

## REQUEST FOR DIRECTOR DECISION – DD2577

### Title: Allocation of Business Low Emission Neighbourhood (BLEN) funding

#### Executive summary:

This Decision is to approve some minor changes to the £6m fund for the Business Low Emission Neighbourhoods (BLENs) and Air Quality Good Growth Fund (GGF) projects. These changes are, specifically, the reallocation of £150k London Enterprise Action Partnership (LEAP) capital underspend from the Tower Hamlets BLEN: £100k to the Waltham Forest BLEN, and £50k to one of the GGF initiatives, the Grid Project.

The reduction of funding for Tower Hamlets BLEN is due to their request to reduce the project scope because of delivery challenges. Waltham Forest BLEN has a plan in place to spend the £100k reallocated to them, by the end of 2022. The high-profile Grid Project requires £50k to plug a match-funding gap, a priority because it will eliminate the use of toxic diesel generators at two London parks.

DD2441 approved £200,000 in revenue funding for in-house consultants to help manage the schemes; and £42,000 to “support the rollout and oversight of monitoring equipment”. This monitoring support has not been required, but as the projects have been granted a one-year extension, a reallocation is sought to oversee and then assess and report on the projects next year.

Original funding was secured for BLEN and GGF under MD2495. Once applications were assessed, DD2441 approved £1,758,000 grant funding to the six BLENs, plus revenue spend for resourcing as above. MD2495 delegated the approval of detailed allocations for BLENs to the Executive Director of Development, Enterprise and Environment (as was) in consultation with LEAP. The proposals outlined in this DD were agreed with the LEAP Programme Board on 26 January 2022.

#### Decision:

*That the Executive Director of Good Growth approves:*

- i. reallocation of grant funding of £150k from the Tower Hamlets BLEN, to the Waltham Forest BLEN (£100k); and the GGF Round 3 Air Quality project, the Grid Project (£50k)
- ii. reallocation of £42,000 revenue funding to provide further consultancy support to oversee projects, because the projects have been extended for a year.

#### 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:**

22/3/22

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

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

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

- 1.1 MD2495 and DD2441 detail the background to the original decision made for the BLENs. MD2495 delegated the approval of detailed allocations for BLENs to the Executive Director of Development, Enterprise and Environment (as was) in consultation with LEAP.
- 1.2 The need for this additional DD stems primarily from the request of Tower Hamlets to reduce the scope of its BLEN; and, as such, enables an increase in scope for the Waltham Forest BLEN, and the provision of additional funding to the Grid Project.
- 1.3 Tower Hamlets has requested a reduction in scope of the Tower Hamlets Town Centres and Markets BLEN, which would reduce: GLA capital funding from £350,000 to £200,000; and Tower Hamlets match funding from £350,000 to £200,000. This reduction in scope was requested due to some of the original outputs proving impossible to deliver within the timeframe, due to challenges with finding locations for trader and cargo bike storage at some markets within the original scope.
- 1.4 £100,000 of the GLA's £150,000 funding is to be directed to the Waltham Forest BLEN, specifically to extend the scope of the Green Links element (a scheme that provides greened walking and cycling routes to destinations such as schools; replacing parking spaces with sustainable drainage; and greening). A plan is already in place, so project delivery can begin immediately (carrying on directly from current installation).
- 1.5 £50,000 of the GLA's £150,000 is to be directed to the GGF project, the Grid Project. The Grid Project fell short of its original match-funding agreement as Netflix was unable to sponsor the £50k for which Film London had applied.

There have been unforeseen increases to the original quotes received for the project, including:

- UKPN quote increased by c £50k as a result increases in equipment and labour costs due to Brexit;
  - increased energy costs due to the demand crisis;
  - delays caused by the Covid-19 pandemic;
  - increased project management costs.
- 1.6 Whilst the UKPN overall cost has now come down due to Green Recovery Funding of circa £40k, there is still a gap between the funding secured and the funding required.
  - 1.7 Reallocating £50k of capital funding from the Tower Hamlets BLEN project to the GGF Grid Project enables the second site (North Horse Ride, in addition to Victoria Park) to go ahead, in line with the agreed revised two-site scope.
  - 1.8 The ratio between GGF and match funding for this project will then be 56 per cent to 44 per cent, but the ratio across all four GGF Air Quality projects will still be very favourable, at 29 per cent GLA to 71 per cent match.
  - 1.9 Additionally, DD2441 approved £200,000 in revenue funding for in-house consultants to help manage the schemes; and £42,000 to "support the rollout and oversight of monitoring equipment". This monitoring support has not been required because the monitoring equipment

we put in the BLENs is being managed through the Mayor's Breathe London scheme. However, as the projects have been granted a one-year extension, additional consultancy support is needed to continue to oversee, and then assess and report on, the projects. A reallocation is therefore required from the funding allocated for overseeing of monitoring equipment to allow for procurement of further consultancy support to help oversee the projects.

- 1.10 MD2495 delegated authority to the Director to approve expenditure on these schemes, worded as follows:

*"Delegation to the GLA's Executive Director of Development, Enterprise and Environment to approve detailed BLEN funding allocations, and to extend the delegation for GGF given in MD 2163, in consultation with LEAP."*

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

- 2.1. A detailed breakdown of the BLEN scheme outcomes can be found in DD2441.

- 2.2. The BLEN schemes will:

- result in demonstrable reductions in air pollution emissions, concentrations and exposure
- encourage and support organisations, including businesses, to reduce emissions from their own operations, thereby reducing energy and fuel costs, and enhancing reputations and public relations opportunities for SMEs
- enhance the public realm for walking and cycling in town centres, and business and retail areas, thereby enhancing their attractiveness for visitors and staff
- provide support and a stepping stone for these areas to become demonstrator locations for cleaner vehicles, and/or zero-emissions zones.

- 2.3. The expected outcomes of the BLENs are:

- reduced pollution emissions and exposure
- an increase in walking and cycling
- an increase in take up of electric vehicles.

- 2.4. The BLENs have now been in delivery for two years, and so have already delivered on many of the expected outcomes:

- The Love London Road, Love Clean Air – London Road Healthy High Street BLEN (London Borough of Croydon) is under way in delivering: several parklets and a clean-air gateway; a range of clean-air behaviour-change campaigns; a zero-emission delivery service; and a smarter kerbside management scheme.
- The Tower Hamlets Town Centres and Markets (London Borough of Tower Hamlets), even with the reduction in scope, are delivering a market trader storage site, a zero-emission delivery service, workplace smarter-travel grants, and electric-vehicle charge points.
- The Ley Street BLEN (London Borough of Redbridge) has a headline project of an ultra-fast electric-vehicle charging hub that is being delivered in partnership with Eon. Additional measures include junction improvements to encourage walking and cycling (featuring SuDs and

raised crossings); a zero-emission freight hub; and 10 rapid chargers for the councils' fleet vehicles.

- The North End Road BLEN (London borough of Hammersmith and Fulham) is delivering a range of measures to improve the market on North End Road, including electric charge points and water stands for the market traders; a zero-emission zip-van; a zero-emission recycling pilot; greening throughout the BLEN; and delivery and servicing plans for local businesses.
- Thessally Road BLEN (London Borough of Wandsworth) has delivered a segregated cycle lane along the length of Thessally Road. Associated measures include electric-vehicle charge points at local businesses, and a range of measures supporting active travel at local schools.
- Leytonstone BLEN (London Borough of Waltham Forest) is delivering an improved cycle link on Gainsborough road; green links connecting Leytonstone to Wanstead Flats; a zero-emission zone pilot study; and a range of micro parklets that local businesses can use for, e.g., al fresco dining. The additional funding will enable an extension to the green links scheme.

### **3. Equality comments**

- 3.1. Under section 149 of the Equality Act 2010, the Mayor and GLA are subject to the public sector equality duty and must have due regard to the need to:
  - eliminate unlawful discrimination, harassment and victimisation
  - advance equality of opportunity between people who share a relevant protected characteristic and those who do not
  - foster good relations between people who share a relevant protected characteristic and those who do not.
- 3.2. The “protected characteristics” are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation and marriage/civil partnership status. The duty involves having due regard to these matters as they apply in the circumstances, including having regard to the need to: remove or minimise any disadvantage suffered by those who share, or is connected to, a protected; take steps to meet the different needs of such people; and encourage them to participate in public life or in any other activity where their participation is disproportionately low. This can involve treating people with a protected characteristic more favourably than those without one.
- 3.3. The GLA has published an analysis on exposure to air pollution, undertaken by Aether, which shows that not only are there huge health impacts of pollution, but also that the way these fall on the most vulnerable means improving air quality is fundamentally about tackling social injustice.
- 3.4. In terms of ethnicity, whereas there is a normal distribution of exposure for white people, the pattern shows increasing exposure in areas that have higher percentage of Black, Asian and Minority 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 NO<sub>2</sub> limit value than their proportion of the total population.

- 3.5. The design of the policies set out in this DD will benefit all Londoners. However, given the unequal impacts of pollution on the most vulnerable Londoners, there is likely to be a positive effect in tackling social and health inequality of this programme of activity.

#### 4. Other considerations

##### 4.1 Key Risks and Issues

Risk	Probability (out of 4)	Impact (out of 4)	Rating	Mitigation
Waltham Forest BLEN additional work is not delivered on time.	1	2	G	An extension has already been approved for the Waltham Forest BLEN, and a delivery plan is in place for the additional works.
Further losses in match funding for the Grid Project.	1	1	G	This will be mitigated thorough ongoing liaison and oversight of the Grid Project.

##### Linked strategies and policies

- 4.2 [London Environment Strategy](#), [London Local Air Quality Management](#) framework.

##### Consultations

- 4.3 No *consultations* have been undertaken for this and there are no data protection implications

##### Conflicts

- 4.4 There are *no* conflicts of interest to note for anyone involved in the drafting or clearance of this decision.

#### 5. Financial comments

- 5.1. This decision seeks approval for the reallocation and repurpose of £192,000 of GGFs assigned to the BLEN and Air Quality Programmes.
- 5.2. £150,000 will be reallocated from an existing Tower Hamlet's BLEN capital project, with the balance of £42,000 being repurposed from revenue funds assigned for BLEN support.
- 5.3. In relation to the £150,000, two current projects have been identified that can take on additional capital funds – Waltham Forest BLEN and The Grid project. Both have confirmed the capacity to use additional funding; and so it is proposed they will be allocated £100,000 and £50,000 respectively.
- 5.4. This decision also seeks to repurpose £42,000 of revenue funds allocated to monitoring support and instead use it for additional consultancy support.

## 6. Legal comments

- 6.1 The proposals above fall within the GLA's general powers in section 30 of the GLA Act 1999 to anything considered to further the promotion of environmental improvement in Greater London and the GLA's subsidiary powers in section 34 of that Act. Under section 31 of the GLA Act 1999 the GLA cannot incur expenditure on anything which may be done by Transport for London or is being done by a Mayoral Development Corporation.

## 7. Planned delivery approach and next steps

- 7.1 Project delivery timeline:

Activity	Timeline
Addendum to contracts	March 2022
Announcement [if applicable]	n/a
Delivery start date [for project proposals]	March 2022
Final evaluation start and finish (self/external) [delete as applicable]:	December 2022
Delivery end date [for project proposals]	December 2022
Project closure: [for project proposals]	December 2022

### 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 the 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:**

Poppy Lyle has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Assistant Director/Head of Service:**

Catherine Barber 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**

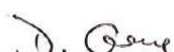
This decision was agreed by the Corporate Investment Board on the 21 March 2022

✓

**EXECUTIVE DIRECTOR, RESOURCES:**

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

**Signature**



**Date**

**22/3/22**