

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD2162

### Title: Plan and deliver modern and inclusive infrastructure for a growing London

#### Executive Summary:

The Growth and Infrastructure team looks to continue multiple work streams related to planning and delivering modern and inclusive infrastructure for a growing London. The work programme described below aims to make infrastructure planning and delivery in London more efficient and more coordinated through both leveraging the Mayor's powers and creating sound partnerships with industry. This is ongoing work that has received industry and cross-party political support. The infrastructure work programme has been consolidated over time and expanded to meet stakeholder requirements and expectations, as well as the priorities of the new City Hall administration.

A budget of £1,479,000 (of which £500,000 is expected to come as grant funding to the GLA from the lane rental scheme fund) over the next four financial years was approved in March 2017 to continue this work and to support the Mayor in delivering (within a single well-defined programme) a number of his manifesto commitments (including planning for our future needs, building the infrastructure of the future, improving the connectivity, ensuring business prosperity and opportunity, delivering good growth).

#### Decision:

That the Mayor approves:

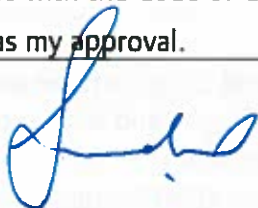
1. receipt of up to £500,000 from the London Lane Rental Scheme Fund; and
2. expenditure of up to £1,479,000 over the next four financial years for continuing the work on improved planning and delivery of infrastructure across the capital, subject to the GLA's annual budget-setting process.

#### 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:

7/8/17

## **PART 1 - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR**

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

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

- 1.1 The Growth and Infrastructure team looks to continue multiple work streams related to planning and delivering modern and inclusive infrastructure for a growing London. The work programme described below aims to make infrastructure planning and delivery in London more efficient and more coordinated through both leveraging the Mayor's powers and creating sound partnerships with industry.
- 1.2 This is ongoing work that has received industry and cross-party political support. The infrastructure work programme has been consolidated over time and expanded to meet stakeholder needs and expectations, as well as the priorities of the new City Hall administration.
- 1.3 It is a significant piece of work, cutting across all aspects of infrastructure, integrating those with spatial growth in local areas, considering delivery implications, costs and funding and finance options.
- 1.4 It has required, and will require further, external input to ensure we have the full range of expertise needed to tackle the different aspects related to this work.
- 1.5 Buy-in from key players, many of whom have responsibility for delivering London's infrastructure, is essential to ensuring our work has real impact.
- 1.6 A budget of £1,479,000 (of which £500,000 is expected to come as grant funding to the GLA from the lane rental scheme fund) over the next four financial years was approved in March 2017 to continue this work and to support the Mayor in delivering (within a single well-defined programme) a number of his manifesto commitments (including planning for our future needs, building the infrastructure of the future, improving connectivity, ensuring business prosperity and opportunity, providing skills for Londoners).
- 1.7 The Lane Rental Scheme was introduced in June 2012. It applies to the most traffic-sensitive locations and the most traffic-sensitive times of day. It applies to 56% of the Transport for London Road Network (TLRN). The scheme is in place to incentivise behaviour change and minimise highway occupation, by applying a daily charge. A Lane Rental Governance Committee (LRGC) has been established to manage surplus income generated from the Lane Rental scheme by ensuring that expenditure is in accordance with Department for Transport regulations. The committee is made up of representatives from utility companies and TfL, and meet quarterly to authorise funding requests for individual projects aimed at reducing disruption and other adverse effects caused by street and roadworks. The infrastructure mapping application has been for the past year funded from that Lane Rental Scheme surplus income.
- 1.8 In the past, several MDs have been approved to support this work MD1294, MD1394, MD1413.

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

##### **2.1 The overarching objectives for the work:**

- Provide the Mayor and other leaders with the clarity around the growth expectations and infrastructure priorities required across the city to unlock homes and jobs, support economic prosperity, increase quality of life and the resilience of the city
- Demonstrate to Government, Londoners and investors that infrastructure is a key priority, a driver and enablers of growth, and that London has a clear plan to address the challenges and opportunities in ensuring the Capital has the necessary infrastructure to meet the demands of the existing and growing population
- Take a lead in addressing the challenges and opportunities that arise with development and delivering at scale; these include issues around coordination, funding, regulation, innovation, skills, logistics
- Ensure the infrastructure requirements are supported and deliverable, through active engagement and collaboration with key stakeholders, including national and local government, as well as London's business community

How we aim to achieve those objectives:

- continuous assessment of strategic infrastructure priorities across the city (consultancy work, engagement with stakeholders, research)
- development of next phases of the London infrastructure mapping application (technical advice, additional resource to the team to manage the application, consultancy work)
- assessing new delivery mechanisms and frameworks that can enhance our priorities, including programme management or coordination units, investment ahead of demand in electricity distribution, standardised wayleave agreements for the mobile industry, and others (consultancy work, legal advice, research, additional resource to the team)
- engaging with the many stakeholders involved in planning, funding, commissioning and constructing infrastructure in the capital (roundtables and events)

## 2.2 Objective details on particular work areas:

Full details of planned expenditure for each work stream for the period from 2017 - 2021 can be found in Annex A.

### The Infrastructure Programme / London Infrastructure 2050

**London's strategic infrastructure needs** – an evidence base to help deliver the London Plan (to be published in the Summer, and updated regularly)

- A single, prioritised and comprehensible list of infrastructure investment across the sectors (covering transport, water supply, flooding, drainage, electricity, connectivity, green infrastructure, housing)
- A vision integrating infrastructure priorities and spatial growth
- A plan which helps to align investment decisions, increase certainty, and better position London to secure the investment required to remain an inclusive, successful and competitive global city

**Output - SIIP 2050** – reference document for the development and infrastructure industry / infrastructure providers use London's growth expectations in business planning / increased coordination, sharing of resources / more efficient and increased delivery of development and infrastructure requirements

### **Infrastructure Mapping Application (IMA LDN)**

- A tool for utilities, planners, developers to support improved planning and efficient delivery of infrastructure in London
- The GLA has taken the lead developing this tool in response to industry and stakeholder calls that the Mayor uses his strategic, coordinating responsibilities to develop such a tool
- Phase two of this project strongly supported by the different sectors in the industry
- Entirely funded by external sources currently, but this funding not guaranteed beyond August 2017

**Output - IMA LDN** – Increase in number of users / positive feedback from users / access to additional funding to continue development / wide recognition of benefit / success case studies / starting to quantify benefits for users

### **Stakeholder engagement**

- Continue to engage and work closely with our partners (utilities, industry experts, planners, local authorities, etc.) to improve coordination of infrastructure planning and delivery, given the fragmented responsibility for infrastructure throughout the Capital
- Deliver a Growth and Infrastructure Summit in July (the Mayor agreed to host this on 20 July)
- Continued engagement with the key players in the industry (reinstating the infrastructure delivery board with the main players in the industry)

- Promote our work and the vision of the Mayor through different communication channels

**Output - Stakeholder engagement** – successful growth and infrastructure forum that demonstrates Mayor’s commitment to supporting infrastructure investment in the Capital, positive feedback from industry and other key stakeholders, delivery of our priorities by the various actors

### **Innovation in delivery**

- Assess the economic case for investment ahead of demand in electricity distribution
- Deliver a governance structure that can spread risks and benefits fairly across interested actors
- Assess funding and governance structures for programme management/coordination units across London’s growth areas
- Other innovative projects that can support London’s growth and achieve the Mayor’s objectives (net zero carbon economy)

**Output - Innovation in delivery** – more efficient delivery of infrastructure and development requirements / potential to future proof the area

### **Connectivity**

- Develop a standardised wayleave for the mobile industry equivalent to the one set up recently for fibre providers. match funded by City of London

**Output - Connectivity programme** – digital infrastructure is more efficiently delivered

### **Supporting the Economic Development Strategy**

- Research into future trends driving growth over the next five years
- Provide support for the publication of the Economic Development Strategy (EDS), which provides the economic development framework for future infrastructure investment and the Mayor’s ‘good growth’ vision

**Output - EDS research into future trends** – more informed policy making / in a better position to respond to a changing economy

## **3. Equality comments**

3.1 The package of proposed infrastructure investments set out in ‘London’s strategic infrastructure needs’ have been designed to positively impact as wide a range of Londoners as possible through improving quality of life across the city, promoting accessibility, and connecting less well served communities with the rest of London.

3.2 Any more specific proposal for delivery will undergo an individual assessment to ensure all groups with protected characteristics (age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation) are positively impacted.

## **4. Other considerations**

### **a) Key risks and issues**

4.1 This strand of work is seen as high profile, initially recommended by the London Finance Commission, it has evolved over time and expanded to meet stakeholder needs and expectations, as well as the priorities of the new City Hall administration. It has significant support from the infrastructure community across London and beyond. However, there are risks particularly around Central Government’s appetite to respond to our

requirements and also in terms of how the infrastructure community responds to our recommendations. These are detailed below.

	<b>Risk description</b>	<b>Mitigation / Risk response</b>	<b>Probability</b>	<b>Impact</b>
7	Central Government does not allow London to get more fiscal devolution to deliver the needed infrastructure	Ongoing discussions with Central government to agree funding mechanisms for London's needed transport investments.  A reinvigorated infrastructure delivery high level group, potentially with HMTreasury on board, would ensure continued dialogue.	MEDIUM/HIGH	HIGH
2	Infrastructure providers are not aligned to deliver in line with our priorities	Engagement to date has indicated widespread support for the programme, as well as our approach and proposals. Continued engagement will monitor progress.	LOW/MEDIUM	HIGH
3	Timescales are not met	Governance structures are in place to monitor progress on all our activities	LOW	MEDIUM
4	Future bids for Lane Rental Scheme surplus income are unsuccessful (or falls short of £500k)	£500k assumes the lane rental scheme surplus income continues to support the infrastructure mapping application and further tools. Currently we received £225k to fund the current stage of the work. Given the existing support from the Lane Rental Scheme Committee and the infrastructure mapping application, we expect this to continue.	LOW/MEDIUM	HIGH/MEDIUM

## **b) Links to Mayoral strategies and priorities**

4.2 'London's strategic infrastructure needs' provides an evidence base to help deliver the London Plan, and complements the Mayor's Transport Strategy, London Environment Strategy, Housing Strategy and the Economic Development Strategy.

The programme integrates the Mayor's priorities around:

- planning for London's future needs
- building the infrastructure of the future
- housing and infrastructure investment
- ensuring business prosperity and opportunity
- delivering good growth
- improving digital connectivity

## c) Impact assessments and consultation

### Stakeholder engagement

4.3 Throughout the developed the work, we have consulted extensively with stakeholders to gain insight and alternative view points as well as to ensure buy-in. This has been done through large scale stakeholder events at City Hall, roundtable discussions with key groups, and a number of bi-lateral discussions.

### Advisory Groups

4.6 We previously established a time-limited Advisory Group and Utility Group to provide additional guidance and input to the 'London's Strategic Infrastructure Requirements' project. The Groups have met regularly and have proved a valuable source of expertise and contacts. Costs have been limited to travel expenses and catering at meetings.

4.7 A reinvigorated infrastructure high level group would ensure continued dialogue and incentivise more integrated delivery.

## 5. Financial comments

5.1 As part of the 2017-18 budget process, the GLA earmarked budget provision spanning four financial-years up to 2020-21 to support this programme of work, which includes budgeted income of £0.5m to be generated from the lane rental scheme fund as described in the main body of this report. Consequently, over the four financial-years the gross budget totals £1.479m and the net cost to the GLA will be £0.979m. The phasing of the budget for the programme is summarised below:

	2017-18 £m	2018-19 £m	2019-20 £m	2020-21 £m	Total £m
Expenditure	0.482	0.378	0.318	0.301	1.479
Income	(0.125)	(0.125)	(0.125)	(0.125)	(0.5)
<b>GLA Net Cost</b>	<b>0.357</b>	<b>0.253</b>	<b>0.193</b>	<b>0.176</b>	<b>0.979</b>

5.2 It should be noted that future years' budgets are indicative at this stage and income streams not yet secured. Consequently, no contractual commitments should be made for which the budgeted income has been earmarked to fund until the income is secured. In the event the level of income budgeted for is not achieved, the programme of work must be reduced accordingly.

## 6. Legal comments

6.1 The foregoing sections of this report indicate that:

6.1.1 the decisions requested of the Mayor (in accordance with the GLA's Contracts and Funding Code) fall within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation, and improvement of the environment in Greater London; and

6.1.2 In formulating the proposals in respect of which a decision is sought officers have complied with the Authority's related statutory duties to:

- pay due regard to the principle that there should be equality of opportunity for all people (further details on equalities are set out in section 3 above) and to the duty under section 149 of the 2010 Act to have due regard to the need to eliminate unlawful discrimination,

harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not<sup>1</sup>;

- consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
- consult with appropriate bodies.

6.2 Officers should ensure that an appropriate agreement is put in place and executed between TfL and the GLA for the receipt of the funding, before any reliance is placed on the availability of the funding.

6.3 Where any services are required, officers must ensure that these are procured by Transport for London Procurement who will determine the detail of the procurement strategy to be adopted in accordance with the GLA's Contracts and Funding Code. Officers must ensure that appropriate contract document is put in place and executed by the successful bidder(s) and the GLA before the commencement of the services.

## **7. Planned delivery approach and next steps**

Please see Annex A. As outlined above, our work with focus on delivery, innovation and continuing to provide an assessment of the city's infrastructure requirements.



## Appendices and supporting papers:

### Annex A: Budget 2017 – 2021

	2017/18	2018/19	2019/20	2020/21	BUDGET TOTAL
<b>ESTIMATED EXPENDITURE</b>					
London's strategic infrastructure needs		£100,000	£100,000	£100,000	£300,000
Infrastructure Mapping Application (IMA LDN)	£100,000	£125,000	£125,000	£125,000	£475,000
Stakeholder engagement	£20,000	£2,500	£2,500	£2,500	£27,500
Innovation in delivery	£160,000	£60,000	£60,000	£60,000	£340,000
Connectivity	£50,000				£50,000
Supporting the Economic Development Strategy	£43,500				£43,500
Resourcing	£30,000	£45,000	£45,000	£45,000	£165,000
Contingency (against loss of lane rental fund)	£25,000	£50,000			£75,000
<b>TOTAL GLA EXPENDITURE</b>					<b>£1,476,000</b>
<b>PROJECTED INCOME</b>					
Lane rental fund for IMA LDN and other	-125,000	-125,000	-125,000	-125,000	-£500,000
<b>INCOME TOTAL</b>	<b>-125,000</b>	<b>-125,000</b>	<b>-125,000</b>	<b>-125,000</b>	<b>-£500,000</b>
<b>TOTAL - INCLUDING INCOME</b>					<b>£976,000</b>

Some reallocation of funds may occur



**Public access to information**

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

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

**Part 1 Deferral:**

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

**Part 2 Confidentiality:** Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to  
confirm the  
following (✓)

**Drafting officer:**

Madalina Ursu has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Sponsoring Director:**

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

✓

**Mayoral Adviser:**

Jules Pipe has been consulted about the proposal and agrees the recommendations.

✓

**Advice:**

The Finance and Legal teams have commented on this proposal.

✓

**Corporate Investment Board**

This decision was agreed by the Corporate Investment Board on the 31 July 2017

**EXECUTIVE DIRECTOR, RESOURCES:**

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

**Signature**

*M. D. Ollé*

**Date** 31. 7. 17

**CHIEF OF STAFF:**

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

**Signature**

*D. Bellamy*

**Date** 31 / 7 / 2017

