

GREATER **LONDON** AUTHORITY

REQUEST FOR MAYORAL DECISION – MD1399

Title: World Expo 2025

Executive Summary:

On the back of the success of the London 2012 Olympic and Paralympic Games the GLA is considering the business case for a London bid to host the World Expo in 2025.

A project team is currently assessing location options, costs, economic impacts, the views of London businesses and other factors, with the aim of producing a report and recommendation to the Mayor, by December 2014.

DD1230 approved funding of £150,000 to support delivery of the Bid Consideration Phase (June – November 2014). An additional budget of £70k is now requested in this Mayoral Decision (taking the total expenditure to £220,000).

This request supports the identification of possible sites which merit the investment of extra resources to fully explore the costs and benefits.

Decision:

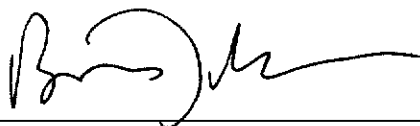
That the Mayor approves expenditure of up to a maximum of £220,000 on services required in respect of the GLA's consideration of bidding to host the World Expo in 2025.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision, and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

17.10.2014

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

Decision required – supporting report

1. Introduction and background

London 2012 was a triumph, championing our city's creativity, enterprise and warmth; demonstrating that London is a global city that others look to.

The Mayor's 2020 Vision presents London as a city that looks outwards to the world and the future with growing confidence. It sets a broad course that communicates our readiness and ambition to lengthen London's lead as the greatest city on earth. In doing so the Mayor believes that we must invest and build, innovate and create, capitalise on our advantages and self-promote unashamedly.

The World Expo provides an opportunity and a platform for showcasing London's strength, creativity, culture and innovation. The benefits to London and the UK in jobs, growth and infrastructure could be considerable. However there will be significant commitments – the business case must be clear and London's business community must be behind it.

The World Expo 2025 Bid Consideration Phase will consider the rationale, the resources and commitment required, and the potential benefits that could be gained by a London Expo in 2025. We will assess, review, challenge and ultimately recommend to the Mayor whether London should proceed with a bid to host the Expo in 2025.

Background on World Expo

The Great Exhibition, held in London in 1851, inaugurated World Expos as the hallmark events of a world aspiring to strengthen its connections, celebrate its cultural diversity and marvel at its technological wonders.

Today, World Expos remain a meeting point for the global community to share innovations and to educate and inform humanity of the latest innovative breakthroughs.

World Expos can be a catalyst for economic, cultural and social transformation and can generate important legacies for the host city and nation. For instance, Shanghai 2010 World Expo helped transform a heavily industrial city-centre area into a thriving cultural and commercial district while also bringing its theme "Better City, Better Life" to the attention of 73 million visitors.

The site of the Shanghai Expo was the Nanpu Bridge–Lupu Bridge region in the centre of Shanghai along both sides of the Huangpu River. The area of the Expo 2010 covered 5.28 km².

The next World Expo takes place in Milan, Italy, in 2015, with the theme: "Feeding the Planet, Energy for Life". The site is located northwest of Milan in the municipalities of Rho and Pero, and covers an area of 1.1 km². It is adjacent to the new Fiera Milano fairgrounds, designed by Massimiliano Fuksas, whose project may be considered the cornerstone of the urban redevelopment of the entire area. The zone had long been an industrial area before being converted to logistical and municipal services and agriculture. The fairgrounds and the Expo site will be connected by a pedestrian bridge adjacent to the Rho-Pero high-speed rail station. The chosen area is oblong in shape with an overall length of nearly 3 km (1.9 mi).

In 2020 the World Expo will be hosted in Dubai, with the theme: "Connecting Minds, Creating the Future". The site will be Dubai Trade Center – Jebel Ali: a 4.38 km² site on the south-western edge of Dubai. Equidistant from the centres of Abu Dhabi and Dubai, the site is located next to the new Al Maktoum International Airport and also located in close proximity to Jebel Ali Port, the third busiest port in the world.

The BIE

The Paris-based Bureau International des Expositions (BIE) is the international body responsible for overseeing the calendar, bidding, selection and organisation of World Expos.

2. Objectives and expected outcomes

The London Bid Consideration Phase will consider whether to proceed with a bid to host the World Expo in 2025. During that time a project team will:

- Consult with business, government and other stakeholders to determine the level of interest and engagement with the idea of a World Expo bid;
- Develop ideas for a London bid theme;
- Develop the options for governance and operations during the bid phase;
- Identify and assess sites potentially capable of hosting the World Expo;
- Produce an assessment of the costs, revenue and funding options for a London Expo, as well as the benefits that would result from bidding for and hosting the World Expo;
- Review the bid process and London's chances of success;
- Scope London's presence at the World Expo in Milan in 2015.

The project team will receive advice and input from a steering group comprised of high level stakeholder representatives.

The output of the Bid Consideration Phase will be a report and recommendation to the Mayor.

The Bid Consideration Phase runs from June – December 2014. Should the decision be taken, in December 2014, to proceed with a bid for the World Expo, the appropriate governance structures will need to be set up in early 2015. Cross party support will be required, along with the necessary funding to support a bid.

The Mayor is requested to provide in principle approval for an additional £70k in 2014/15 to support the Bid Consideration Phase work programme. The additional funding will take the total project budget to £220k.

Ultimately it will be a decision for HM Government as to whether to bid for the World Expo, as it is the Government that must apply for and may subsequently receive permission to host the World Expo. The Government would maintain direct responsibility for the control and implementation of the Expo.

BIE guidance states that the Government that applies for, and receives, permission to host a World Expo should maintain direct responsibility for its implementation, including the provision of guarantees and underwriting of costs.

A bid application must be submitted a maximum of nine years (May 2016) and a minimum of six years (May 2019) before the proposed opening date of the Expo. We would clearly not anticipate submitting a bid prior to the Mayoral Election in 2016, however, beginning on the date that the first candidacy application is submitted to the BIE, any other government wishing to organise an Expo for the same year has six months to submit its own bid application; so this could affect the timetable.

In June 2014 a bid was submitted to the Central Programme Fund for £150k to support delivery of the Bid Consideration Phase. This funding has been allocated as follows:

Expo 2025 Bid Consideration Phase

Original Budget	150,000
Adjustments	
TOTAL BUDGET	150,000
Workstream	Cost
Site analysis	40,000
Business engagement, best practice, theme development	37,500
Sponsor engagement	11,000
Costs, revenue and funding (first tranche of work)	60,000
TOTAL EXPENDITURE	148,500
Remaining budget available	1,500

An additional £50k is required to complete the costs and funding work.

A further (up to) £20k is required to support the economic impact analysis. GLA Economics have developed the strategic case but have indicated that additional specialist resource is required to complete the more detailed cost benefit analysis. It is proposed that this is delivered by bringing additional resource in-house via a short-term secondment arrangement.

The site analysis work indicates that there could be at least one viable site option, such that the project team consider that it is worth investing additional resources to fully explore the costs and benefits.

3. Equality comments

The provision of this funding and delivery of the Bid Consideration Phase are not considered to give rise to any negative equality impacts.

Equalities impact considerations and mitigations will be built in to the project as it moves forward.

4. Other considerations

a) key risks and issues

The table below details the risks associated with this project. Probability/ impact are ranked 1-5, with 5 being the most likely/ highest impact:

Risk	Probability	Impact	Mitigation
GLA commits funding to the Bid Consideration Phase and ultimately decides not to bid.	3 - possible	2 - moderate	The potential benefits of a London Expo are considered sufficiently promising to justify a rigorous approach to the Bid Consideration Phase.
The Bid Consideration Phase fails to fully answer key questions, such that a decision	2 - unlikely	3 - significant	IPB to endorse work programme and approach. Project steering group established and engaged to

cannot be taken within the necessary timeframe as to whether to bid.			advise project team.
The Bid Consideration Phase produces work of questionable quality, such that the recommendation cannot be relied upon.	2 – unlikely	3 – significant	Workstreams to be competitively procured such that relevant experts are engaged to advise on each area of the programme. Expectations to be managed in so far as the level of detail that can be reached in this phase.

b) links to Mayoral strategies and priorities

Economic Development Strategy:

- To promote London as the world capital of business, the world's top international visitor destination and the world's leading international centre of learning and creativity.
- To attract the investment in infrastructure and regeneration which London needs, and to maximise the benefits from this investment and in particular from the opportunity created by the 2012 Olympic and Paralympic Games and their legacy.

c) impact assessments and consultations.

A key strand of the Bid Consideration Phase is consultation with London businesses to understand their level of interest/engagement with the idea of a London 2025 bid; what theme would engage them; what they would see as the legacy priorities for a London bid/ London Expo; and whether they would see a London Expo bid as a sponsorship/partnership opportunity.

TfL have been consulted on procurement options.

5. Financial comments

- 5.1 The expenditure of £70k on services required to complete the cost/revenue analysis and support the economic impact analysis in respect of London's consideration of bidding to host the World Expo in 2025 will be funded from the 2014-15 Central Programme Budget.

6. Legal comments

- 6.1 The foregoing sections of this report indicate that:

- 6.1.1 the decisions requested of the Mayor fall within the statutory powers of the Authority to promote economic development and wealth creation and/or to do anything which is facilitative of or conducive or incidental to the promotion of the same 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:
- (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 The supplies and services required must be procured by Transport for London Procurement who will determine the detail of the procurement strategy to be adopted in accordance with the Authority's Contracts and Funding Code.
- 6.3 Officers must ensure that appropriate contract documentation is put in place and executed by the successful bidder(s) and the Authority before the commencement of the supplies and services.

7. Investment & Performance Board

IPB agreed to endorse the work programme and the approach being taken to consider a London bid for the World Expo in 2025.

In principle approval was given to the budget request. Further details of the IPB are given below.

The Board received a report which provided an update on the World Expo Bid Consideration Phase and requested an additional budget allocation to undertake studies to inform the Bid Consideration Phase Steering Group's final recommendation to the Mayor.

A discussion took place regarding the shortlist of sites currently being considered (Crystal Palace Park, Old Oak Common, Ebbsfleet and various sites within LB Barking and Dagenham).

Members were advised that Crystal Palace Park and the various sites within LB Barking & Dagenham would not provide a single site with adequate space to be considered a suitable bid. The Board therefore agreed that these options should be ruled out. Members also requested that the team would work with the GLA's Planning Unit to see if any other sites that were likely to be available in 2025 should be considered.

The Board discussed the Ebbsfleet site, which was emerging as the front runner. The Board agreed that it was essential to have an early indication of attitudes towards an Expo proposal at Ebbsfleet from the key stakeholders, not least given the fact that the Department of Communities & Local Government (CLG) had, within the past week, issued a consultation paper on the proposed Urban Development Corporation (UDC) at Ebbsfleet and a shadow board was being set up under Michael Cassidy's chairmanship. The GLA needed to take this into account in considering both the extent of its spend on assessing the feasibility of a bid and its future role. It was noted that a meeting was taking place with Michael Cassidy and other stakeholders this week to gauge views; and it was agreed that discussions should take place with the Leaders of Kent County Council and the Boroughs following this week's meeting. The Chair also requested that an informal update be provided to Members following the meetings.

DECISIONS:

- a) That the work programme and the approach being taken to consider a London bid for the World Expo in 2025 be endorsed subject to review in the light of the discussions about Ebbsfleet as an option;
- b) The allocation of £70,000 in 2014/15 to support the Bid Consideration Phase work programme, in addition to the £150,000 already allocated from the Central Programme Budget, be approved in principle;
- c) That consideration of the Crystal Palace Park site and various sites within Barking & Dagenham be discontinued;

- d) That discussions take place with the GLA's Planning Unit to identify any other suitable sites that were likely to be available in 2025; and
- e) That an informal update be provided to the Board following the forthcoming meeting with Michael Cassidy about Ebbsfleet

8. Planned delivery approach and next steps

The next steps following MD are summarised below:

Activity	Timeline
Project steering group meeting	Sept 2014
Project steering group meeting	Oct 2014
Project report	Dec 2014

Appendices and supporting papers:

None

Public access to information

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

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

Part 1 Deferral:**Is the publication of Part 1 of this approval to be deferred? YES**

If YES, for what reason: to protect sensitive information relating to a potential London bid during the bidding phase.

Until what date: 30 March 2015

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

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

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

✓

Assistant Director/Head of Service:

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

✓

Sponsoring Director:

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

✓

Mayoral Adviser:

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

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

M. D. Bell

Date

15.10.14

CHIEF OF STAFF:

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

Signature

Edmund H. -

Date

16/10/14