

REQUEST FOR MAYORAL DECISION – MD2386

Title: Infrastructure and Development Coordination Team

Executive Summary:

The GLA has secured funding of £2.870m to establish a new Infrastructure and Development Coordination Team (IDCT). The IDCT is a new permanent dedicated resource to support coordination of infrastructure and development planning and delivery in London. Coordination of infrastructure is important in realising ambitions for Good Growth and housing delivery as well as driving down the costs of infrastructure provision.

Funding for the Team's first two years of operation has been secured through TfL's Lane Rental Scheme, with the support of London's utilities. The proposal has been endorsed by the Mayor's Infrastructure High Level Group, made up of London's leading infrastructure providers, developers and utilities regulators.

Forming part of the GLA Growth and Infrastructure Unit, the IDCT will undertake a range of projects. These projects will have the principal objective of reducing disruption and other adverse effects caused by street works and roadworks. As a consequential benefit, the projects managed by the team will also :

- deliver benefits to the public from improved development and infrastructure works coordination; and
- deliver benefits to infrastructure providers by facilitating improved efficiency and effectiveness of delivery.

The initial two-year work programme will focus on demonstrating the benefits of coordination by piloting a range of initiatives and services, which also aim to provide local benefits. This evidence will be used to secure long-term funding.

Decision:

That the Mayor approves:

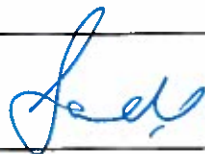
Receipt of £2,870,000 from the London Lane Rental Scheme Surplus Fund and expenditure of these funds to reduce disruption and other adverse effects caused by street works and roadworks thereby supporting infrastructure and development coordination.

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:

4/12/18

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

Decision required – supporting report

1. Introduction and background

- 1.1. The GLA has secured external funding of £2.870m from the London Lane Rental Scheme Surplus Fund to establish five new posts within the Growth & Infrastructure Unit and implement a work programme focused on reducing disruption and other adverse effects caused by street works and roadworks thereby supporting coordination of infrastructure and development in London over the next two years.
- 1.2. London faces a huge pipeline of infrastructure and development activity that could be planned, programmed and delivered in a much more coordinated way. Currently, organisations responsible for delivering infrastructure operate in silos, fail to share data, and have a poor record of collaboration. This results in disruption, reactive investment decisions that slow down home building, and escalating costs for infrastructure provision that are ultimately borne by consumers. This approach to delivery undermines a range of Mayoral priorities for Good Growth, housing, environment and economic development.
- 1.3. To efficiently realise and support London's growth, there is a need for infrastructure and development to be effectively coordinated; planned and programmed and delivered in a timely and cost-effective manner with minimal disruption to Londoners. Such an approach also has the potential to create the conditions for growth and support the delivery of affordable housing by allowing for more efficient and timely connections at lower cost.
- 1.4. The Mayor's Infrastructure High-Level Group (IHLG) (see Annex A), made up of London's leading infrastructure providers and developers, requested in December 2017 that the GLA explore options for establishing a new dedicated resource to support improved coordination of infrastructure and development in London.
- 1.5. Following an extensive consultation process, a business case (See Annex B) for establishing a new resource led by the GLA was approved by the IHLG in April 2018. Following this, full funding of £2.870m was secured through the London Lane Rental Scheme Surplus Fund for the first two years of the resource's operation.

2. Objectives and expected outcomes

- 2.1. The proposal aims to ensure, by reducing disruption and other adverse effects caused by street works and roadworks, the process of planning and delivering London's infrastructure and development is efficient and coordinated and will seek to leverage the Mayor's powers and GLA's partnerships with industry.
- 2.2. This new Team, known by its working title of 'Infrastructure and Development Coordination Team', or IDCT, will have the principal objective of reducing disruption and other adverse effects caused by street works and roadworks.
- 2.3. As a consequence, the projects managed by the team will also:
 - Deliver benefits to the public from improved development and infrastructure works coordination; and
 - Deliver benefits to infrastructure providers by facilitating improved efficiency and effectiveness of delivery.

- 2.4 In addition to these core objectives, the team will aim to support the Mayor's ambitions for Good Growth, particularly in terms of housing delivery and minimising the potential impacts of growth on London's environment and communities. Delivering 66,000 homes per year will require a step change in how development and infrastructure are delivered. Coordination of stakeholders involved in delivering growth is key, and this will inform design of the work programme and resulting initiatives.
- 2.5 Reducing disruption and other adverse effects of street works and roadworks, and the consequent improved coordination of infrastructure and development activity, have potential to unlock a range of benefits; including lower cost of provision of infrastructure, and faster realisation of development, including housing. Based on our Green Book assessment outlined in the business case, we have determined the combined quantifiable benefits of stronger coordination approaches to be between £40 million and £530 million over a 10-year appraisal period. If currently unquantified benefits, such as improvements in air quality, reduced noise, and improved international perceptions of London, could be included, these figures have the potential to be significantly higher.
- 2.6 As a condition of funding, the focus of the first two years of implementation is to pilot a range of disruption reduction, and coordination, approaches and assess their benefits. To achieve this, the GLA will facilitate and deliver disruption reduction and coordination services at the strategic level – through a Central Team based within the GLA, with an option to physically locate at TfL to better coordinate between the two organisations, and through locally-driven, area-based initiatives at high growth locations.
- 2.7 The Central Team will comprise an initial team of five, forming part of the GLA Growth and Infrastructure Unit, working at a range of grades; with expertise in areas of engineering, planning, stakeholder engagement and project management. The team will be appointed on a permanent basis and will implement a work programme focused on promoting and facilitating best practice disruption reduction and coordination approaches, developing tools and frameworks for disruption reduction and coordination. It will also provide intelligence on London's growth. The total budget for the Central Team (staffing and work programme) is c£1.5m over two years. Despite funding having been secured for the first two years, these posts will be subject to standard process for approval, given that they are permanent posts, and as such will be subject to scrutiny by the London Assembly Oversight Committee in December 2018.
- 2.8 The Central Team will manage an additional £1.50m funding pot that will be deployed for area-based initiatives. These initiatives, currently being scoped, will be developed to address specific local disruption and coordination challenges, in partnership with boroughs and/or other organisations. The advantage of this approach is that it allows for support to be targeted to the local circumstances at hand – allowing for contracted or seconded-in expertise and flexibility. In the first instance, the team will support a project that is already underway, developing a new approach to street works coordination in the Croydon Growth Zone, in partnership with the London Borough of Croydon. Initiatives are also currently being scoped to support delivery of the OAPF for Isle of Dogs and South Poplar, in partnership with the London Borough of Tower Hamlets. Both boroughs were chosen due to the scale of growth anticipated over the coming years, and have in-principle support of the IHLC.
- 2.9 All initiatives will have a strong monitoring and evaluation component, in line with the conditions of Lane Rental Funding. Monitoring and evaluation will be undertaken by the Central Team and outcomes shared with the IHLC and TfL's Lane Rental Governance Committee, and also disseminated more widely where appropriate.
- 2.10 In recognition of the innovative nature of delivering such services and initiatives to support disruption reduction and infrastructure and development coordination, the IDCT business case set out a proposal for an 'incrementally scalable' team. This involves recruiting a small and flexible team for the first two years of the team's operation. The team's initial focus will be on demonstrating the benefits of disruption reduction and coordination through targeted projects, in order to identify beneficiaries that could provide a long-term source of funding for the IDCT. Depending on the outcomes of the two-year inception period and on funding, the team would aim to scale-up their work over time, recruiting

in-line with funding and projects undertaken. A key focus of all positions in the team will be identifying and securing long term external funding for the team and its activities.

- 2.11 A number of key principles will guide the resource and approach taken. As an initially small resource, the IDCT will be unable to address most issues directly. Instead, it will facilitate new approaches, working alongside local stakeholders, while also breaking down institutional and governance-related blockers to coordination. Services will be delivered using a co-production approach, with the aim of complementing existing frameworks, not interfering directly with existing legislative and regulatory processes for works and planning, and not mandating change on stakeholders, such as utilities, boroughs or developers. The IDCT will be accountable to the IHLC, with members of this group able to influence the work programme on a regular basis and having responsibility for endorsing key aspects of the work programme, including area-specific initiatives.

3 Equality comments

- 3.1 In line with the policies of the Mayor, the Central Team aims to improve all Londoners' access to essential services, employment, housing, and the city.
- 3.2 Specific proposals for individual workstreams undertaken by the team will undergo an individual assessment to ensure that, in accordance with the public sector equality duty under the Equality Act 2010, due regard is had to the effect of such workstreams on all groups with relevant protected characteristics (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, and sexual orientation), and in particular that due regard is had to the elimination of conduct prohibited under the Equality Act 2010, and the advancement of equality of opportunity and the fostering of good relations between people who share a relevant protected characteristic and those who do not.
- 3.3 Recruitment of the new team will seek to incorporate a wide range of Londoners, from diverse backgrounds in line with GLA recruitment policy.

4 Other considerations

4.1 Risk Assessment:

Risk	Mitigation / Response	Probability	Impact
Stakeholder expectations not met, resulting in reputational risk to GLA	<ul style="list-style-type: none"> - Establishment of internal and external Project Reference Groups to manage expectations - Dedicated stakeholder engagement officer focused on communicating projects and initiatives on an ongoing basis - Frequent updates to Infrastructure High Level Group and Lane Rental Governance Committee. - First two years of project funded externally through Lane Rental Fund and as such staffing and initiatives will be budgeted accordingly within this funding envelope. 	LOW	HIGH
Financial risk to the GLA should funding not continue beyond two years or be suspended mid-project	<ul style="list-style-type: none"> - Should funding not be secured to maintain team beyond two-year period, then GLA procedures for termination of contracts for staff will be followed, and costs of termination will be covered using project budget (allocated contingency for this). - Key workstream will be on identifying longer-term funding opportunities, based on monitoring and evaluation framework to better identify beneficiaries. - Should Lane Rental Funding be suspended, withdrawal of funding would be staged in a way that allows the GLA to cover costs, such as pre-existing contractual obligations in line with funding agreement. 	LOW	LOW
Project milestones are not met, or are not met on time	<ul style="list-style-type: none"> - As part of the proposed staffing structure for the new team, the GLA will appoint a dedicated Project Manager to oversee projects at both the Central level and for Area Specific initiatives. This will ensure projects are kept on track and to budget, however given reliance on 	LOW	MEDIUM

Aspects of the project will not deliver expected benefits	external partners for some projects, an agile project management approach is proposed to allow for flexibility.		
	- The IDCT business case anticipates strong benefit to cost ratios for coordination services, however it is likely that some projects will not deliver expected benefits. Lessons learnt will be documented and inform design of future initiatives. Barriers to success will be mitigated through escalating where appropriate to relevant stakeholders – e.g. senior leadership of utilities via the Mayor’s Infrastructure High Level Group.	LOW	HIGH

4.2 Links to Mayoral Strategies and Priorities:

Strategy	Links
Environment Strategy	<ul style="list-style-type: none"> • Help to improve London’s air quality by reducing congestion on the roads and reducing vehicle movements associated with construction. • Improve the efficiency of London’s energy and water distribution networks, by improving coordination and master planning between providers, and between providers and developers. • Help to reduce ambient noise associated with construction, through improving the efficiency and speed of construction and road occupation.
Transport Strategy	<ul style="list-style-type: none"> • Promote circular economy approaches to construction through local governance arrangements. • Help promote healthier streets, by reducing street works and roadworks-related road occupation and reducing the number of vehicle movements associated with construction.
Skills Strategy	<ul style="list-style-type: none"> • Help to address London’s skills gap, through promoting the responsible use of innovative approaches to design and construction, including Modern Methods of Manufactured Construction. • Help to prevent costly delays and unforeseen costs associated with poor infrastructure planning on development sites.
Housing Strategy	<ul style="list-style-type: none"> • Help to reduce the overall cost of infrastructure to developers. • Help to unlock unviable land for development by communicating growth opportunities to the market.
The London Plan	<ul style="list-style-type: none"> • Help developers and infrastructure providers to make the best possible use of land, by encouraging the use of utilities master planning, innovative approaches to co-location of assets, and preventing costly retrofitting. • Help to accelerate housing delivery in areas of London that are poorly served by existing infrastructure. • Increase the efficiency and resilience of infrastructure assets and developments through earlier engagement with providers and facilitating investment ahead of demand in utilities infrastructure.
Economic Development Strategy	<ul style="list-style-type: none"> • Reduce the impact of construction on London businesses and residents, to ensure that London’s economy continues to grow, and to improve the productivity of London’s economy. • Ensure that London remains a world-leader in planning and delivering new infrastructure, and maintaining existing infrastructure, to promote positive perceptions of the city internationally.

5 Financial comments

- 5.1 The proposal to establish an ‘Infrastructure and Development Coordination Team (IDCT)’ will be for an initial two-year period from January 2019 to December 2020.
- 5.2 Funding for this new team and its work programme has been secured through TfL’s Lane Rental Fund for its two-year inception period up to the value of £2.870m (through to the end of 2020). All costs related to staffing and the programme budget will be covered using this funding. Some costs, related to accommodation, IT equipment etc, will be borne by the GLA and TfL as an in-kind contribution.
- 5.3 It should be noted that while the inception period will be for 2 years, given that the estimated start date of the programme is January 2019, costs will span 3 financial-years as follows:

Expenditure	2018/2019 (£)	2019/2020 (£)	2020/2021 (£)	Total (£)
GLA Staffing Costs & Support	113,750	455,000	341,250	910,000

Programme Budget	245,000	980,000	735,000	1,960,000
Total	358,750	1,435,000	1,076,250	2,870,000*

- 5.4 With regard to the staffing resource required to support the programme of work, the intention is for all IDCT positions to be recruited on a permanent basis to ensure a more competitive recruitment process. Beyond the two-year inception period, the Business Case identifies several options for the unit to be self-financed, through voluntary contributions from the market, user charging arrangements, and/or further TfL Lane Rental Funding. Securing funding will be a key deliverable of the IDCT work programme, and this will be reflected in the Job Descriptions of appointed staff.
- 5.5 Once the funding position beyond the 2-year inception period is confirmed either way, this (including any staffing implications and/or termination of the work programme if not sustainable beyond the period or scaling up of the programme, whichever is applicable) will be subject to further approval via the Authority's decision-making process.

6 Legal comments

- 6.1 The GLA has wide powers under section 30 of the Greater London Authority Act 1999 (GLA Act) to promote economic development and wealth creation, promote social development, and promote the improvement of the environment, all in Greater London. These powers are sufficiently broad to cover the proposed use of funds in this decision.
- 6.2 There are restrictions under section 31 of the GLA Act on the GLA incurring expenditure on doing anything which may be done by Transport for London (TfL). The proposed activities of the IDCT extend across London and embrace roads in respect of which TfL is neither traffic authority nor highway authority. To the extent that anything proposed in this decision might be done by TfL, however, under section 31(6) these restrictions do not prevent the GLA co-operating with, or facilitating or co-ordinating the activities of, TfL in supporting safe, integrated, efficient and economic transport facilities in London.
- 6.3 It is noted in the Executive Summary that "Funding...has been secured through TfL's Lane Rental Scheme, with the support of London's utilities". TfL's Lane Rental Scheme is operated under the Street Works (Charges for Occupation of the Highway) (Transport for London) Order 2012. Under regulation 7 of the Street Works (Charges for Occupation of the Highway) (England) Regulations 2012, an "Approved Authority [of which TfL is one] must apply the net proceeds [of a lane rental scheme] for purposes intended to reduce the disruption and other adverse effects caused by street works". The application of any funding received from the Lane Rental Scheme should comply with this statutory requirement.
- 6.4 In taking this decision, the Mayor should have due regard to the public sector equality duty under section 149 of the Equality Act 2010, namely, the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act, to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it, and to foster good relations between persons who share a relevant protected characteristic and persons who do not share it. This requirement is addressed at section 3 above.

7 Planned delivery approach and next steps

- 7.1 A Project Plan has been prepared to manage the first six months of establishing the IDCT within the GLA and implement early aspects of the work programme. To support establishment, an Internal Steering Group has been set up comprising senior leadership and subject matter experts within the GLA. This Project Plan will be presented to the Internal Steering Group for approval and refinement.

7.2 In line with the governance framework proposed in the business case and agreed with TfL's Lane Rental Governance Committee, updates will be regularly provided to stakeholders – including the IHLC and the Lane Rental Governance Committee, providing an opportunity for stakeholders to be consulted on key decisions. The next IHLC meeting is on 29 November 2018, at which point a draft outline work programme will be presented.

7.3 The below table provides an indicative timeline of the project:

Workstream	Timeframe for delivery
Recruitment, start up and administration	December 2018 – March 2019
Central Resource Work Programme design and scoping	October 2018 – March 2019
Area Based Initiatives – Work Programme design and scoping	October 2018 – March 2019
Implementation of Central Resource and Area-based services initiatives	March 2019 – December 2020
Funding ends, and decision point to continue initiative	December 2020

Appendices and supporting papers:

Annex 1: Membership of the Mayor's Infrastructure High Level Group

Annex 2: IDCT Business Case

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 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:

Oscar Watkins has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Lucy Owen has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Jules Pipe 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 3 December 2018.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

M. D. Allen

Date

3.12.18

CHIEF OF STAFF:

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

Signature

D. Bellamy

Date

3/12/2018