

# GREATER LONDON AUTHORITY

## REQUEST FOR DIRECTOR DECISION – DD2586

### Title: Environment Planning Consultancy Support (July–October 2022)

#### Executive Summary:

The London Plan requires new developments (including planning applications referable to the Mayor) to meet environmental objectives including in relation to climate change mitigation; waste and the circular economy; water and flood risk; green infrastructure; and air quality.

AECOM are currently engaged under a three-month contract to support pre-application discussions and assess documents submitted as part of referable planning applications against environmental planning policies; and provide technical observations to Planning case officers. The contract has also been used to obtain technical advice for plan-making, including for London Plan Guidance documents.

The AECOM contract is due to expire on 30 June 2022 and a tender process is underway to agree a new contract for the period to 31 March 2026. However, this cannot be completed before the current contract expires while still running a fair, open and transparent tender process. Therefore, to secure ongoing consultancy support while the new procurement is completed, approval is sought to extend the current AECOM contract until 30 September 2022 up to a maximum value of £75,000. The new contract period would then run from 1 October 2022–31 March 2026 with a reduced budget to account for the (up to) £75,000 extension of the AECOM contract.

#### Decision:

That the Executive Director for Good Growth approves:

1. expenditure of up to £75,000 to allow for the extension of AECOM's consultancy support contract with the GLA until 30 September 2022;
2. an exemption from the requirements of the Contracts and Funding Code to allow for the variation of AECOM's existing contract with the GLA as set out at decision one above.

#### AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

**Name:** Philip Graham

**Position:** Executive Director, Good Growth

**Signature:**



**Date:**

**28 June 2022**

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE**

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

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

- 1.1. The London Plan,<sup>1</sup> formally published in March 2021, is the Mayor's Spatial Development Strategy. It forms part of the statutory Development Plan for London's planning authorities, which is used in the determination of planning applications (irrespective of who the decision-maker is – for example, the local planning authority, the Mayor, the Planning Inspectorate or the Secretary of State). Legally, all local authority local plans must be in 'general conformity' with the London Plan.
- 1.2. Each year around 350-400 planning applications for new developments are referred to the GLA for consideration by the Mayor. GLA officers in the Environment team help to evaluate applications to ensure compliance with the London Plan policies, ensuring development complies with the Mayor's environmental targets on net zero carbon, increased green cover, climate resilience and air quality. Parts of this evaluation require specialist technical knowledge and expertise, recognising the particular circumstances of individual developments and the opportunities and constraints that apply in each case.
- 1.3. AECOM previously provided services to the GLA to support the assessment of referable applications and policy development (excluding air quality) under a four-year call-off contract (TfL 91312/Task 44 – Environment Planning Consultancy Support). This was approved under MD2257 up to a value of £1m and began on 1 July 2018. AECOM were appointed following a mini competition under the Engineering and Project Management Framework let by Transport for London. In 2020, MD2641 approved an additional £313,000 of expenditure to allow for technical review of a number of new policy areas in the London Plan. The contract ended on 31 March 2022. MD2964 approved the procurement of AECOM for a three-month contract to provide cover for the period up until 31 June 2022 (up to a value of £75,000) to allow time for the procurement of a new contract to provide ongoing environmental consultancy services from 1 July 2022 to 31 March 2026 (up to a value of £2,113,000).
- 1.4. Approval is sought in this decision form to vary AECOM's three-month contract by extending it for a further three months with a value of up to £75,000. Under section 10.1 of the GLA's Contracts and Funding Code, an exemption from the requirement to competitively procure services may be made in circumstances where the proposed new work amounts to the continuation of existing work. This exemption is considered to apply here because AECOM is already delivering the service and therefore has the existing staff, expertise and availability to continue doing so within the three-month window; this is not the case with any of the other suppliers, who would require a period of training in London Plan policies and internal procedures to be able to provide a comprehensive service.
- 1.5. More specifically, some of the services currently being provided are still required, including ongoing support in developing planning policy and guidance. AECOM's familiarity with the aims and objectives of the London Plan environmental policies means they are uniquely placed to continue the existing service for a further three months without a gap in service which would result in planning applications being approved without a technical review of their compliance with London Plan environment policies. For example, they have been heavily involved in supporting the Climate Mitigation Team in updating the Energy Assessment Guidance in light of the technical changes being introduced through updated national Building Regulations. We are now implementing the new approach with their support. Tendering for a different contractor to cover the July-September 2022 period would require very significant additional time and resource to bring them up to the same service level at which AECOM currently stands within the time available and doing so would incur additional costs and result in a significant gap in the service. Extending the AECOM contract for a further 3 months is the most economical and efficient solution to ensure the continuation of the existing service.

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<sup>1</sup> GLA, [New London Plan](#)

- 1.6. It has taken longer than expected to begin the tender process for the new contract due to resourcing constraints and it is now too late to enter into the new contract by 1 July 2022. To ensure an ongoing service and to allow time for a fair, open and effective tender process it is proposed that the AECOM contract is extended by a further three months (from 1 July 2022–30 September 2022) up to a value of £75,000. The new contract period would then run from 1 October 2022–31 March 2026 with a reduced budget to account for the (up to) £75,000 extension of the AECOM contract.

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

### Objectives

- 2.1. In the short term it is critical that there is sufficient continued technical resource in place to support the determination of referable applications. Securing the extension of the AECOM consultancy support from 1 July 2022–31 September 2022 will aim to achieve these specific objectives while the tender process for the new contract is undertaken:
- ensure that referable planning applications comply with the London Plan policies on climate change mitigation; waste and the circular economy; green infrastructure; climate change adaptation including overheating, water and flood risk; and air quality, ensuring that best practice is identified and promoted
  - ensure that sufficient resource is available to undertake the necessary scrutiny of complex policy areas as applied to the largest of London's development sites
  - support the Green New Deal Mission to help London become a zero-carbon, zero-pollution city by 2030 and a zero-waste city by 2050, making it better adapted to climate change and healthier for its citizens
  - address themes explored during the recent Ella Adoo-Kissi-Debrah inquest such as: the importance of continued efforts to reduce air pollution in London; the provision of effective resources and support to local authorities charged with addressing local air pollution levels; and a need to address traffic and pollution on busy trunk roads
  - help to secure the delivery of sustainable buildings and infrastructure investment in new developments relating to referable planning applications that contribute effectively to the Mayor's ambitions, as set out in the London Environment Strategy
  - provide the stable platform and the time needed to consider a range of delivery options and the package of technical support required – in light of the needs of both the GLA and boroughs – in order to best secure positive environmental outcomes from new development.

### 2.2. Outputs

- Attend the Mayor's pre-planning application meetings (pre-apps) where appropriate, subject to any appropriate conflicts checks – this will be done on an ongoing basis for the duration of the contract, up to approximately 150 pre-apps per year. Where applicable, pre-app meetings should cover environment policies in an integrated manner.
- Provide written technical comments for pre-application, Stage 1, post-Stage 1 and Stage 2 for all referable applications in all environment policy areas. This will include resolving issues through liaison with GLA planning officers, developers and borough planning officers.
- Support guidance consultation events as required.
- Provide support to GLA planning officers to enable the implementation of the London Plan policies, including training sessions and internal guidance materials, the development and

refinement as necessary of monitoring tools, the development and refinement as necessary of screening criteria for applications.

- Provide input on policy development to the London Plan and Environment team in the form of evidence-based reports and research.
- Provide training to borough planning officers and GLA Development Management officers as required on a drawdown basis.
- Provide advice and support in relation to the execution of the Mayor's statutory London Local Air Quality Management duties.

### **3. Equality comments**

- 3.1. The Public Sector Equality Duty (PSED), set out at Section 149 of the Equality Act 2010, requires public bodies such as the GLA, when exercising their functions, to have 'due regard' to the need to:
- eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act
  - advance equality of opportunity between people who share a protected characteristic and those who do not
  - foster good relations between people who share a protected characteristic and those who do not.
- 3.2. The three aims of the duty must be fulfilled on a continuing basis by public bodies when exercising their functions. Each aim must be considered in turn: for example, the obligation to have due regard to advancing equality is quite separate from the obligation to have due regard to eliminating discrimination.
- 3.3. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic
  - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it
  - encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- 3.4. Environmental impacts of development proposals have direct impacts on marginalised members of the community. People in receipt of lower incomes – including protected groups such as, for example, disabled people; people from Black, Asian and minority ethnic backgrounds; and women (who make up around 90 per cent of single parents<sup>2</sup>) – are more likely to be affected by health inequalities; live in disadvantaged areas of poor housing stock; and be less able to afford home retrofit, adaptation or upgrading measures to meet climate change requirements. They may be more likely to be living in fuel poverty due to their lower incomes. Climate change will disproportionately affect those least able to respond and recover from it. Poorer Londoners will find it more difficult to recover from flooding and will suffer more from the impacts of the urban heat island effect. Extreme heat events will have a greater impact on older people, very young children, socially isolated people and people with existing health conditions. Black, Asian and minority ethnic Londoners, and lower-income Londoners, are also more likely to live in areas of deficiency of access to green space, or in areas where green space quality is poor. GLA research has found that women, young adults under 25, lower-income Londoners

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<sup>2</sup> Gingerbread, [Single parents: facts and figures](#)

and social renters visit parks less often. National research has found that Black, Asian and minority ethnic people are least likely to visit green spaces. Similarly, 21 per cent of households in London lack access to a private or shared garden, and across England, Black, Asian and minority ethnic people are less likely to have access to a garden than White people.

- 3.5. Furthermore, disabled people, young people (including small children) and older people are more likely to be negatively affected by poor air quality. For example, 2 million Londoners live in areas that continually exceed safe air pollution limits, including 400,000 children.<sup>3</sup> King's College London research into the immediate, short-term impact of air pollution found that of nine UK cities researched, London's air quality is responsible for by far the most hospitalisations due to cardiac arrest, strokes and asthma related to poor air quality.<sup>4</sup> Poor air quality can be a cause of both disability and poor health; and disabled people (who are more likely to be older) are more likely to be vulnerable to the negative impacts of poor air quality. The Mayor's Equality Diversity and Inclusion Strategy highlights that some environmental issues (such as air pollution) disproportionately affect certain groups. Around half of London's air pollution is caused by road transport.<sup>5</sup> London Plan policies, including on parking and active travel, can play an important role in reducing car usage over time and help to improve air quality, which disproportionately affects protected groups, particularly those on lower incomes.
- 3.6. Planning decisions can positively impact these groups by ensuring robust scrutiny of planning applications and increasing the likelihood of achieving improvements to air quality, access to green space and reduced climate risk and heat risk, which would benefit these groups particularly. As such the reletting of this contract will potentially have greater positive impacts on people with protected characteristics than on other members of society.

#### 4. Other considerations

##### Key risks and issues

<b>Risk description</b>	<b>Mitigation/risk response</b>	<b>Probability (1 high to 4)</b>	<b>Impact (1 high to 4)</b>	<b>RAG</b>
<b>Insufficient budget:</b> Contract budget is insufficient to allow assessment of all environment policies during the July-September 2022 extension.	The budget requested has been estimated based on experience of previous planning support and the Environment team's knowledge of resources required to assess planning applications. Furthermore, a risk-based approach will be taken where the GLA works with the consultants to prioritise planning applications for assessment.	<b>3</b>	<b>3</b>	<b>Amber</b>
<b>Loss of knowledge:</b> Due to the delay in issuing the tender for the new contract and in confirming extension arrangements, AECOM	We are in regular contact with AECOM and have explained the proposal set out in this DD to them. They have confirmed that consultants will be available and	<b>3</b>	<b>2</b>	<b>Amber</b>

<sup>3</sup> Transport for London, [London's air quality – how bad is it?](#), accessed 11 March 2022

<sup>4</sup> *The Telegraph*, [NHS boss announces air pollution emergency as major study shows our dirty air is killing us](#), 21 October 2019

<sup>5</sup> Brent Council, [Brent Breathes: Report of the Resources and Public Realm Scrutiny Committee: Air Quality Scrutiny Inquiry](#), December 2019, accessed 11 March 2022

<b>Risk description</b>	<b>Mitigation/risk response</b>	<b>Probability (1 high to 4)</b>	<b>Impact (1 high to 4)</b>	<b>RAG</b>
consultants may no longer be available.	if consultants leave then a replacement and sufficient handover period will be provided.			
<b>Shortened Tender Process:</b> If the current service cannot be continued as hoped then there is a risk that there will be pressure to conclude the tender process as quickly as possible and therefore excluding potential bidders	AECOM services could be purchased on a case by case basis to allow a continuation of service for the most important/high profile applications until the tender process can be completed	<b>3</b>	<b>2</b>	<b>Amber</b>

#### Safeguards

- 4.1. The contract is let on a call-off basis subject to caseload. This provides a safeguard, allows flexibility and ensures value for money as consultant input can be reserved for busy periods, contentious applications or where specific expertise not available in-house is required.

#### Exit strategy

- 4.2. The contract is let on a call-off basis. This will ensure that the GLA is not bound for the full budget, should full support not be required or if the work undertaken is not of a consistently high quality across all environmental areas.

#### Links to strategies and priorities

- 4.3. The London Plan is the Mayor's spatial development strategy for London. It sets out a comprehensive range of policies for new developments. The latest evidence will be included as part of our assessments and discussions with developers to ensure that a reasonable approach is taken that is aligned with the London Environment Strategy.

#### Conflict of interests

- 4.4. Special regard will need to be given to risks around interests that parties have in the development process. It is recognised that there are occasions where suppliers will seek to act for developers, whilst also acting for planning authorities. Safeguards will need to be put in place to ensure that conflicts of interest do not normally arise, and where they do, appropriate safeguarding procedures are put in place.

#### Impact assessments and consultation

- 4.5. This decision relates to achieving the objectives set out in London Plan policies. The development of the London Plan included a public consultation process and integrated impact assessment incorporating sustainability, community safety, health and equalities assessments. There is no requirement to further consult or undertake an impact assessment specific to this decision.

## **5. Financial comments**

- 5.1 Permission is being sought to extend the services provided by AECOM for a 3 month period. The cost of this extension will be approximately £75,000.
- 5.2 As the tender process is underway for the next quadrennial contract for Environment Planning and Consultancy support, coupled with the need for continuity it is proposed to continue using the services of AECOM on a short term basis. To appoint another supplier may incur higher costs and loss of built-up expertise of the Authority's intricacies.
- 5.3 AECOM will provide the output detailed above in section 2.2
- 5.4 It is important to note, AECOM held a contract previously with the Authority for similar services which had a value of £1.313m. Although this is an extension of services a new contract will be drawn up accordingly.
- 5.5 This extension will be funded by a combination of two budgets: Energy Engineering which resides within the Energy and Environment Unit and Planning Environment Services which exists within the Regeneration and Planning Unit

## 6. Legal comments

### Power to undertake requested decisions

- 6.1. The Mayor's statutory plan-making powers are set out in Part VIII of the Greater London Authority Act 1999 ("the Act"). Section 334 of the Act requires the Mayor to prepare and publish the London Plan. Sections 339 and 340 of the Act require the Mayor to keep the London Plan under review.
- 6.2. Section 30 of the Act gives the Mayor the power to do anything he considers will promote the improvement of the environment in Greater London and section 34 of the Act which gives the Mayor the authority to do anything which is calculated to facilitate or is conducive or incidental to the exercise of any of the statutory functions of the Authority.
- 6.3. Extending the contract for these specialist technical services designed to ensure that the London Plan environmental policies are effectively implemented and assessed by the Mayor when reviewing referable planning applications may be regarded as facilitating, being conducive or incidental to the exercise of the Mayor's powers detailed above.
- 6.4. The Mayor and the GLA are subject to the public sector equality duty; this is considered in detail in section 3 above.

### Procurement

- 6.5. The proposed variation of AECOM's contract is valued at up to a further £75,000. This brings the total spend on the contract to a value of up to £150,000. Section 9 of the Authority's Contracts and Funding Code (the "Code") requires that the Authority undertake a formal tender process or make a call off from an accessible framework for procurements with a value between £10,000 and £150,000. However, section 10 of the Code also provides that an exemption from this requirement may be justified on the basis that the services comprise the continuation of existing work that cannot be separated from the new work. The officers have set out at paragraphs 1.3 to 1.6 above the reasons why the procurement of AECOM falls within the said exemption. Accordingly, the Executive Director may approve the exemption, if he be so minded.

## 7. Planned delivery approach and next steps

Activity	Timeline
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Extension of AECOM contract	1 July 2022 – 30 September 2022
Tender period	1 July 2022 – 2 Sept 2022
Appointment of supplier	19 September 2022
New contract start date	1 October 2022
New contract end date	31 March 2026

**Appendices and supporting papers:** None



**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

**Part 1 - Deferral**

**Is the publication of Part 1 of this approval to be deferred? NO**

**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:**

Simon Long has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Assistant Director/Head of Service:**

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

✓

**Financial and Legal advice:**

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

**Corporate Investment Board**

This decision was agreed by the Corporate Investment Board on 27 June 2022

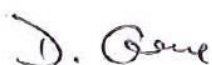
✓

**EXECUTIVE DIRECTOR, RESOURCES:**

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

**Signature**

**Date**



**8 July 2022**