essential support for the project.	Medium	High	<ul style="list-style-type: none"> <li>• Continue to involve the business community particularly in building</li> </ul>

			economic business case to build on their involvement and contribution.
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## 5. Financial comments

- 5.1 The estimated cost of conducting the second feasibility study phase for London Expo 2025 is up to £150,000 and will be funded from the budget allocated in 2015-16.

## 6. Legal comments

- 6.1 The foregoing sections of this report indicate that the decisions requested of the Mayor fall within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the exercise of its principal purposes and duty to promote tourism to in and through Greater London and in formulating the proposals in respect of which a decision is sought officers have complied with the Authority's related statutory duties to:

- 6.1.1 pay due regard to the principle that there should be equality of opportunity for all people;
- 6.1.2 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
- 6.1.3 consult with appropriate bodies.

- 6.2 Any services and any supplies required to enable the undertaking the proposed second phase feasibility study must be procured by Transport for London Procurement who will determine the detail of the procurement strategy to be adopted in accordance with the GLA's Contracts and Funding Code.

- 6.3 Officers must ensure that appropriate contract documentation is put in place and executed by the successful bidder(s) and the GLA before the commencement of any services and/or supplies.

## 7. Investment & Performance Board

- 7.1 On 18 December 2014, IPB agreed to endorse the second phase of work and the approach being taken to continue to establish the feasibility of a London bid. In principle approval was given to the budget request subject to the detailed breakdown of work being circulated to members.
- 7.2 On the 14<sup>th</sup> April 2015, it approved the undertaking of detailed work to assess the potential of the shortlisted site including next level assessment of costs and legacy potential.

## 8. Planned delivery approach and next steps

Activity	Timeline
Mayoral approval to commence phase 2 bid consideration	April 2015
Detailed work to identify a preferred site and carry out further technical Detailed work to assess costs and legacy potential Detailed work on developing an Expo visitor experience which will appeal to UK businesses, potential visitors, exhibiting countries and sponsors	Jan – Jun 2015

Continue business and HM government engagement ahead of a central Develop funding and governance options for the project	
Presentation of findings to IPB and the Mayor and IPB/Mayoral decision	Jun 2015
If bid proposal is well received, organisation of official visits to Milan 2015	Sept-Oct 2015
HM Government decision to proceed with a bid	Oct-Nov 2015
<b><i>Should a bid proceed</i></b>	
Submission of UK candidacy application	May-Nov 2016
Voting to award 2025 host	2018

**Appendices and supporting papers: None**

**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? No**

If YES, for what reason:

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

**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:**

Marian Dunn has drafted this report in accordance with GLA procedures and confirms the following have been consulted on the final decision.

✓

**Assistant Director/Head of Service:**

Debbie Jackson has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

**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:**

Munira Mirza has been consulted about the proposal and agrees the recommendations.

✓

**Advice:**

The Finance and Legal teams have commented on this proposal.

✓

**EXECUTIVE DIRECTOR, RESOURCES:**

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

**Signature**

**Date**

**CHIEF OF STAFF:**

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

**Signature**

**Date**