

GREATER **LONDON** AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2109

Title: Mayor's Business Air Quality Fund

Executive Summary:

The GLA has been awarded £1 million through the Government's Growth Deal 3 to provide an air quality fund to businesses and business organisations. The fund will support up to five businesses or business groups with up to £200,000 each (assuming five suitable applications are received) to deliver a Business Low Emission Neighbourhood in their street or area. This Mayoral Decision authorises the establishment of the fund and sets out the process by which the funding will be allocated.

Decision:

That the Mayor approves:

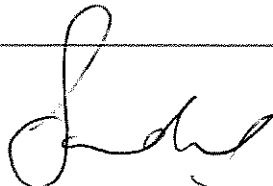
- the establishment of a £1 million fund to support businesses and/or business organisations to improve air quality in their local area, using funding provided from Growth Deal 3;
- expenditure of the fund by way of the award of grant funding, as a contribution to the costs of successful applicants' costs of delivering Business Low Emission Neighbourhoods by April 2019; and
- a delegation to the Executive Director of Development, Enterprise and Environment to take decisions as to the award of grant funding, without the need for further decision forms but subject to the maintaining a record in writing of each decision.

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:

9/5/17

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

Decision required – supporting report

1. Introduction and background

- 1.1 Improving air quality is a public health priority. Air pollution is contributing to over 9,000 premature deaths caused by long-term exposure. The Mayor has set out the boldest package of measures to address air pollution of any world city. However, it will take several years for some of the regional measures to take full effect. Furthermore, air quality in “pollution hotspots” across the capital is so poor that problems will remain in these areas even after measures such as the Ultra Low Emission Zone (ULEZ) are in place.
- 1.2 The Low Emission Neighbourhood (LEN) concept was developed by the GLA and TfL in response to the need to address pollution hotspots in a holistic way through the implementation of a range of targeted local measures to reduce emissions and exposure.
- 1.3 The GLA is currently funding five Low Emission Neighbourhoods with £1 million each, these are being delivered by local authorities, who are match funding the schemes. Delivery of the borough LENs is progressing well, with completion scheduled for April 2019 (boroughs have been given 2.5 years to deliver the LENs).
- 1.4 The GLA has now been awarded £1 million through Growth Deal 3 to deliver a business air quality fund between April 2017 and March 2019.
- 1.5 Businesses and business groups have a key role to play in reducing emissions, as a significant proportion of London’s pollution comes from commercial fleets and buildings, as well as from customers visiting retailers and attractions by car. Businesses and business groups stand to gain from enhancing and reducing pollution in their local areas, as this will make the locations more attractive to staff and customers. The types of interventions that will be considered for a business-led LEN are green infrastructure, low emission charging infrastructure, and public realm improvements to support walking and cycling.
- 1.6 In order to ensure that the funding has the most impact, and to continue the Mayor’s strategy of combining holistic regional measures with targeted local interventions, it will be used to deliver new business-led LENs in up to five locations across London. At least three of the LENs will be situated outside of the congestion charging zone because this area will benefit from the Emissions Surcharge Charge, as well as benefitting from the ULEZ.
- 1.7 Due to the relative level of funding and time for delivery, the business LENs will be smaller in size and scale than the borough LENs, but will still be required to have an impact on emissions and/or exposure. This will be one of the key criteria alongside other key criteria such as deliverability, support and engagement from local businesses, and the level of match funding committed.
- 1.8 A competitive application exercise will be undertaken, to identify the five recipients of grant funding, decisions to award any grant funding being made based on the highest scoring applications received by reference to the evaluation criteria, which will be clearly outlined in the Bidding Guidance.
- 1.9 The funding opportunity will be advertised via email campaigns to Business Improvement Districts, boroughs, and other businesses groups and networks; social media; relevant newsletters; and a press release. Application documentation will be made available on our website for all organisations interested in submitting an application for funding. Parties eligible to make applications include business groups such as Business Improvement Districts; and stand-alone businesses or business partnerships with an interest in improving the local area (such as retail parks, industrial estates,

football clubs and large retailers). Applicants will be required to complete the application documentation and return this by the published deadline (currently scheduled to be mid-September, TBC).

2. Objectives and expected outcomes

Objectives

- To reduce air pollutant emissions and encourage the switch from private vehicles to walking and cycling in five pollution hotspots. These will be in Air Quality Focus areas or other locations with evidenced high pollution and exposure levels.
- To encourage and support organisations to reduce emissions from their own operations, and to communicate the issue of poor air quality.
- To maximise investment through private sector match funding for the LENSs.

Outcomes

- Delivery of up to five Business LENSs by April 2019.
- Reduced emissions and enhanced opportunities for walking and cycling in the five business LENSs.
- Enhanced role (and profile) for businesses and Business Improvement Districts in reducing air pollution.

3. Equality comments

- 3.1 The GLA has recently published an analysis on exposure to air pollution undertaken by Aether. This details the fact that the health impacts of pollution fall on the most vulnerable, which means that improving air quality is fundamentally about tackling social injustice.
- 3.2 The updated report considers pollution exposure in London in 2013 and considers how exposure varies by age, indicators of relative deprivation and ethnic groups in London. It also looks at total exposure (broken down by borough) and exposure at schools.
- 3.3 The research shows on average that the most deprived 10th of the population are exposed to concentrations of NO₂ which are 25 per cent higher than the least deprived 10th of the population. It is important to note that hidden within this you also have pockets of extreme wealth with very high levels of exposure, e.g. those living in Westminster or in Royal Borough of Kensington and Chelsea.
- 3.4 In terms of ethnicity, there is a normal distribution of exposure for 'white' people, the pattern shows increasing exposure in areas that have higher percentage of non-white ethnic groups, with a particularly skewed distribution for the Black/African/Caribbean/Black British population. A greater proportion of mixed, black and other ethnic groups are exposed to levels of pollution that exceed the NO₂ limit value than their proportion of the total population.
- 3.5 The design of the policies set out in this MD will benefit all Londoners, but because of the unequal impacts of pollution on the most vulnerable Londoners there will be a positive effect in tackling social and health inequality of this programme of activity.

4. Other considerations

	Risk description (cause, risk, event, potential impacts)	Prob abilit y (1- 5)	Impac t (1- 5)	RAG	Mitigation/risk response (state if the response is done or pending)	GLA Owner
1	Not enough applications/not enough high quality applications.	2	4	A	Partner with London Councils and boroughs to promote the fund, and ensure that it is open not only to BIDs but also to other business organisations and businesses such as retail parks/industrial estates/football clubs/larger retailers. We will also ask for expressions of interest after the fund is released, so that we are aware of the approximate number of applications we will receive in advance of the final deadline.	Poppy Lyle
2	Abuse/misspending of funds.	1	4	A	This will be very low risk if funding is provided to BIDs, and will be further mitigated by requiring evidence of spend and providing funds in arrears.	Poppy Lyle
3	Risk of underspend. There is a risk of underspend due to delays, planning permissions etc.	2	3	A	This will be mitigated through close oversight of the projects as they are delivered, and reallocation of a proportion of funding from flagging LENSs to more successful LENSs midway through 2018/19 if necessary.	Poppy Lyle

5. Financial comments

- 5.1 There will be no GLA cash contribution to this project. The GLA will receive £1m grant funding from Growth Deal 3 to support businesses to improve air quality in their local areas. The funding will span two financial years, 2017-18 and 2018-19, and will be managed by the Air Quality team.

6. Legal comments

- 6.1 The foregoing sections of this report indicate that:

- 6.1.1 the decisions requested of the Mayor concern the exercise of the GLA's general powers, falling within the statutory powers of the GLA to do such things as may be considered to further, and or be facilitative of or conducive or incidental to the furthering of, the promotion of wealth creation and economic development in Greater London; and
- 6.1.2 in formulating the proposals in respect of which a decision is sought officers have complied with the GLA'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 Officers have indicated that report that the contribution to the costs successful applicants' projects concerns the provision of grant funding and not a payment for services to be provided and must ensure that the proposed funding is disbursed in a fair and transparent manner in accordance with the GLA's Contracts and Funding Code and a funding agreement is put in place between and executed by the GLA and the successful applicants before any commitment to provide funding is made.

6.3 In taking the decisions requested, the director 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, the Mayor should have particular regard to section 3 (above) of this report.

7. Planned delivery approach and next steps

Activity	Timeline
Announcement: Launch of fund	Mid June 2017
Delivery start date: selection of winners and grant agreements signed	December 2017
Final evaluation finish (self):	June 2019
Delivery End Date:	April 2019
Project Closure:	June 2019

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

Until the Mayor has publicly announced and launched the programme.

Until what date: 31st July 2017.

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:

Poppy Lyle 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:

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 the 8 May 2017

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature



Date

8.5.17

CHIEF OF STAFF:

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

Signature



Date

8/5/2017