

# GREATER LONDON AUTHORITY

## REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2509

### Title: Supply chain development activity

#### Executive Summary:

The Mayor's ambitions for a green recovery from Covid-19 and delivery of net zero carbon by 2030 require a huge uplift in the scale and quality of the energy efficiency supply chain. There is a need to draw together the existing evidence on the nature and scale of the supply chain and use this to develop an action plan to scale up training and employment opportunities across the capital. This work will help facilitate delivery of the Mayor's ambitions and programmes such as Warmer Homes. This Assistant Director Decision seeks approval to procure consultants to deliver this work.

#### Decision:

That the Interim Assistant Director of Environment and Energy approves:

Expenditure of up to £49,500 to procure consultants to develop an energy efficiency supply chain evidence base and action plan to scale up the training and employment opportunities within London.

#### 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:** Peter Daw

**Position:** Interim Assistant Director  
Environment and Energy

**Signature:**



**Date:**

1 March 2021

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

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

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

- 1.1. The Mayor is committed to delivering a green recovery from Covid-19 and this is underpinned and demonstrated by work he is doing through the recovery missions. The Green New Deal mission has a target to double the size of the green economy by 2030 and the Good Work mission is working to ensure no Londoner, particularly those disproportionately affected by the pandemic or Brexit, are left without access to education, training or a job opportunity.
- 1.2. The Mayor's Green New Deal Fund (MD2708) aims to tackle some of London's key environmental challenges, including the climate emergency and air quality, whilst creating jobs, developing skills and supporting a 'just' transition to a low carbon circular economy. The Fund is also aligned to delivering the priorities of the London Recovery Board's Green New Deal mission as part of London's response to the Covid-19 pandemic. The Mission includes the key theme of Decarbonising the Built Environment.
- 1.3. As well as being a key to supporting an economic recovery from Covid-19, supply chain development is needed to deliver on the Mayor's ambition for London to be zero carbon by 2030.
- 1.4. However, the energy efficiency supply chain in London is very small at present. This lack of a substantial supply chain within London has often been cited as one of the reasons the city has consistently lost out from the Government's energy company supplier obligations, more recently the Energy Company Obligation.
- 1.5. With the announcement of funding through the Government's Green Homes Grant Local Authority Delivery programme, as well as the Public Sector Decarbonisation Scheme and Social Housing Decarbonisation Fund there are opportunities for a significant injection of short-term funding into the energy efficiency sector. The GLA is therefore keen to ensure London draws in as much funding as possible, whilst seeking to use the funding as the basis for longer-term, sustainable work. The GLA has already been successful in securing £9.46m for the Mayor's Warmer Homes programme to support further households with insulation and renewable heating measures.
- 1.6. The launch of the Government's Green Homes Grant voucher scheme, and the accompanying issues around a lack of accredited suppliers demonstrate that simply focusing on generating demand is not sufficient to support supply chain development.
- 1.7. Through the Good Work mission, an evidence base is being put together for the development of a Green Skills Academy. Retrofit has been identified as one of the shortlisted areas for consideration within the scope of the Green Skills Academy, and this work is intended to complement that activity.
- 1.8. We therefore need a stronger evidence base about the existing supply chain in London and a clear action plan to clarify the actions, changes and policy developments needed to develop the supply chain so it is fit to deliver London's net zero carbon ambitions by 2030.
- 1.9. This approval seeks to allow for the procurement of an organisation to deliver the evidence base and action plan. For this piece of work to achieve the required objectives, a substantial amount of engagement with external stakeholders will be necessary. Feedback from the market indicates this is time and therefore cost intensive work to undertake which is reflected in the maximum budget set out. There are a number of potential organisations who can deliver this work but there is not currently considered to be a substantial pool of possible bidders.

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

- 2.1. The primary objective of this work is to create a detailed picture of the energy efficiency supply chain and development activity already underway in London, by March 2021. This will be complemented by a plan that will provide a blueprint for action to scale up the energy efficiency supply chain.
- 2.2. Specific tasks identified as part of the work include:
- Stage 1 – baseline activity:
    - Supply chain details: audit including overall figures and breakdowns, including by sector and demographics;
    - Existing training resources;
    - Stakeholder mapping;
    - Areas providing scope for retraining/upskilling;
    - Programmes to support and develop the supply chain;
  - Stage 2 – developing an action plan for 2021/22 that will support scaling up of GLA programmes such as Warmer Homes, as well as contributing to delivery of the Green New Deal mission:
    - Engagement along the career path to bring in and retain people;
    - Course development;
    - Training provision;
    - Increasing equality & diversity within the sector;
    - Funding sources and finance packages needed to support take-up;
  - Identifying longer term actions beyond 2021/22.
- 2.3 The outcomes of the work are intended to:
- develop the evidence base which can be used within the GLA to inform skills and energy efficiency activities;
  - facilitate supply chain development within London;
  - support delivery of Warmer Homes, ensuring there are sufficiently skilled individuals and organisations to meet targets;
  - contribute to the delivery of the Mayor’s Green New Deal target to double the size of the green economy by 2030; and
  - identify actions the Mayor and GLA can take to increase diversity within the supply chain.

## **3. Equality comments**

- 3.1. The public sector equality duty requires the identification and evaluation of the likely potential impacts, both Under Section 149 of the Equality Act 2010 (the “Equality Act”) as public authorities, the Mayor and the GLA must have due regard to the need to eliminate unlawful discrimination, harassment and victimisation, and to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not. Protected characteristics under the Equality Act comprise age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status.
- 3.2. This work furthers actions and policies set out in the London Environment Strategy (e.g. reducing carbon emissions from homes in London) which has been consulted on publicly and sought input from

all groups and communities. All responses to those consultations were analysed to help ensure the Strategy reflects diverse views and needs.

- 3.3. The findings from the proposed work will enable the Mayor to identify the most appropriate mechanisms to support development of the energy efficiency supply chain. The work will specifically look to map the existing demographics of the supply chain, providing an evidence base and baseline. This will then be used to inform the development of the action plan, which will have a specific focus around increasing equality and diversity within the sector.

#### **4. Other considerations**

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

<b>Risk/issue</b>	<b>Mitigating actions</b>
1. Unable to collect sufficient data to generate a robust baseline	Bidders will be required to set out a clear methodology to deliver the requirements of the specification. A variety of data sources and approaches is anticipated to be required. The size of the budget provides for resource to be put in to more time intensive data collection activities.
2. Project not completed on time	The work is largely desk-based and so should not be delayed by impacts of Covid-19. The timescale will be clearly set out in the proposal and bids will be expected to demonstrate they have the resources and capacity to deliver.

##### **b) Link to Mayoral Strategies and Priorities**

- 4.1. This work is designed to support delivery of the Mayor's London Environment Strategy and ambition for London to be zero carbon by 2030. Delivering upon this ambition requires a supply chain of the scale and quality commensurate with the challenge. The outputs of this work will provide important evidence to identify the existing baseline of the supply chain and the actions needed to increase this.

##### **c) Green New Deal and London Recovery work:**

- 4.2. The Green New Deal Mission has been designed in collaboration with London Councils, taking account of the views of Londoners and stakeholders. The mission has set the challenge of tackling the climate and ecological emergencies and improving air quality by doubling the size of London's green economy by 2030 to accelerate job creation for all. The mission identifies the opportunity to support London's recovery through tackling huge city challenges like improving London's homes and workplaces to reduce their energy demand and carbon emissions.
- 4.3. There are no conflicts of interest to note for any of the officers involved in the drafting or clearance of this decision form.

#### **5. Financial comments**

- 5.1 Approval is being sought for expenditure up to the sum total of £49,500 to procure external consultancy services to develop an evidence base for the energy efficiency supply chain. The funding source for this project will be drawn from the available resources within the 20-21 and 21-22 Energy Efficiency budgets. As this point, the profile for expenditure hasn't been fully scoped out yet although it is expected that costs will fall in both financial years from available budget provision.

- 5.2 The Energy Efficiency team are planning on paying the selected external consultant in arrears, based upon evidence of milestones completed. Expenditure is expected to take place by the 31 August 2021.

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

- 6.1. This sets out the proposed timetable

<b>Activity</b>	<b>Timeline</b>
Commencement of Procurement	10.03.21
Contract start date	07.04.21
Contract Review Meeting (1)	07.05.21
Final report submitted to the GLA	31.08.21
Project Closure	31.08.21

## **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? YES

If YES, for what reason: To obtain best value in the procurement process

Until what date: (a date is required if deferring) April 30 2021.

### 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:

Sarah Fletcher has drafted this report in accordance with GLA procedures and confirms the following:

✓

#### Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 1 March 2021.

### ASSISTANT DIRECTOR OF FINANCIAL SERVICES:

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

#### Signature

*Anna Eastcott*

#### Date

1 March 2021