

REQUEST FOR DIRECTOR DECISION – DD2614

Title: Infrastructure Coordination Service Expansion Phase Additional Income – Regulators' Pioneer Fund

Executive Summary:

The GLA's Infrastructure Coordination Service (ICS) is seeking approval to receive and spend up to £264,000 of additional funding. The funding is from the Regulators' Pioneer Fund (RPF), managed by the Department of Business, Energy and Industrial Strategy (BEIS), to deliver enhanced infrastructure planning and delivery in the capital.

The funding will support activities already approved under cover of MD2735 for the ICS expansion phase that were contingent on receiving further income. It will be used to develop practical market-based solutions for infrastructure providers, enabling them to deliver more Sustainable Drainage Systems (SuDS) through collaborative streetworks.

The Mayor, under cover of MD2880, delegated authority to the Executive Director of Good Growth to approve the acceptance and expenditure of additional income secured during the ICS expansion phase.

Decision:

That the Executive Director of Good Growth approves:

The GLA's acceptance and expenditure of £264,000 of additional funding for the Infrastructure Coordination Service expansion phase, sourced from the BEIS Regulators' Pioneer Fund.

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:

09/01/2023

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1. London has the potential to plan, programme and deliver its pipeline of infrastructure and development activity in a more coordinated way, helping to reduce road network congestion, to ensure that London can respond to the current climate emergency and to plan for future growth. Senior leaders in the infrastructure sector recognises the GLA as the most appropriate organisation to drive forward this coordination in the capital, given its convening power and its ability to broker agreement between the different parties involved in or affected by infrastructure delivery.
- 1.2. Based on a comprehensive business case, the Mayor's London Infrastructure Group (LIG) endorsed the creation of the Infrastructure Coordination Service (ICS) in 2019, under cover of MD2386, to improve planning and delivery of infrastructure and development activity across London, coordinating between infrastructure providers, Transport for London (TfL), boroughs and developers. After securing £2.87m of grant funding from London Lane Rental Scheme Surplus Income, the initial ICS pilot phase ran for two years to June 2021.
- 1.3. Based on the pilot phase results, the Mayor's LIG endorsed a second phase of the ICS to deliver more projects, refine initiatives, and develop a longer-term strategy for the future of the service. The Mayor approved, under cover of MD2735, establishment of the ICS expansion phase¹ with £3.5m grant funding from the London Lane Rental Scheme Surplus Income to cover core expenses.² The expansion phase runs from July 2021 to June 2023.
- 1.4. One of the GLA's objectives in the expansion phase is to diversify funding sources, securing income streams in addition to core grant funding so that it can meet its ambitious targets. As part of this, the ICS applied for and was awarded RPF funding of £264,000.
- 1.5. This additional funding will be used to develop practical solutions to support the delivery of Sustainable Drainage Systems (SuDS), particularly through alignment with wider streetworks activity. The Independent Review into the 2021 London Flood events has called for the increased delivery of SuDS and Thames Water plan to deliver a total of 7,000 hectares by 2050. There is significant potential for the ICS to support SuDS roll out, in line with the Mayor's strong commitments to both support SuDS delivery and reduce disruption on the road network. The benefits of this joined up approach were highlighted recently in Enfield where a collaborative streetworks project delivered a SuDS project alongside a gas mains replacement, with a 25% cost reduction for the council.

2. Objectives and expected outcomes

Objectives

- 2.1. This additional external funding will allow the ICS to:
 - assess current blockers and challenges and define opportunities to implement market-based approaches and enable investment in a scaled-up delivery of SuDS through the ICS
 - identify improvements to data and existing GLA digital tools (such as the Infrastructure Mapping Application) needed to develop a roadmap to implement recommendations

¹ The MD referenced the 'preparation phase', but this name has now changed to the 'expansion phase'.

² The Lane Rental surplus income funds innovative projects 'intended to reduce the disruption and other adverse effects caused by street or roadworks'.

- identify any opportunities for application of market-based approaches to the ICS's work on urban water management and flood mitigation.

Expected Outcomes

2.2. At the close of the project, the ICS expects to have delivered the following:

- a clear pathway for utilities and other risk management authorities to invest at scale in SuDS features through streetworks collaborations
- improved data, organisational plans, capability and understanding of SuDS delivery more widely and how this can be applied through our work programme.

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; and 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 re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation and marriage/ civil partnership status. The duty involves having appropriate 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 characteristic; take steps to meet the different needs of such people; 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. In line with the Mayor's ambitions, the ICS aims to improve all Londoners' access to essential services, housing and the city. Reducing disruption on the road network creates benefits such as reduced noise and air pollution, which are particular issues in neighbourhoods with the most vulnerable residents. Increasingly, we are seeing that these collaborations produce positive impact for a diverse group of beneficiaries, including residents and businesses.
- 3.4. The ICS also plans proactively for high growth areas so that new housing can be delivered without infrastructure challenges becoming a barrier. Building affordable homes for Londoners benefits the most vulnerable.
- 3.5. Infrastructure and development work often reduces the accessibility of roads and the public realm, having a negative impact on several groups with protected characteristics. The ICS aims to minimise impacts upon these groups and to actively ensure their needs are considered wherever possible at an early stage of project planning. Reducing the duration of streetworks by working collaboratively will also help improve accessibility across London. The ICS looks to reinstate roads in a better condition than before, with healthy streets interventions that improve the quality of London's public realm to ensure it caters to the needs of all Londoners, but particularly those with protected characteristics for whom navigating roads is otherwise a challenge. SuDS measures – like those being explored through this funding – are particularly important to address flooding, which disproportionately impacts those with protected characteristics.
- 3.6. The Infrastructure team works with the major stakeholders involved in these activities—London's utilities—to improve diversity and inclusion in the industry. These companies have committed to four pledges, which include: improved data collection on workforce diversity, inclusion, and wellbeing; and outreach to schools to bring more diverse candidates into the workforce. As a result of this, many utilities companies in London are participating in the Workforce Integration Network Design Lab

initiative to bring young black men into work. Efforts like these will continue throughout the expansion phase.

4. Other considerations

4.1. Risk assessment:

| Risk | Mitigation/response | Probability | Impact | Overall |
|---|--|-------------|--------|---------|
| Lack of response to tender (as the work needs to be commissioned) | <ol style="list-style-type: none"> 1. We will use an established consultancy procurement framework. 2. We will run market pre-procurement engagement in project set up. 3. We will utilise the knowledge / relationships with suppliers through wider ICS work. | L | M | Amber |
| Programme delays | <ol style="list-style-type: none"> 4. We have a full-time project management resource with previous RPF PM experience. 5. We will apply robust governance in line with GLA requirements. | L | M | Amber |
| Quality of outcomes | <ol style="list-style-type: none"> 6. We will use GLA procurement and breadth of framework options to ensure best supplier with relevant knowledge and experience. 7. We will establish and use a project steering group for iterative challenge of work. | L | M | Amber |

4.2. Links to Mayoral strategies and priorities:

| Strategy | Links |
|----------------------|--|
| Environment Strategy | <ul style="list-style-type: none"> • Increase the amount of sustainable drainage, prioritising greener systems across London in new development, and retrofit solutions. • Work with stakeholders to improve London's sewerage system so it is sustainable, resilient, and cost effective, and makes best use of innovation. • Reduce risks and impacts of flooding in London on people and property and improve water quality in London's rivers and waterways. • Help improve London's air quality by reducing congestion on 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, boroughs and developers. • Help to reduce ambient noise associated with construction, through improving the efficiency and speed of construction and road occupancy. • Promote circular economy approaches to construction where possible. |
| Transport Strategy | <ul style="list-style-type: none"> • Minimise disruption on roads and reduce the number of vehicle movements associated with construction. • Integrate healthy streets interventions in collaborations to improve the quality of roads for all users. |
| Housing Strategy | <ul style="list-style-type: none"> • Help to prevent costly delays and unforeseen costs associated with poor infrastructure planning on development sites. • Help to reduce the overall cost of infrastructure to developers. • Help to improve viability of development. |

| | |
|--|---|
| The London Plan | <ul style="list-style-type: none"> • Help developers and infrastructure providers make the best possible use of land, by encouraging the use of utilities master planning; developing 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 facilitate investment ahead of demand in utilities infrastructure. |
| Economic Development Strategy | <ul style="list-style-type: none"> • Reduce the impact of congestion and construction on London businesses and residents, to ensure that London's economy continues to grow productively. • Ensure that London remains a world leader in planning and delivering new infrastructure, as well as maintaining existing infrastructure and promoting positive perceptions of the city internationally. |
| The Mayor's Equality, Diversity and Inclusion Strategy | <ul style="list-style-type: none"> • Work with partner organisations to improve diversity and inclusion across the infrastructure sector. |

4.3. No one involved in the drafting or clearance of this document has any conflicts of interest to declare.

5. Finance comments

- 5.1. £264,000 additional Regulator Pioneer Funding has been secured from BEIS to deliver enhanced infrastructure planning and delivery in London. Therefore, permission is being sought for the receipt and expenditure of these funds.
- 5.2. This will supplement and run alongside the extended Infrastructure Coordination Development Service which was approved under MD2735. As such, expenditure will occur over the remaining duration of the phase and will span over financial years 2022-23 and 2023-2024. The anticipated profile for the spend can be seen in the table below:

| Financial Year 2022-23 | Financial Year 2023-24 | Total |
|------------------------|------------------------|----------|
| £53,000 | £211,000 | £264,000 |

6. Legal comments

- 6.1. The foregoing sections of this report indicate that the decisions requested of the Executive Director of Good Growth in accordance with their delegated authority granted under MD2880 concern the exercise of the GLA's general powers; falling within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation, social development and the improvement of the environment in Greater London; and in formulating the proposals in respect of which a decision is sought officers have complied with the GLA's related statutory duties to:
- pay due regard to the principle that there should be equality of opportunity for all people
 - 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
 - consult with appropriate bodies.

- 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). To the extent that anything proposed in this decision might be done by TfL, under section 31(6) of the GLA Act, these restrictions do not prevent the GLA co-operating with, or facilitating or co-ordinating the activities of, TfL.
- 6.3. In taking this decision, the Executive Director of Good Growth 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.
- 6.4. All procurements of works, services and supplies required for the project must be procured in accordance with the GLA's Contracts and Funding Code (the "Code") and, where the value exceeds £150,000, in accordance with the Public Contracts Regulations 2015 (the "Regulations"). Furthermore, the officers must liaise with Transport for London's procurement and supply chain team, which will determine the detail of the procurement strategy to be adopted in accordance with the Code and the Regulations. Officers must ensure that appropriate contractual documentation be put in place and executed by chosen service provider/supplier and the GLA before the commencement of the attendant works, services or supplies.

7. Planned delivery approach and next steps

- 7.1. The Regulators' Pioneer Fund is a discrete piece of work that will be managed by the ICS, through initial scoping, procurement, delivery, and monitoring and evaluation, to be complete before August 2023.

| Activity | Timeline |
|--|-----------------|
| Procurement of contract | Jan – Feb 2023 |
| Delivery Start Date | 01/03/2023 |
| Review point assessing the quality of the outcomes | 29/05/2023 |
| Final evaluation | 24/07/2023 |
| Procurement wraps up | 29/08/2023 |
| Project Closure | 31/08/2023 |

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 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:

Matthew Whaley has drafted this report in accordance with GLA procedures and confirms the following:

✓

Assistant Director/Head of Service:

Elliot Treharne 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

A summary of this decision was reviewed by the Corporate Investment Board on 9 January 2023.

✓

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature:



Date:

09/01/2023