

## REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2384

### Title: Aggregating London's CleanTech Future

#### Executive Summary:

Aggregating London's CleanTech Future is a scalable pilot to facilitate uptake of clean technologies in London by working with city authorities to meet their net zero carbon goals through aggregating and scaling demand whilst providing local authorities and public bodies with an expedited and lower risk means to invest and trial solutions within a rapidly changing and innovating supply side market.

The Greater London Authority, London Legacy Development Corporation (LLDC) and Knight Frank LLP jointly submitted the bid for 'Aggregating London's CleanTech Future' to Climate-KIC, one of three Knowledge and Innovation Communities (KICs) created by the European Institute of Innovation and Technology in order to foster sustainable growth.

€353,750 in funding has been granted by Climate-KIC, to deliver *Aggregating London's CleanTech Future*, with the majority of the funding allocated to the project manager Knight Frank. €20,000 has been allocated to the GLA to cover staff costs. The GLA will provide an additional €20,000 in match funding to cover personnel resource as a contribution to the delivery of this project. This match time contribution will be taken from current staff resources within existing budgets.

#### Decision:

That the Head of Economic Development approves:

1. the receipt of €20,000 from Climate-KIC;
2. contribution of the same to cover existing staff costs; and
3. contribution of up to a further €20,000 in GLA staff time as a match fund contribution to the delivery of Aggregating London's CleanTech Future in 2019-2020 (taking total project expenditure to €40,000 gross).

#### AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT

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:** Luke Bruce

**Position:** Interim Head of Economic Development

**Signature:**



**Date:**

23 March 2020

## PART I - NON-CONFIDENTIAL FACTS AND ADVICE

### Decision required – supporting report

#### 1. Introduction and background

- 1.1. One of the challenges London faces in delivering its climate ambitions is how to aggregate and scale demand and how to do this by providing local authorities and public bodies with expedited and lower risk means to invest and trial solutions within a rapidly changing and innovating supply side market.
- 1.2. Economically, Low Carbon and Environmental Goods and Services (LCEGS) is a hugely important and rapidly growing sector in London's economy – as evidenced by the market reaching £39.7bn in value by 2017/18.<sup>1</sup> The current market value highlights that businesses are responding to the need to reduce their energy use, resource consumption and environmental impact, thus creating market opportunities for businesses able to supply these types of goods and services.
- 1.3. There is an opportunity to support the Mayor's Environment Strategy and Economic Development Strategy and accelerate the uptake of clean technology in London through working with Knight Frank, LLDC, and London Boroughs to identify clean technology demand over the next 10-20 years and actively lead and guide this burgeoning marketplace through genuine public sector leadership.
- 1.4. *Aggregating London's CleanTech Future* aims to achieve this by working with city authorities to help meet their climate ambitions through forecasting analysis, establishing a brokerage service to connect supply and demand of cleantech innovation through demand aggregation, development of pro-innovation procurement models, and the scaling of both solutions and projects across local authorities and cities.
- 1.5. This work builds upon the CleanTech London pathfinder project in 2018, which ascertained the need amongst London's boroughs to develop a 'toolkit' that would enable authorities to better access innovations and facilitate pilots in the CleanTech sector, as well as link the different communication channels across businesses, boroughs and public sector bodies.
- 1.6. €353,750 has been funded by Climate-KIC to deliver *Aggregating London's CleanTech Future*. €20,000 has been allocated to the GLA to cover staff costs. The GLA will provide €20,000 in personnel resource as a match fund contribution for the delivery of the project in 2019-2020. This match time contribution will be taken from current staff resources within existing budgets.

#### 2. Objectives and expected outcomes

- 2.1. The objectives of the project are:
  - identify and understand net zero carbon pathways for procurement at the local authority level;
  - identify the thematic and location-based drivers around London's particular challenges in mobility, green buildings and infrastructure and the circular economy, capturing these in a planned roll-out of forecasting analysis and communicating findings to city authorities and the supply side;
  - establish pre-commercial activities: supplier project competitions and market-testing;
  - identify areas for joint procurement across local authorities and opportunities for scaling; and
  - performance benchmarking across London's local authorities measuring cleantech innovation uptake focusing on aggregation, procurement opportunities created, trials and impact on city authority net zero carbon objectives.

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<sup>1</sup> London's Low Carbon Market Snapshot, June 2019.

[https://www.london.gov.uk/sites/default/files/london\\_low\\_carbon\\_market\\_snapshot\\_-\\_2019.pdf](https://www.london.gov.uk/sites/default/files/london_low_carbon_market_snapshot_-_2019.pdf)

2.2. These objectives will be achieved through the following outputs:

- developing of a pro-innovation procurement model that would enable local authorities to deliver on net zero carbon pathways on a sole or joint procurement basis;
- creation of a 'Toolkit' linking the different communications channels around CleanTech between the different offices within boroughs, across London's local authorities and across the different public sector bodies. The 'Toolkit' would enable the network to access innovations and facilitate pilots in the CleanTech sector;
- establishing a brokerage service to connect supply and demand of cleantech innovation through aggregating demand across different local authorities and providing a platform for the supply side to bid for projects; and
- scaling the procurement opportunity across London's local authorities, functional bodies and engaging with other city authorities in the UK around synergies with their current process, innovation uptake model and replication opportunities.

### **3. Equality comments**

- 3.1. Under Section 149 of the Equality Act 2010, as a public authority, the Mayor of London must have 'due regard' of the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who have a protected characteristic and those who do not.
- 3.2. Strategic equality, diversity and inclusion objectives are enshrined within the GLA's programmes and activities according to the Mayor's Equality, Diversity and Inclusion Strategy.
- 3.3. The activities delivered as part of CleanTech London will look to maximise its positive impact on equality for all Londoners, for example through ensuring that any programmes delivered will be promoted through a wide variety of channels to reach out to underrepresented groups, events will be accessible and communication channels will be used to showcase and celebrate innovation across a diverse SME base.

### **4. Other considerations**

*Links to Mayoral strategies and priorities:*

- 4.1. Both the Mayor's Economic Development Strategy and the London Environment Strategy identify the importance of the CleanTech sector in addressing London's climate change challenges. The Economic Development Strategy in particular sets out the Mayor's ambition to lever London's innovation to help solve London's environmental challenges both to support business growth and help deliver London's zero carbon ambitions.
- 4.2. The Mayor's draft London Plan outlines how London will evolve and develop over the next 20-25 years. This strategy addresses the challenges and focus areas for development within the built environment, mobility, and infrastructure sectors. There is an opportunity to support the Mayor's London Plan and accelerate the uptake of clean technology in London.

*Risk register:*

<b>Risk</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Mitigation</b>
High resource constraints of local authorities reduce level of engagement, putting the project at risk and our contribution to it.	Low	Medium	<ul style="list-style-type: none"> <li>- Engage key local authority participants from the Pathfinder in 2018 who are already engaged with this work.</li> <li>- GLA to liaise directly with local authorities by inviting boroughs to participate in workshops.</li> <li>- Provide an opportunity for local authorities to participate through questionnaire and feedback forms.</li> </ul>
Suppliers are unable to provide local authorities with confidence that their solutions can meet their requirements and needs	Low	Low	Reference, update and communicate with the SME outreach database developed during the CleanTech London pathfinder programme in 2018.
Partners Knight Frank or LLDC might be losing work force or are not able to fully cover their work due to unforeseeable circumstances	Low	Medium	Keep ongoing communication; look for alternative partners to provide service.

- 4.3. There are no conflicts of interest to note for any of those involved in the drafting or clearance of the decision.

## **5. Financial comments**

- 5.1 Approval is being sought to receive €20,000 from Climate-KIC and contribute €40,000 to cover existing staff costs associated with the Aggregating London's Clean Tech Future pilot.
- 5.2 €20,000 will be funded by Climate-KIC and the GLA will equally contribute the equivalent of up to €20,000 of current staff resources. This in-kind support will not pose as additional expenditure for the Authority as budget provisions have been made for staff costs.
- 5.2 Due to fluctuations in currency conversions any losses or gains will be absorbed by the Regeneration Staffing Budget where this project will be funded from.

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

<b>Activity</b>	<b>Timeline</b>
Delivery Start Date	October 2019
Progress report	December 2019

Develop 'toolkit'	August 2020
Final evaluation start and finish (external)	November 2020
Delivery End Date	December 2020
Project Closure	December 2020

### 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**

If YES, for what reason:

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

### 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:

Maria Geftar has drafted this report in accordance with GLA procedures.

✓

#### Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 16 March 2020.

### ASSISTANT DIRECTOR OF FINANCE AND GOVERNANCE:

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

**Signature**



**Date**

18 March 2020