

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2708

Title: Green New Deal Fund – Allocation and expenditure for 2020-21

Executive Summary:

The Green New Deal Fund is a three-year programme that aims to tackle some of London's defining 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. It has been aligned with the London Recovery Board's Green New Deal mission priorities.

This MD requests approval for £8.8 million of projects to be funded from the 2020/21 budget. Approval of expenditure of £5.8 million is requested for five programmes where mechanisms have been established for delivery. A budget envelope of £3 million is requested to support 2030 Future Neighbourhoods, with approval of detailed expenditure plans delegated to the Executive Director – Good Growth, via a Director Decision form. £1.2 million has already been approved via MD2700 to support the North London District Energy Network project, bringing the total budget to £10 million.

Decision:

That the Mayor approves:

- 1) Expenditure of £5.8 million in support of the London Recovery Board's Green New Deal Mission and tackling the climate and ecological emergencies, as set out in Section 2 of this Mayoral Decision form;
- 2) A capital grant of £2.74m to Transport for London under section 120 of the Greater London Authority Act 1999;
- 3) A revenue grant of £0.1m to Old Oak and Park Royal Development Corporation under section 121 of the Greater London Authority Act 1999;
- 4) An expenditure envelope of £3m to support 2030 Future Neighbourhoods, with a delegation to the Executive Director, Good Growth to approve detailed expenditure plans through a Director Decision form; and
- 5) A delegation to Executive Director, Good Growth, to enable the director to amend the project expenditure allocations in this form in response to restrictions or impediments arising from Covid-19, as per the criteria set out at 1.4 below.

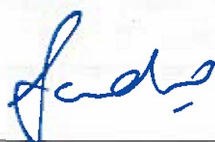
Together with already-approved expenditure through MD2700 (North London District Energy) of £1.2m; that takes Green New Deal approved expenditure to £10 million for 2020/21.

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:

17/11/20

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

Decision required – supporting report

1. Introduction and background

- 1.1 The Green New Deal Fund is a three-year programme that aims to tackle some of London's defining 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.
- 1.2 This Mayoral Decision seeks approval for expenditure on a package of projects amounting to £8.8 million and from the 2020/21 budget. Approval for expenditure of £5.8 million within this decision paper is in support of the London Recovery Board's Green New Deal Mission and tackling the climate and ecological emergencies is for the following projects: London Community Energy Fund - £0.74m; Solar PV programme - £0.52m (£0.1m of which will be to Old Oak and Park Royal Development Corporation under section 121 of the Greater London Authority Act 1999); Bus Electrification and electric vehicle charging (via Transport for London under section 120 of the GLA Act 1999) - £2.74m; Advance London - £0.9m; Better Futures - £0.9m.
- 1.3 The Mayor is requested to delegate to the Executive Director, Good Growth, authority to approve detailed plans for the programme expenditure of £3.0m for 2030 Future Neighbourhoods through a Director Decision form. £1.2m of expenditure has already been separately approved in MD2700 to support the North London District Energy Network project.
- 1.4 In exercising the delegation set out in decision (4) above, the Executive Director – Good Growth may amend the project expenditure envelopes in this decision form in response to the Coronavirus pandemic subject to the following criteria:
- the director may authorise amendments to project budgets up to a cumulative total of £250,000, where the funding has not already been committed and where this is deemed expedient to respond to any restrictions or imperatives flowing from the pandemic; and
 - the director may, under the same circumstances, reallocate uncontracted funding away from projects outlined in this form to new or alternative projects, where these projects clearly support the Green New Deal mission's priorities, up to a cumulative total of £150,000.
- 1.5 Otherwise changes to the proposals outlined in this form will require a new decision form in the normal way and as per the guidance in the Mayoral Decision-Making document.

Tackling the climate and ecological emergency

- 1.6 In 2016, the Mayor set a target for London, to become zero carbon by 2050 which was supported by his London Environment Strategy. In December 2018 the Mayor declared a climate and ecological emergency and released one of the world's first climate action plans that was compatible with a 1.5°C degree pathway in support of the Paris Agreement. The Mayor only has an element of control over up to 50 per cent of London's emissions with the Government needing to act to enable him to tackle the other 50 per cent. The Mayor's 1.5°C Action Plan sets out actions needed at both a London and national level to achieve net zero.
- 1.7 Since 2018 scientific evidence, including the Intergovernmental Panel on Climate Change's (IPCC) Special Report 'Global Warming of 1.5°C', has increasingly highlighted the need for an even greater scale and pace of action, than had previously been thought necessary, to combat climate change. In February 2020, the Mayor announced his ambition to make London net zero carbon by 2030 in response to this evidence. This is a step change in the scale and speed of London's decarbonisation.

- 1.8 London's low carbon and environmental goods and services sector will play an important role in supporting delivery of this ambition. In 2017/18 the sector was worth £39.7 billion to London's economy through sales, more than the value of sales in London's construction and manufacturing sectors combined, and it employed around 250,000 people. This sector had sales of around £20 billion in 2007/08 and has enjoyed year on year growth since then of at least 4.5 per cent and since 2015/16 it has grown at over 9 per cent.

Improving air quality

- 1.9 The Mayor has delivered significant progress in improving air quality in London since 2016, but there is still a long way to go. There are still tens of thousands of Londoners living in areas exceeding legal pollution limits and 99 per cent of London does not meet World Health Organization (WHO) recommended limits for particulate matter (PM_{2.5}). The Mayor has set a target of meeting WHO recommended limits across Greater London by 2030 and significant additional action is required to achieve this.

The Mayor's Green New Deal Fund

- 1.10 In March 2020, the Mayor announced a three-year, Green New Deal Fund to support projects aimed at reducing London's climate change emissions and other harmful environmental impacts such as air pollution, while equipping its citizens and businesses to benefit from the opportunities presented by the transition to zero-carbon. Examples of the types of projects identified for support included the electrification of vehicles and charging infrastructure, energy efficiency and low carbon energy supply, and business support for businesses working in the low carbon, cleantech and circular economy sectors.

COVID-19 and London's recovery

- 1.11 Shortly after announcing the Fund, the UK went into lockdown in response to the coronavirus pandemic. By late May 2020 the London Transition Board was established to co-ordinate London's immediate response as we emerged from lockdown and began to reopen the economy, whilst also monitoring the virus and further outbreaks. A London Recovery Board was also established to lead the recovery response to the impacts of the pandemic.
- 1.12 The London Recovery Board is co-chaired by the Mayor of London and the Chair of London Councils. The Board has set as its grand challenge a goal to 'restore confidence in the city, minimise the impact on communities and build back better the city's economy and society'.
- 1.13 The Recovery Board's key outcomes include tackling rising unemployment, supporting communities, helping young people, narrowing inequalities and ensuring a cleaner and greener recovery.
- 1.14 In September, nine missions were approved to support the overall grand challenge, following consultation with Londoners and stakeholders including a Green New Deal mission.

A Green New Deal mission

- 1.15 The Green New Deal mission has been designed with in collaboration with boroughs and London Councils, taking account of the views of Londoners and stakeholders.
- 1.16 The Green New Deal mission has set the challenge of tackling the climate and ecological emergencies and improve 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 and global challenges such as air pollution and the climate and ecological emergencies. By focussing on tackling these challenges, London can build towards a sustainable city that is fairer, greener and healthier while creating and sustaining jobs and economic growth.
- 1.17 In 2017/18 London's low carbon and environmental goods and services sector was worth £39.7bn in sales and they employed 246,073 people across 13,906 companies. Sales have grown year on year by at least 4 per cent since 2007/08 and in the two years to 2017/18 growth had been over 9 per

cent. This sector covers a wide range of businesses across the supply chain that contribute to tackling climate and environmental related challenges.

- 1.18 London's largest sub-sectors include renewable energies, such as wind, geothermal and photovoltaics with combined sales of around £10.5bn; and low carbon sub-sectors such as building technologies, alternative fuels and alternative fuel vehicles with combined sales of around £8.1bn. London also provides 98 per cent of all carbon finance in the UK and this provides a fantastic opportunity to work to develop innovative new business models and generate the levels of private sector investment that is needed to deliver a net zero London.
- 1.19 The mission target date of 2030 reflects the scale of the transformation required, which is not simple or quick. It will require new approaches, greater coordination and focus of effort, citizen buy-in, the devolution of powers and funding from national government, and substantial flows of private sector capital.
- 1.20 The Green New Deal mission focuses on three key themes, each with five project areas (set out in Appendix 1). These are:
- Decarbonising the Built Environment – Delivering projects that will improve the energy efficiency of buildings; reduce and manage energy consumption; reduce the carbon intensity of energy supply and waste systems; develop district energy networks; and accelerate the speed at which London decarbonises;
 - Green Transport and Public Realm – Delivering projects that reduce transport emissions; catalyse more active modes of transport and ultra-low emission vehicles; improve air quality; and the quality, diversity, connectivity and functionality of our natural environment while increasing its resilience and adaptation to climate change impacts; and
 - Green Foundations – Delivering projects supporting growth of new and existing low carbon, environmental and circular businesses; providing support to Londoners on green skills; lobbying for devolved powers to support London's transition; enabling the flow of private sector capital for climate and environmental action; and engaging with citizens to support sustainable behaviours.

The Mayor's Green New Deal Fund

- 1.21 The Mayor's Green New Deal Fund is one lever to drive action in relation to the mission. There are many other levers at a national, regional and local level including other recovery missions in London delivering benefits through the environmental cross-cutting theme, the £3bn of decarbonisation funding recently announced by government retrofitting of housing and public sector operations and funding streams identified for tackling the climate emergency that has been declared by 29 of the 33 London boroughs.
- 1.22 The suite of year 1 Green New Deal Fund projects identified will support 14 of the 15 project themes and is designed as a package of measures to deliver against the objectives of the mission. Appendix 1 shows how the proposed year 1 projects fit with the themes and project areas of the mission.
- 1.23 The Green New Deal recovery mission is developing an action plan that is co-ordinating activity and the pursuit of other funding opportunities beyond the Green New Deal Fund. This could support the acceleration and scale up of projects that have proven to be successful

2. Objectives and expected outcomes

Year 1 Green New Deal Fund projects

- 2.1 This MD sets out the first phase in approvals for the Green New Deal Fund and covers projects up to a value of £10 million for funding in 2020/21. Further tranches of the Green New Deal Fund will be allocated in subsequent phases, with associated MDs, across the next two financial years.

- 2.2 The year 1 portfolio was developed by the Environment and Energy team. Projects were submitted through an internal process which initially identified opportunities from within the GLA, across the functional bodies and also took account of 'shovel ready' projects identified by London boroughs, coordinated by London Councils.
- 2.3 Proposed projects were assessed against a range of criteria including:
- fit with green new deal mission priorities;
 - CO₂ reduction;
 - other environmental benefits (air pollution improvement, access to green space);
 - jobs sustained and supporting skills development, including longer-term job multiplier effect from catalysing activity;
 - contribution to a 'just' transition;
 - replicability and scale-up potential;
 - additional funding could be leveraged; and
 - project readiness.
- 2.4 Proposals were reviewed, then discussed with the Mayor's Office and seven projects have subsequently been recommended for funding this year. These have also been discussed with the London Recovery Economic Workstrand Sub-Group and London Councils.
- 2.5 Year 1 projects support a range of Green New Deal themes that support and sustain jobs, drive environmental improvement and support a just transition.
- 2.6 Additional funding that can be levered in: Year 1 projects have the potential to secure linked investment of up to £104 million in total, this would be a return of £10 for every £1 invested.

Green New Deal mission theme 1: Decarbonising the Built Environment

- 2.7 This MD seeks approval of £1.26 million of expenditure in 2020/21 in addition to £1.2 million already approved by MD2700 to support the decarbonising the built environment theme.

Green New Deal Mission Theme 1: Decarbonising Built Environment	Approval to Spend 2020/21
The Mayor is asked to approve expenditure on the below areas of work:	
1. London Community Energy Fund	£740,000 (total)
Seed funds to support the development of project feasibility (as per previous LCEF rounds), with individual grants of up to £15,000.	£165,000
Seed funds supporting the capital costs of projects. Grants will cover on average one third of total capital costs of projects, enough to plug the gap left by the withdrawal of the Feed in Tariff and other incentives. This would enable projects to maintain a large share of direct-community funding and utilise other sources of capital such as borough offset funds. Capital costs of projects in previous round have ranged between £75,000 to £200,000.	£500,000

£75,000 funding to Community Energy London (CEL) to maintain a position of a Community Support Officer, and funding to support legal and project procurement support for groups, as well as the development of tools to facilitate and accelerate community projects. This will further strengthen the technical capability of the sector.	£75,000
2. Solar Roofs	£520,000
The Mayor is asked to approve expenditure on the solar industrial estates project below, via a transfer to Old Oak and Park Royal Development Corporation under section 121 of the Greater London Authority Act 1999:	
<i>Solar industrial estates</i> Grant funding (which the Old Oak and Park Royal Development Corporation intends to match on a 1 to 1 ratio), via a transfer to Old Oak and Park Royal Development Corporation under section 121 of the Greater London Authority Act 1999, to support the development and formation of a Public/Private SPV, in this case a Community Benefit Society. This will provide the mechanism for developing, financing and delivering solar PV at scale across the Old Oak and Park Royal industrial estates over a three-year period. Funding supports the: • finalisation of the business model and establishment of the special purpose vehicle, agreement in principle contract terms with businesses and procurement of a contractor for the works; and • preparation of contracts with businesses (including roof rental agreements, PPA's) for installation of Solar PV.	£100,000
<i>Solar Together London</i> Solar Together London will work across London boroughs to encourage households within the private sector (owner occupiers and private landlords), to register their interest in having solar PV installed on their roofs, to secure a better price at a guaranteed level of quality through collective purchasing. The programme will work with boroughs in marketing and identifying properties to target; where boroughs are unable to support the programme directly the GLA will identify homes and market directly. Interested households then register their interest on the site, ahead of a 'reverse auction' day where pre-approved solar PV suppliers bid to deliver solar installations at the lowest price and highest quality possible. Following the auction in early 2021, works would begin on delivery installs from Spring 2021. Up to £60,000 of funding will also support installers to boost their training and employment opportunities.	£420,000
The Mayor is asked to note the approved expenditure below:	
3. North London District Energy – This has already been approved through MD2700	£1,200,000
Sizing of the heat network between Edmonton Eco Park and Fore Street so that it is capable of supplying heat to proposed Enfield connections whilst having at least 20MW of surplus heat available to supply on to Haringey and Hackney; and	£750,000
£450,000 for the retrofit of heating systems in houses and flats and the subsequent connection to a local heat network.	£450,000

- 2.8 A summary of each project is included below with further detail contained within Annex 4.

London Community Energy Fund

- 2.9 The London Community Energy Fund (LCEF) will support community-based energy projects and builds on previous successful rounds, approved under MD 2331, MD2137 and DD2200. The programme has performed strongly to date, supporting 48 projects through 19 different community groups, with an expected minimum installed generation capacity contributing over 5 MW of solar to the Mayor's decarbonisation and solar targets. This could save up to 1,600 tonnes of CO₂e annually and examples include installing solar photovoltaics (PV) on churches, social housing blocks and schools.
- 2.10 Community Energy groups are strongly placed to contribute to the Green New Deal by supporting local jobs and supply chains in green energy, carbon reduction and energy efficiency. Projects will provide opportunities for the development of new skills and training opportunities through the creation of local apprenticeship schemes, internships and training opportunities, particularly for young people and the unemployed.
- 2.11 This project will help counter the impact that the removal of Government funds and support schemes, such as the ending of Feed in Tariffs (FiTs), has had on Community Energy groups.
- 2.12 LCEF will support energy efficiency, fuel poverty alleviation and renewable energy projects. It will also look to strengthen the sector's development through supporting new business models in the post Feed in Tariff landscape, e.g. opportunities around different generation types, flexibility, peer-to-peer energy trading, energy data models, EV charging, storage, as well as maximising the wider benefits provided by Community Energy groups.
- 2.13 All applicants will be expected to demonstrate job creation impacts and proposals for skills and training development in their communities as part of the application process, and will be reviewed to consider equalities impacts to ensure appropriate inclusion and targeting of unrepresented groups. The Fund will target opportunities to support the installation of solar PV on school buildings which will complement government's public sector decarbonisation scheme which is supporting public sector buildings including schools with funds to improve energy efficiency and decarbonise their heating systems.
- 2.14 Community energy groups via previous consultations have told the GLA they would benefit from
- support to upskill community energy groups to continue to produce viable projects;
 - receiving grants towards capital funding for project delivery to make up for the loss of the Feed in Tariff and other incentives; and
 - receiving project development support to maximise and optimise existing projects.
- 2.15 An application process will be opened in late November, allowing applicants up to six weeks to submit proposals. The LCEF will provide both project development and capital grants to support projects. Individual funding agreements will be executed by March 2021. 75 per cent of costs will be paid on execution of the funding agreement, with the remainder paid at agreed milestones.

Solar Roofs (£0.52m)

- 2.16 Solar Roofs will support the development of projects contributing to the 2GW solar opportunity set out in the Mayor's Solar Action Plan. This project, if rolled-out across London's Strategic Industrial Areas could support around a third of the Mayor's solar target. Achieving the solar target could support up to an estimated 44,000 construction job years over the next decade.

a) Solar Industrial Estates (£0.1m)

- 2.17 The Mayor's London Solar opportunity map identifies warehouse and factory roofs as having the potential to support around 37 percent of the 2GW solar action plan opportunity (subject to technical/financial feasibility). Industrial roofs represent the best opportunity for urban PV deployment due to their large, flat or shallow roof area and the low levels of over-shading from adjacent buildings.
- 2.18 The initial work will test the concept by establishing the Community Benefit Society, raising initial finance to support 'phase 1' and installing around 10,000 m² of PV across ten business premises on the Park Royal estate. Finance up to the value of £10 million will be pursued to support both phase 1 and then additional roof space that will, hopefully, be secured in 2021/22. Suitable sources of funding include the Mayor's Energy Efficiency Fund, London borough offset funds and the Public Works Loan Board.
- 2.19 Ten businesses have already been identified, business cases developed, and owners have expressed an interest in participating in the project. This project will deliver 800 tonnes of CO₂e savings a year across the ten businesses, providing 1.3MWp and up to 28 jobs. Works will begin to install on-site the first three PV systems in the first quarter of 2021/22.
- 2.20 The wider opportunity across industrial roofs in the OPDC area has been assessed as capable of providing 213 MW of power, which could save up to one million tonnes of CO₂e over 25 years by displacing grid electricity. Delivery of 213 MW would support 4,106 job years through the construction period alone¹.
- 2.21 Through the procurement process the successful contractor will be required to set out approaches for supporting the increase in local skills capacity and approaches for supporting local apprenticeships and local employment.
- 2.22 The GLA will work closely with ODPC to ensure that the approach taken on their estate can be standardised and replicated on other strategic industrial land. The project will gather intelligence and insights into the optimum delivery model for deployment of solar on industrial sites, including how to engage with premises' owners in the development of a delivery model that supports jobs and skills through the procurement process and a business model that aggregates work to attract low cost finance.

b) Solar Together London (£0.42m)

- 2.23 Solar Together London uses a collective purchasing approach to support domestic rooftop solar. This proposal builds on previous rounds of Solar Together, agreed through previous decisions MD2503 and ADD2187. Solar Together London has reduced costs by up to a third for customers, driven higher quality installations and maximises the likelihood of purchase and installation (compared to individuals buying separately). Through targeting the able to pay market, the project secures investment directly from homeowners. Previous phases have to date resulted in around 1,000 PV systems since 2016 on homes and secured over £3m of investment from London residents.
- 2.24 This investment directly supports jobs in the solar industry. In 2017/18 estimated sales in the solar sector, which includes the supply chain and photovoltaics, totalled £2.3bn and employed over 15,000 people in up to 650 businesses in London.
- 2.25 The GLA will engage a service provider with an online platform and marketing expertise, encourage households to register an interest in solar PV installations. The aggregated interest would be shared with a pre-agreed framework of solar suppliers (quality checked by the service provider), with each

¹ 21.6 job years per installed MWp, UKERC 'low carbon jobs: the evidence for net job creation...'

<https://ukerc.ac.uk/publications/low-carbon-jobs-the-evidence-for-net-job-creation-from-policy-support-for-energy-efficiency-and-renewable-energy/>

bidding in a reverse auction to deliver solar installations to those expressing an interest at the lowest price possible. The scheme will target homes across London.

- 2.26 The GLA will work directly with the London boroughs in developing the marketing and identifying properties to target. Where boroughs do not have the capacity to support, the GLA will undertake this activity directly. The offer will be made to an estimated 570,000 households. Where householders have previously had installs through the scheme, we will offer the opportunity to install batteries, alongside their existing Solar PV.
- 2.27 Scheme design, borough marketing and property identification will begin in Autumn 2020, with the reverse auction completed in February 2021.
- 2.28 Solar Together London provides a relatively low risk return on investment for the GLA, costing between £260 to £380 per installation, depending on take up. A budget of £420,000 could secure 1,100-1,600 installations, with capacity of 2.9-4.2 MW. This could save between 658-965 tonnes of CO₂e based on previous performance. This represents an investment of between £3.3 to £4.8m from London's able to pay residents.
- 2.29 The project will:
- target all London boroughs;
 - heighten benefits of battery storage and smart energy benefits (target of installation in 25 per cent of homes), including through contacting participants of previous rounds of Solar Together London to provide information on retrofitting battery storage;
 - co-promote alongside government energy efficiency grant opportunities, announced in the Summer Statement; and
 - provide funding to installers to boost their training and employment opportunities.

North London District Energy (£1.2m)

- 2.30 The project has been agreed through MD2700. Building on £30 million of investment already secured, the project provides the capacity to capture a further 20MW of heat from the Edmonton ERF to enable the extension of the heat network into Hackney and Haringey, providing near zero carbon heating to a further 8,000 properties. It is expected to deliver 5,000 tonnes of carbon savings and 36 jobs during the first phase of the network and a further 36 jobs through its expansion into Hackney and Haringey. The funding enables the development of a second bid for government funding to secure an additional £30 million to expand the network into Haringey and Hackney. It will also be testing approaches for connecting existing properties to local heat networks.

Green New Deal mission theme 2: Green Transport and Public Realm

- 2.31 £5.74 million is recommended to support two project areas under the Green New Deal Mission's Green Transport and Public Realm theme.

Green New Deal Mission Theme 2: Green Transport and public realm	Approval to spend in 2020/21 directly from this MD	2020/21 spend subject to further, delegated approval
The Mayor is asked to approve expenditure on the below areas of work, via a transfer to Transport for London under Section 120 of the GLA Act 1999:		

4. Bus electrification and electric vehicle charging	£2,740,000	£0
Grant support towards upgrade of power infrastructure at 3 bus garages in London via TfL's 'grid to gate' initiative. Funding will be granted to Transport for London via Section 120 of the GLA Act 1999 which allows the GLA to 'pay grants towards meeting capital expenditure incurred or to be incurred by a functional body for the purposes of, or in connection with, the discharge of the functions of that body.' Funding will be provided to bus operators to upgrade bus garages via application from bus operators. TfL will consult the GLA Environment and Energy team on garages identified for upgrade before distributing the grant. This structure has been identified as most bus garages are not owned by Transport for London. Section 159 of the GLA Act allows Transport for London to make grant payments to 'any body or person in respect of expenditure incurred or to be incurred by that body or person in doing anything which in the opinion of Transport for London is conducive to the provision of safe, integrated, efficient and economic transport facilities or services to, from or within Greater London.'		
The Mayor is asked to approve the spending envelope of the below programme, noting detailed expenditure plans will be approved by officer delegation:		
5. 2030 Future Neighbourhoods	£0	£3,000,000
The programme will support between 2-4 Borough led projects that will support exemplar, transformative area-based projects that deliver a coordinated plan of activity across a range of environmental priorities, showcasing future 2030 neighbourhoods across the following areas: • climate adapted, resilient and green neighbourhoods; • retrofitting homes and commercial and public buildings; • decarbonising the energy system; • zero emission transport e.g. active transport; EV charging; and • zero waste, circular economy and driving behavioural change. Grant funding will be awarded via a challenge-based competition with criteria for selection to include, but not be limited to, the following: • be permanent interventions; • be deliverable by March 2022; • be impactful projects that showcase best practice in strategic interventions that could be replicated elsewhere in London; • be clear how they will retain or create green jobs;		

• include measures that repurpose streets to enable more active travel, reduce motor traffic and improve air quality, such as closing streets to traffic, restricting through-traffic on residential streets, or creating more space for people to walk and cycle; • deliver three or more of the following outputs: ○ increase in green cover and/or tree canopy cover; ○ installation of climate adaptation measures to reduce heat risk; ○ installation of sustainable drainage features; ○ installation of electric vehicle charging points; ○ support active travel e.g. permanent cycle lanes; ○ costed delivery plan for getting to zero carbon by 2030; ○ reductions in the energy demand of existing building stock; ○ exploitation of local secondary and/or renewable energy sources; and ○ development of district energy networks. In addition to capital funding, projects will be supported by existing GLA programmes and we will seek other capital support for the programme. Selected projects will receive seed funding to develop detailed costed implementation plans and capital funding to support their development. Full details will be developed for approval via delegation. Support will be focused on areas and communities of London using the following three criteria: impacted by coronavirus, levels of deprivation or climate vulnerability.		
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Bus electrification and electric vehicle charging (£2.74m)

- 2.32 The project will invest in power infrastructure for bus garages in London, ultimately leading to the transformation of 9,000 buses into a zero-tailpipe emission fleet. An ambitious bus electrification agenda could also help sustain and grow up to 3,500 green jobs in UK bus manufacturing by 2030.
- 2.33 This investment will support three bus garage power connection upgrades. The project will help kick start a direct, active and cost-efficient programme of electrification upgrades through TFL's 'grid to gate initiative'. The investment could unlock a larger pipeline of 32 bus garages over the next four to five years. The intention is to scale up the level of finance available for this activity, assessing opportunities for both grant and investment funding, but the chosen investment model cannot be guaranteed until a medium-term TfL funding settlement is agreed with the Government.
- 2.34 The initiative will grant fund bus operators on application, to deliver upgrades to garages. Through the programme bus garages servicing areas of high deprivation and exposure to poor air quality will be prioritised. A minimum of £2 million is earmarked for supporting bus garage electrification and up to £2.74 million in total, depending on the suitability of the projects submitted via the initiative. Bus garages will be selected from a shortlist of garages suitable for early completion, including Croydon, Dartford, Harrow, Shepherd's Bush and Tolworth. If only £2 million of projects is allocated, the

remaining funding would support the roll-out of electric charging points via the Electric Vehicle Infrastructure Delivery Plan.

- 2.35 London's buses currently emit 625,000 tonnes of CO₂e a year (60 percent of TfL's carbon emissions). The electrification of Waterloo bus station alone saved 900 tonnes of CO₂e in its first year - based on these savings, up to 2,700 tonnes of CO₂e a year could be saved from this investment alongside 34 tonnes of NO_x and 150kg of harmful PM_{2.5} air pollutants.

2030 Future Neighbourhoods (£3.0m)

- 2.36 Responding to the climate and ecological emergency while responding to the impacts of the pandemic requires concerted action across many different aspects of communities, driving changes in behaviour and new models of consumption. 2030 Future Neighbourhoods will support exemplar, transformative area-based projects that deliver a coordinated plan of activity across a range of environmental priorities.
- 2.37 Developing and deploying approaches in neighbourhood zones that accelerate progress towards achieving net zero emissions, supports adaptation to climate change and other environmental benefits while engaging communities, creating jobs and skills opportunities. Particular attention will be given to ensure underrepresented groups are included in design and benefit from outcomes. Project areas will look and feel different to other neighbourhoods, showcasing what can be achieved, with clear costed delivery plans to 2030.
- 2.38 They will focus on supporting jobs and skills, be supported by existing GLA environment programmes, develop replicable delivery models, include plans for wider roll-out and share best practice. The programme will look to lever additional funding and programme support from London boroughs. We will seek to align with other GLA Missions including the High Street Mission as well as other GLA departments like Housing and Land.
- 2.39 The Zones will act as exemplars, sharing best practice, driving new approaches and catalysing long-term reductions in CO₂ and improvements to the environment that can be replicated across London. The fund would support 'whole neighbourhood and cross-sector approaches that support activity across the following areas:
- retrofitting homes and commercial and public buildings e.g. easy and harder energy efficiency and energy management measures in homes, prioritising the fuel poor, social housing, new delivery models etc;
 - decarbonising the energy system e.g. heat networks, exploitation of local secondary energy sources, local renewable energy generation, energy storage etc;
 - zero emission transport e.g. active travel and transport, EV charging, cycle lanes delineated from the road network etc;
 - climate adapted, resilient and green neighbourhoods e.g. depaving, green roofs, green infrastructure, sustainable urban drainage, river channel restoration etc; and
 - zero waste, circular economy and driving behavioural change e.g. waste action areas, food waste redistribution. Supporting High Streets through multifunctional spaces e.g. repair shops, shared workspace, 'Libraries of Things', driving changes in behaviour etc.
- 2.40 It is anticipated that the year 1 budget will support between one and a maximum of three projects. Applicants will be expected to:
- deliver activity related to at least three of the five areas identified in paragraph 2.39;
 - focus on areas impacted hardest by the coronavirus, deprivation or climate vulnerability;
 - capture additional investment and catalysing sustained action;
 - set out clear plans for how the project will support jobs and provide access to skills development;

- maximise CO₂e impact and other environmental benefits such as air quality improvement;
- have clear plans for engaging local residents and businesses;
- integrate existing schemes and trial new approaches, with a clear plan for scale-up beyond the zone;
- demonstrate a long-term, sustained plan to supporting the neighbourhood; and
- work with partners and involve citizens.

- 2.41 The GLA will invite applications from boroughs which will set out their broad proposals for the area; including priorities for neighbourhoods, commitment and plans for getting to zero carbon by 2030 and their approach to delivering the criteria in paragraph 2.39.
- 2.42 Up to three projects will receive revenue funding to support the development of detailed and costed delivery plans for the zones including vision, outcomes, costs, resources, timescales, funding, outputs and political commitment. Applications will be expected to work towards delivery of net zero neighbourhoods by 2030.
- 2.43 £200,000 is allocated to support the development of detailed delivery plans. The Fund would contribute up to 75 per cent of the revenue costs of the delivery plans with boroughs providing the remaining 25 per cent. The remaining £2.8 million will be committed to support project delivery.
- 2.44 It is expected that GLA funding is matched by London boroughs. We will explore the potential for further capital support, such as from utilities and other relevant stakeholders, into the programme as it is developed.
- 2.45 Project details, a project delivery plan and a 'call for applications' prospectus are all currently being finalised. Consideration is being given to how the programme aligns to other relevant missions and the wider work of other GLA departments. Full details of the programme (within the agreed budget envelope of this MD) will be developed and approved by Executive Director – Good Growth via a delegated decision in consultation with the Deputy Mayor for Environment and Energy.

Green New Deal mission theme 3: Green Foundations

- 2.46 £1.8 million is recommended to support the green foundations theme. Projects support London's low carbon, environmental, cleantech and circular economy business as they respond to the climate and ecological emergencies by providing new and innovative goods and services as solutions for businesses across the economy. These projects will also create job opportunity and develop skills for Londoners to exploit the opportunities that the transition to a low carbon circular economy represents.
- 2.47 This investment is important both to support London's future sustainability, establish London as a leader in this essential form of economic innovation and support a 'just' transition.

Green New Deal Mission Theme 3: Green Foundations	Approval to spend in 2020/21 directly from this MD
The Mayor is asked to approve expenditure on the below areas of work:	
6. Advance London Grant funding to the Advance London programme managed by the London Waste and Recycling Board (LWaRB). Supporting start-ups and SMEs to recover and scale up, protecting jobs in the short-term and enabling good quality businesses to be part of a green recovery. The project will accelerate	£900,000 (total)

the recovery of circular businesses and incentivise the wider London business community to launch and pilot circular economy ventures.	
grants to Circular London businesses (50+ grants);	£708,000
additional front-line bespoke advice to businesses (50+ businesses); and	£102,000
online matchmaking platform that will shorten the 'access to market' cycle for 200+ businesses co-designed with Better Futures	£90,000
7. Better Futures Tailored innovation support to 60-80 SMEs (and access to physical and virtual eco-systems) to improve the success rate and speed of low-carbon enterprises seeking to achieve innovation-led growth by expanding the programme will provide additional and enhanced, tailored business and technical development resources while proactively focusing on under-represented groups in the Cleantech sector. Grant Funding will be awarded to the following Better Futures partners:	£900,000 (total)
<u>7a. Sustainable Ventures</u>	
12 hours' business support for newly recruited businesses and pivot advice, salaries (20 newly recruited SMEs and pivot advice for graduated businesses);	£161,000
grants to Better Futures programme SMEs; and	£105,000
five Internships (six months), 50 per cent match by businesses.	£46,000
<u>7b. Imperial College and ICON</u>	
Innovation vouchers and ICON fee (vouchers for 13 businesses);	£114,000
27 internships (four months) + brokerage; and	£200,000
Accelerator (inc. bootcamp) (10 businesses) and 12-month programme support (5 businesses).	£145,000
<u>7c. West London Business</u>	
Cleantech database and learning zone:	
Cleantech database (jointly with Advance London);	£10,000
Learning Zone; and	£21,000
overhead costs inc. project leadership.	£8,000
Innovation vouchers:	
marketing & salaries;	£13,000
overhead costs inc. project leadership; and	£3,000
Innovation vouchers.	£60,000
<u>7d. GLA</u>	
Marketing & PR for scheme expansion	£14,000

Advance London (£0.9m)

- 2.48 The Advance London programme managed by the London Waste and Recycling Board (LWARB) has supported over 200 SMEs over the last 3.5 years to transition to circular business models and scale their circular economy ventures, resulting in a combined turnover of £50m. LWARB estimate that the existing portfolio of companies have to date saved around 160,000 tonnes of CO₂e, has diverted over 36,000 tonnes from landfill and enabled 30 SMEs to launch brand new green products or services.
- 2.49 The current portfolio of businesses has a high proportion of female owned or co-owned (45 per cent) businesses with 48 per cent of those in African, Asian, Caribbean, Black British and other minority ethnic ownership and 22 per cent of those businesses are in the five London boroughs with the highest deprivation levels. Whilst there are several sources of support for businesses impacted by coronavirus from central government many early stage businesses do not qualify for access to these schemes. As an example, 59 per cent of circular businesses of the Advance London portfolio were not able to access any COVID-19 government funding based on the Advance London SME programme survey conducted in June 2020.
- 2.50 Funding will broaden the existing Advance London programme by supporting start-ups and SMEs to launch and pilot circular economy ventures that will protect jobs and enable good quality businesses to be part of a green recovery. It will prioritise support to businesses in either geographic areas or sectors impacted most severely by the pandemic.
- 2.51 The additional funding will:
- enable the direct deployment of financial support in the form of grants which is currently beyond the scope of the programme to SMEs who demonstrate circular activity in any of the areas included in the Advance London business framework. The grant platform will also be used to support Better Futures' businesses; this will provide focused support to 50+ circular and cleantech businesses who need it and have shown great growth potential over the last 3.5 years. These will be split into three clusters, assessed by LWARB in consultation with GLA officers and will need to be able to demonstrate job retention/creation and/or positive environmental impact (waste reduction and/or CO₂ emission reduction):
 - cluster 1 - 20 circular SMEs at risk (either pre-revenue/pre-launch, post revenue) with up to £10,000 of support;
 - cluster 2 - 20 circular SMEs will receive support up to the value of £17,000 if they can demonstrate great green growth potential and want to launch a circular initiative that will create employment;
 - cluster 3 - 10 SMEs will receive support up to the value of £5,000 if they are interested in deploying circular initiatives either as a means to survive during/after the pandemic or as part of evolving or redefining their business model;
 - provide additional capacity for front-line, bespoke, strategic business support and advice which will allow an additional 50+ businesses to be supported and in greater depth. This will help address the lack of capacity in the Advance London team and allow it to continue to provide high quality circular economy advice whilst meeting the increasing demand both from its existing 200 SMEs as well as London's wider businesses community; and
 - set-up an on-line matchmaking platform that will shorten the 'access to market' cycle for 200+ businesses when they urgently need to identify partners, investors or clients. This will be co-designed with the Better Futures programme.
- 2.52 The programme will be managed by the LWARB and funds transferred via a grant agreement. Existing governance structures are already in place to manage the programme and the funding will provide the additional resources required to support the increased level of support to businesses. Grants to businesses will be open for application from November 2020, with grants disbursement in

January against agreed criteria. The grants programme will be jointly administered by the LWARB for the Advance London and Better Futures programmes.

- 2.53 The investment will safeguard 300 jobs and create 50 new ones, support a further 200 businesses and provide grant funding to 50 businesses focussed on those with growth potential or wishing to pivot to new circular economy business models.

Better Futures (£0.9m)

- 2.54 The Better Futures programme over the last six years has provided tailored innovation support and access to networks and clients to improve the success rate and speed of low-carbon enterprises seeking to achieve innovation-led growth. It was originally approved via MD 2077. Project delivery partners include Sustainable Ventures, ICON (Imperial Consultants), Imperial College, West London Business and OPDC. The existing programme is funded and extended until December 2022 (MD2536).
- 2.55 The Better Futures programme consists of six main delivery components: SME engagement; SME business support; innovation support; product development; support to scale market-proven products; and access to market.
- 2.56 The pandemic has led to increased interest from SMEs for support from Better Futures (there is currently a six-month waiting list to access support). The expanded programme will provide additional, enhanced and tailored business support to help accelerate the establishment and growth of innovative low carbon enterprises that will support London's transition to a low carbon circular economy.
- 2.57 The expansion programme will prioritise support to businesses in either geographic areas or sectors impacted most severely by the pandemic. It will also have a pro-active focus on supporting inclusive innovation, providing a platform for businesses from under-represented groups and communities in the cleantech sector to develop solutions, particularly supporting female-led businesses, Black, Asian and Minority Ethnic (BAME) community members and young people who have been disproportionately affected by the Covid-19 crisis.
- 2.58 Green New Deal funding will support delivery of an intern match making service (a 50:50 contribution from SME and funder) to support five six-month youth job placements via Sustainable Ventures and a further 27, four-month internships via Imperial College. Interns will as a minimum receive the London Living Wage.
- 2.59 It will also support grants to Better Futures SMEs (jointly administered with LWARB) these will be developed in line with Advance London's clusters as set out in para 2.51.
- 2.60 A survey of existing Better Futures supported businesses highlights many of the challenges facing them currently due to the pandemic. These include:
- difficulty raising finance (71 per cent);
 - cash flow issues (62 per cent);
 - supply chain disruption (52 per cent);
 - adapting the business model (48 per cent);
 - reduced sales (43 per cent). 70 per cent of businesses that have already completed the programme reported reduced sales:
 - however, this was the case with only 18 per cent of the group currently participating in the programme; and
 - this is likely to be due to businesses currently participating being at an earlier stage of business development (pre revenue) than businesses that have completed the programme.

- 2.61 Sustainable Ventures will deliver the 'Booster' support for businesses that have completed the Better Futures programme but now need advice to meet emerging challenges from the pandemic as identified in the survey results above, including addresses the job retention. They will also provide support to an additional 20 SMEs that haven't engaged with the Better Futures programme up until now.
- 2.62 Imperial College, who lead the cleantech accelerator programme for very early stage cleantech start-ups, will support an additional ten start-ups through the 'business model bootcamp' and provide five businesses with dedicated 12-month support.
- 2.63 ICON will provide innovation vouchers for accessing bespoke academic support from Better Futures partners for new technologies and business transformation to an additional 15 businesses. The vouchers will be extended to SMEs from the film/creative and food production/hospitality sectors that have been particularly affected by the pandemic via West London Business. Supported businesses will need to be looking to transition to low carbon and/or circular economy business model and pledge to be zero carbon by 2030. Funding will allow for this activity to be expanded beyond west London to the whole of London.
- 2.64 Through West London Business, Better Futures will develop with Advance London a cleantech database on London-based providers of cleantech products and services. It will create market opportunities by enabling procurement professionals to quickly identify new service providers when advertising new contract opportunities.
- 2.65 West London Alliance and West London Business are working with 'Tech for Better' to develop a green skills/ training portal for West London with an initial focus on retrofit. The funding will allow retrofit training opportunities to be mapped across the whole of London and so make the prototype 'Minimum Viable Product' an important skills resource for the whole of London. It will map learning pathways in other growth areas (electric vehicles and sustainable food) and identify gaps in provision where partners need to be encouraged to bring new training provision on stream.
- 2.66 The Better Futures consortium and project is co-ordinated by the GLA and delivered with partners outlined above. Following approval Grant Agreements will be developed between the GLA and delivery partners for the outlined programme. As the Programme governance and structures are already in place Better Futures can move to delivering the programme quickly.
- 2.67 The extended programme will support the creation of 120 jobs and the safeguarding of 220 more, providing 124 unique interventions to support businesses.

3. Equality comments

- 3.1 Under s149 of the Equality Act 2010 (the Equality Act), as a public authority the GLA must have due regard to the need to eliminate discrimination, harassment and victimisation, and any conduct that is prohibited by or under the Equality Act; and to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not. This involves having due regard to the need to remove or minimise any disadvantage suffered by those who share a relevant protected characteristic that is connected to that characteristic, taking steps to meet the different needs of such people; and encouraging them to participate in public life or in any other activity where their participation is disproportionately low.
- 3.2 The relevant protected characteristics under section 149 of the Equality Act are: age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, and sexual orientation. Compliance with the duty may involve ensuring people with a protected characteristic are provided with all the opportunities that those without the characteristic would have.
- 3.3 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. Equality,

diversity and inclusion are subsequently enshrined within the GLA's strategies, programmes and activities.

- 3.4 The GLA will ensure that (as part of its on-going legal responsibility to have due regard to the need to promote equality, in everything it does, including its decision-making), barriers are removed that may prevent those with protected characteristics benefiting from the projects.
- 3.5 The GLA Environment Unit commissioned an Integrated Impact Assessment (IIA) on the draft London Environment Strategy. This evaluated the social, economic, environmental, health, community safety and equality consequences of the strategy's proposed policies to ensure they are fully considered and addressed. A post-adoption statement showing how the IIA influenced the final strategy and Equality Impact Assessment (EqIA) report has been [published](https://www.london.gov.uk/what-we-do/environment/london-environment-strategy):
<https://www.london.gov.uk/what-we-do/environment/london-environment-strategy>.
- 3.6 All the recommended projects being put forward for funding from the Mayor's Green New Deal Fund contribute to tackling the climate emergency, supporting the green recovery and enabling the 'just' transition. They will do this directly or indirectly by delivering environmental projects, creating markets for addressing environmental challenges, integrating environmental sustainability into the wider economy and by supporting London's businesses to access and compete in these growing markets. The GLA has also consulted Londoners and stakeholders on development of the Recovery programme including the Green New Deal mission.
- 3.7 All projects will be expected to illustrate how they are considering the needs of all Londoners and what they will do to ensure that, as relevant, they are both included in these projects and benefit from them.
- 3.8 For example:
- Better Futures – there will be a pro-active focus on supporting inclusive innovation, providing a platform for businesses from under-represented groups and communities in the cleantech sector to develop solutions, particularly supporting female-led businesses, Black, Asian and Minority Ethnic (BAME) community members and young people who have been disproportionately affected by the Covid-19 crisis.
 - Community Energy - applicants will be expected to demonstrate how they will ensure that the jobs, skills and training opportunities generated by the project will be actively promoted and made available to everyone within the community as part of the application process.
 - 2030 Future Neighbourhoods - applicants will have to explain how they will ensure that they give everyone within the neighbourhood's community the opportunity to be involved in and benefit from the programme.

4. Other considerations

a) Key risks and issues

Risk	Mitigation
One or more of the proposed projects recommended for funding cannot deliver the forecast benefits within the estimated funding allocated from the Green New Deal Fund.	The assessment process included consideration that projects should not require ongoing revenue expenditure from the GLA beyond the project lifetime. It also included that the funding should, in the main, support costs external to the GLA and not entail a significant or long-lasting increase in headcount. These provides partial mitigation against the likelihood of the projects exceeding their planned costs and this will be further considered on an

	individual project basis as part of the subsequent funding agreements submitted for individual project approval.
There is slippage in the planned delivery of one or more of the projects.	Each project will be mainstreamed in the delivery of its host team's business and will be subject to their prevailing performance management processes, meaning that progress in project delivery will be closely monitored to ensure that projects remain on track and identify and mitigate any potential slippages.
Individual projects are unable to spend this financial year (2020/21).	The assessment process was rigorous in the project's ability to deliver in this financial year enabling the budget to be drawn down as proposed. The late confirmation of budgets due to the coronavirus pandemic and sequencing of the Green New Deal Fund in the context of the Green New Deal mission, has delayed the start of projects this year, meaning many will continue to deliver into 2021/22. To manage the late start, we are proposing to provide a greater portion of funds up front on award of grants. Funding agreements will contain delivery milestones for the project, with clauses to allow the clawback of funds if they are not met.
Ongoing restrictions on activity due to COVID-19 prevents projects starting.	We will closely monitor progress the potential implications of a second lockdown. Where there is a risk to projects being unable to start, a series of alternative options have been identified, these include identifying alternative sites, modifying the range of activities proposed and profiling some activity into next financial year through to modifying projects and the value of their grants and re-allocating grant as per approach set out in section 1. Where projects are delayed, we will work with partners to identify appropriate measures to catch up lost time or to develop alternative approaches. Where delivery cannot be achieved, suitable alternatives that can be delivered within the parameters of the Green New Deal mission will be proposed and the programme altered as set out in paragraph 1.4.
A lack of suitable projects are identified through the open London Community Energy Fund or 2030 Future Neighbourhoods programmes application rounds.	GLA officials will promote the two programmes through suitable channels, alongside other Green New Deal partners. This Mayoral Decision allows for the reallocation of funds to other identified Green New Deal projects in line with the priorities of the Green New Deal Mission. Approval for a transfer of budget is

b) Links to Mayoral Strategies and priorities

- 4.1 This portfolio of projects has direct links to the priorities of the London Recovery Board and specifically its Green New Deal mission, which aims to double the size of London's green economy by 2030 as set out in Section 1 and 2 and Appendices 1, 2, 3 and 4.
- 4.2 The portfolio of projects has direct links to many of the Mayor's Strategies including: the London Environment Strategy, the draft New London Plan, the Economic Development Strategy and the Transport Strategy. Each of these strategies have been consulted on and have policies aimed at addressing the environmental issues faced in London. A summary of the relevant objectives and policies in those strategies are reference below.
- 4.3 London Environment Strategy
- OBJECTIVE 4.2** - Achieve Legal Compliance with UK and EU Limits as soon as possible, including by Mobilising Action from London Boroughs, Government and other Partners
- Policy 4.2.1 - Reduce emissions from London's road transport network by phasing out fossil fuelled vehicles, prioritising action on diesel, and enabling Londoners to switch to more sustainable forms of transport
- OBJECTIVE 5.1** - Make more than Half of London's Area Green by 2050
- Policy 5.1.1 - Protect, enhance and increase green areas in the city, to provide green infrastructure services and benefits that London needs now and, in the future.
- 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
 - Policy 6.2.2 - Planning for London's new smart energy infrastructure
- OBJECTIVE 6.3** - A Zero Emission Transport Network by 2050
- The policies and proposals to reduce London's carbon emissions from transport were combined with policies and proposals under the air quality chapter of this strategy
- OBJECTIVE 8.2** - Reduce Risks and Impacts of Flooding in London on People and Property, and Improve Water Quality in London's Rivers and Waterways
- Policy 8.2.3 Increase the amount of sustainable drainage, prioritising greener systems across London in new development, and retrofit solutions
- OBJECTIVE 8.4** - London's People, Infrastructure and Public Services are Better Prepared for and More Resilient to Extreme Heat Events
- Policy 8.4.5 - Reduce the impacts of heat on streets
- OBJECTIVE 10.1** - Enabling the Transition to a Low Carbon Circular Economy
- Policy 10.1.1 - To build on London's strengths and grow the low carbon and environmental goods and services sector
 - Policy 10.1.2 - To build on London's strengths and enable London's businesses, academia and citizens to actively compete in and contribute to the low carbon circular economy

4.4 Economic Development Strategy

Policy 4.2 – Transport - The transport system is vital to the day-to-day workings of London's economy and to the city's international competitiveness. The transport system needs to make the city work better for both people and businesses and to do this there needs to be a move towards active, efficient and sustainable modes of transport.

Policy 4.3 – Infrastructure - London's economy relies on a whole range of infrastructure, in addition to transport, to function effectively: including energy and water networks, sewerage and

drainage systems, waste facilities and digital infrastructure. This will support: more localised and renewable energy; transition to a low carbon circular economy; and protecting and enhancing London's environment and green infrastructure.

Policy 5.5 – Low Carbon and Environmental Goods and Services - The Mayor wants London's economy to continue to grow, but he also wants to shape the direction of that growth and what it delivers for London and Londoners. He wants growth that is more inclusive, with less inequality as well as lower carbon and more circular in nature to make London a greener, cleaner and more sustainable city.

4.5 Draft New London Plan

Policy G1 - Green Infrastructure - London's network of green and open spaces, and green features in the built environment should be protected and enhanced. Green infrastructure should be planned, designed and managed in an integrated way to achieve multiple benefits.

Policy SI 3 - Energy infrastructure - The Mayor will work with boroughs, energy companies and major developers to promote the timely and effective development of London's energy system (energy production, distribution, storage, supply and consumption) and associated energy masterplans.

Policy T2 - Healthy Streets - Proposal and plans should deliver patterns of land use that facilitate residents making shorter, regular trips by walking or cycling including the application of the Mayor's Healthy Streets Approach.

4.6 Transport Strategy

Policy 1 - The Mayor, through TfL and the boroughs, and working with stakeholders, will reduce Londoners' dependency on cars in favour of active, efficient and sustainable modes of travel, with the central aim for 80 per cent of all trips in London to be made on foot, by cycle or using public transport by 2041.

Policy 2 - The Mayor, through TfL and the boroughs, and working with stakeholders, will seek to make London a city where people choose to walk and cycle more often by improving street environments, making it easier for everyone to get around on foot and by cycle, and promoting the benefits of active travel.

Policy 7 - The Mayor, through TfL and the boroughs, and working with stakeholders, will seek to make London's transport network zero emission by 2050, contributing towards the creation of a zero carbon city, and also to deliver further improvements in air quality to help meet tighter air quality standards, including achieving a health-based target of 10µg/m³ for PM2.5 by 2030. London's streets and transport infrastructure will be transformed to enable zero emission operation, and the switch to ultra-low and zero emission technologies will be supported and accelerated.

4.7 Just Transition – There is a major opportunity for developing new skills and jobs across the economy as we grow the green economy and make the transition to a low carbon circular economy. This portfolio of projects will seek to identify and realise the job creation and skills development opportunities they represent as they are developed and delivered as part of the Green New Deal mission.

c) Consultations and impact assessments

4.8 This portfolio of projects has been developed with the aim of developing and delivering strategically important projects that will contribute to the direct delivery of the Mayor's London Environment Strategy, his Economic Development Strategy, his draft New London plan, his Transport Strategy and to London becoming zero carbon by 2030.

4.9 The strategies were all widely consulted on and in each the Mayor commits to policies and activities that this portfolio of projects delivers on.

- 4.10 Each project has been developed in response to the issues and challenges that partners and stakeholders have raised in our discussions with them on these projects.
- 4.11 An Impact Assessment was undertaken for both the London Environment Strategy and the Economic Development Strategy and its associated programmes. As this bid will help deliver the objectives the original impact assessment is still relevant to the project. There will be appropriate levels of Impact Assessment and stakeholder consultation in relation to the development and delivery of these projects.
- 4.12 The draft new London Plan has also been widely consulted on with numerous consultation responses considered in framing the final proposed London Plan that has also been through the subsequent Examination in Public in January 2019.
- 4.13 The London Recovery programme and Green New Deal mission have been consulted on widely via Team London and direct stakeholder engagement.

d) Conflicts of interest

- 4.14 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 As part of the budget process an allocation of £10m has been earmarked for initiatives relating to the Green New Deal in 2020-21 (as approved by MD2666). £1.2m of this funding has been subject to a separate decision, namely the North London District Energy project (MD2700). Approval is now being sought to allocate the remaining £8.8m against the three themes of the London's Recovery Board's Green New Deal mission, with £5.8m requested for decision now and £3m for the 2030 Future Neighbourhoods Programme to be delegated to the Executive Director.
- 5.2 It should be noted that the 2030 Future Neighbourhoods strand of the programme has not yet been fully scoped out and as a result, delegation is also being sought for the Executive Director, Good Growth to approve the detailed plans associated with this strand once known via the Authority's decision-making process. A similar delegation is also sought for the reallocation of funding that has not been contractually committed and/or cannot proceed due to further Covid-19 related delays to alternative Green New Deal projects in line with the missions' priorities (as detailed within the main body of this report at section 1.4).
- 5.3 While it is anticipated that the entire 2020/21 Green New Deal allocation of £10m will be committed this financial year, the development of the Green New Deal mission over summer 2020, means that the completion of some projects will happen in 2021/22. Much of the funding will be administered via funding agreements, which will set out payment schedules for projects against agreed milestones and contain appropriate clawback clauses. The indicative spending profile on the entire £10m budget is for £7.034m in 2020/21 and £2.966m in 2021/22 and as a result the £2.966m scheduled for 2021/22 will require re-profiling accordingly.
- 5.4 The indicative spending profile per project is summarised below:

Year	2020/21	2021/22	Total
London Community Energy Fund	£574,000	£166,000	£740,000
Solar Roofs	£520,000	£0	£520,000
Bus Electrification	£2,740,000	£0	£2,740,000
Better Futures	£900,000	£0	£900,000
Advance London	£900,000	£0	£900,000
Total	£5,634,000	£166,000	£5,800,000

2030 Future Neighbourhoods	£200,000	£2,800,000	£3,000,000
Total	£200,000	£2,800,000	£3,000,000
North London District Energy*	£1,200,000	£0	£1,200,000
Total	£7,034,000	£2,966,000	£10,000,000

*Already approved in MD2700.

6 Legal comments

Powers

- 6.1 The foregoing sections of this report indicate that the decisions requested of the Mayor fall within the statutory powers of the Authority to promote and/or to do anything which is facilitative of or conducive or incidental to the promotion of the improvement of the environment within 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:
- (a) pay due regard to the principle that there should be equality of opportunity for all people;
 - (b) 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
 - (c) consult with appropriate bodies.
- 6.2 In taking the decisions requested of him, 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 or belief, pregnancy and maternity and gender reassignment) and persons who do not share it 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, he should have particular regard to section 3 (above) of this report.

Section 120 Capital Grant

- 6.3 In decision 2 of this decision form, officers have sought approval of a £2.74m capital grant from the Authority to Transport for London ("TfL") pursuant to section 120(1) of the Greater London Authority Act 1999 (the "Act"). The officers are reminded that, in accordance with section 120(3) of the Act, no conditions may be imposed upon TfL's use of the grant other than that the grant must not be used for revenue expenditure. Furthermore, in accordance with section 120(4) of the Act, TfL must apply the grant towards meeting capital expenditure for the purposes of or in connection with the discharge of its functions.
- 6.4 As set out in section 2 of this decision form, TfL's proposes to use the capital expenditure to fund three bus garage power connection upgrades in furtherance of a programme to electrify bus transport in Greater London and thereby reduce the attendant carbon emissions. Under section 159 of the Act, TfL has the power to provide a grant to a recipient in respect of expenditure to be incurred doing anything, which in the opinion of Transport for London, is conducive to the provision of safe, integrated, efficient and economic transport facilities or services to, from or within Greater London. To that end, TfL may make the proposed grants, if it so chooses.

Section 121 Revenue Grant

- 6.5 In decision 3 of this decision form, officers have sought approval of a £0.1m revenue grant from the Authority to the Old Oak and Park Royal Development Corporation ("OPDC") pursuant to section 121(1) of the Greater London Authority Act 1999 (the "Act"). The officers are reminded that, in accordance with section 121(3) of the Act, no conditions may be imposed upon the OPDC's use of the grant other than that the grant must not be used for capital expenditure. Furthermore, in

accordance with section 121(4) of the Act, the OPDC must apply the grant towards meeting revenue expenditure for the purposes of or in connection with the discharge of its functions.

- 6.6 Pursuant to the Localism Act 2011, the OPDC has the power to do anything it considers appropriate for the purpose of/or which is incidental to securing the regeneration of the Old Oak and Park Royal area. As set out in the table in paragraph 2.7 above, the OPDC intends to use the revenue grant to establish a publicly- and privately-owned community benefit society, which will undertake a project to build solar PV infrastructure across the OPDC estate. To that end, the OPDC's intended use of the grant may be viewed as falling within its functions.

Expenditure on 2030 Future Neighbourhoods

- 6.7 In decision 4, officers have sought approval of a £3m budget for the 2030 Future Neighbourhoods programme. As set out in paragraph 2.36 of this decision form, the 2030 Future Neighbourhoods programme seeks to support approaches in neighbourhood zones that accelerate progress towards achieving net zero emissions, supports adaptation to climate change and other environmental benefits while engaging communities, creating jobs and skills opportunities. Furthermore, these approaches will be led by London boroughs. The officers are reminded to ensure that they adhere to the requirements of section 12 of the Authorities Contracts and Funding Code (the "Code"), when awarding funding to any third parties in furtherance of the programme. Similarly, where services, supplies or works are procured in furtherance of the programme, the officers are reminded of the requirements to comply with section 9 of the Code.

Delegation

- 6.8 Any function exercisable by the Mayor on behalf of the Authority may also be exercised by a member of the Authority's staff albeit subject to any conditions, which the Mayor sees fit to impose. To this end, the Mayor may make the requested delegation to Executive Director – Good Growth subject to the conditions set out in paragraph 1.4 above, if he so chooses.

7 Planned delivery approach and next steps

- 7.1 An indicative delivery timetable is set out below. Projects will be mainstreamed in the delivery of its host team's business. Teams has begun development work to support the next phases of delivery, following approval of the £10 million budget. Work will begin in November to start to identify priorities for the Green New Deal fund for year 2, 2021/22, we intend to involve other relevant missions and teams across the GLA group in its development. We will also work closely with London Councils to ensure it fits the ambitions of the Green New Deal mission.
- 7.2 The project timelines are set out in the bullet points below.

Activity	Timeline
Announcement of Green New Deal Fund year projects	November 2020
• London Community Energy EOI launched • North London District Energy Funding Agreement signed • Solar Roofs: Design & borough selection begins for Solar Together; Funding Agreement signed with OPDC • Development of detailed proposals for 2030 Future Neighbourhoods • Advance London & Better Futures Funding Agreements signed; call for Grant support via Better Futures and Advance London • Bus electrification Grid to gate applications open to bus operators • Development works on Green New Deal years 2&3 programme	November 2020
• 2030 Neighbourhoods scheme launched • Bus electrification delivery begins	January 2020

• North London District Energy site works begin • Better Futures: Imperial Bootcamp & Accelerator programme begins Grant dispersal for selected Better Futures and Advance London businesses	January 2021
• Solar Roofs: Solar Together Reverse Auction • London Community Energy Fund Agreements finalised	February 2021
• London Community Energy and Green Healthy Streets projects begin • Successful 2030 Neighbourhoods projects announced and delivery plans development funds released, funding committed to support delivery	March 2021
• Year 1 projects concluded and evaluation	March 2022

Appendices and supporting papers:

Appendix 1: Green New Deal Fund proposals alignment to Green New Deal Mission themes

Appendix 2: Green New Deal criteria and themes supported by the portfolio of year 1 projects

Appendix 3: Further project details of Green New Deal Fund Year 1 proposals

Appendix 4: Summary of Green New Deal Fund Year 1 proposals and potential benefits

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

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:

Pete Daw has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Philip Graham 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.

✓

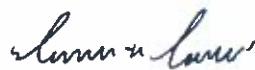
Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 9 November 2020.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature



Date

12 November 2020

Enver Enver on David Gallie's behalf

CHIEF OF STAFF:

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

Signature



Date

11 November 2020