

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2621

Title: Procurement of a cloud-based site investigation tool

Executive summary:

The Mayor's 2022-23 budget provided £300,000 per annum, for three years, to continue and expand the existing Small Sites Small Builders programme. A decision is sought to approve expenditure of £25,000, in advance of a Mayoral Decision (MD) form for the overall programme, to commence procurement of a cloud-based site investigation tool to allow for up to three years' subscription and user licences. Procurement will be via the government's Digital Marketplace 'G-Cloud' framework in accordance with the framework requirements. Use of the tool will be offered free of charge to public landowners in London engaging in the Small Sites Small Builders programme, to secure resource efficiencies and enhanced quality control.

Decision:

That the Assistant Director, Strategic Projects and Property approves expenditure of up to £25,000 to commence procurement of a cloud-based site investigation tool to allow for up to three years' subscription and user licences using the government's Digital Marketplace 'G-Cloud' framework in accordance with the framework requirements.

AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT

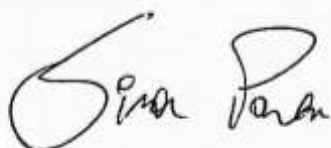
I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Simon Powell

Position: Assistant Director, Strategic Projects and Property

Signature:



Date:

16/01/2023

PART I – NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1. The Small Sites Small Builders (SSSB) programme was developed by the GLA's Housing and Land, and Regeneration teams to address the need for supporting small and medium-sized enterprises (SMEs) whilst helping public landowners bring forward small sites for development. Research by the GLA found that SME builders and developers have been declining in numbers, and that some intervention was required to support the market. As part of the solution, the GLA provides a platform for marketing the sites, with the portal on the GLA website (<https://www.london.gov.uk/small-sites>); and administers a mailing list with over 1,200 subscribers who receive alerts of new sites. In addition to the portal, there have also been two funding streams to the programme: revenue funding to bring sites to the portal; and capital funding to help unlock unviable small sites.
- 1.2. The SSSB programme was originally funded, under MD2133, to pilot the innovative programme by bringing forward around 10 small TfL sites for development by SMEs and community-led housing groups. The Mayor also delegated to the Executive Director, Housing and Land, authority to approve total expenditure of up to a further £14.703m from April 2018 to April 2021, covering the two grant funding streams: revenue funding to bring sites to the portal; and capital funding to help unlock unviable small sites. The expenditure of this grant funding was subsequently approved under DD2263 (up to £3,872,201 in 2018-19) and under DD2355 (up to £11.842m across 2019-20 and 2020-21) by the Executive Director, Housing and Land.
- 1.3. The funding for the SSSB programme ended in March 2021, and an evaluation of SSSB was carried out to assess the programme against its objectives. These objectives are:
 - to bring small, publicly owned sites forward for residential-led development
 - to invigorate new and emerging 'sources of supply' including small developers, small housing associations, and community-led housing groups.
- 1.4. This evaluation report made recommendations on programme improvements; and set out the business case for why delivering small sites in London is important, and why the GLA should continue to have a strategic role in this endeavour.
- 1.5. Following this evaluation, and considering recommendation 12 of the Kerslake Review of GLA Group Housing Delivery, the Mayor's 2022-23 budget provided £300,000 per annum, for three years, to continue and expand the existing SSSB programme. The total budget over three years (2022-23 to 2024-25) is £900,000, where £300,000 is in the current year's budget (2022-23) and £300,000 per annum is in the draft budget plans for the next two years.

2. Objectives and expected outcomes

- 2.1. The evaluation report identified that public landowners often have limited resource to identify, assess and progress the development of their smaller sites. The report made a recommendation to establish a comprehensive portal of tools and a clear support pathway for landowners. The procurement of a cloud-based site investigation tool aims to secure resource efficiencies in the typical due diligence processes required to unlock the sites. Procurement of this tool needs to be undertaken now, in line with the recommendations on programme improvements, in order to be ready for the launch of the programme later this year. This piece of work can be forward-funded from the available budget in advance of a Mayoral Decision form (MD) for the full programme.

- 2.2. The chosen framework agreement for this procurement process is the government's Digital Marketplace 'G-Cloud' framework. The government's Digital Marketplace is accessible to all public sector organisations, including agencies and arm's-length bodies, to find cloud technology and specialist services for digital projects.
- 2.3. A requirements list has been drawn up to identify potential suppliers. The procurement will be conducted following the buyer's guide on the G Cloud framework (pricing documents are already in situ, so no quotes need to be obtained). Suitable suppliers will be assessed against the requirements list and budget. A call-off contract for the services will then be awarded to the supplier through the Digital Marketplace and declared as appropriate on the Digital Marketplace and Contracts Finder.
- 2.4. A maximum budget allocation of £25,000 has been set based on a review of available budget for the overall programme; and to allow for up to three years' subscription to a cloud-based site investigation tool, and three user licences per year.
- 2.5. The intended outcomes of procuring this service are:
- to secure cost and resource efficiencies, and improved quality control, through an approach that uses automated procurement of sub-contractors and standardised scopes of work
 - through the use of innovative technology, to support the positioning of the SSSB programme as a genuine 'thought leader' and influencer
 - to expand the suite of tools available to support small sites and small builders.

3. Equality comments

- 3.1. It is not anticipated that commissioning a digital site investigation service will have a negative impact on any groups identified under the Equality Act 2010 for the reasons outlined below:
- The Crown Commercial Service (CCS), which hosts the G Cloud framework, is an executive agency, sponsored by the Cabinet Office; as such, it is also subject to the public sector equality duty under the above Act.
 - A review has been carried out of the standard contract for calling off services from the framework includes requirements for suppliers to:
 - comply with any discrimination laws and other requirements that the CCS and the buyer reasonably require
 - make sure that all supplier staff engaged in the performance of this Framework Agreement and any call-off contract observe equality and diversity clauses within the contract
 - notify the CCS immediately of any legal proceedings issued against it by any supplier staff on the grounds of discrimination.
 - The G Cloud Buyers Guide sets out the process that must be followed when buying services from this framework and includes considerations on how suppliers must be assessed fairly. Under this Buyers Guide it is not possible to ask questions about details of suppliers' services that are not within their existing service descriptions and a supplier must be chosen based on best fit against a pre-set list of requirements and budget.
 - Best practice for maximising social value and EDI through procurement will be followed including an assessment criterion with 5% awarded to the 'Equality, Diversity and Inclusion' (EDI) approach of supplier.
 - If suppliers' existing service descriptions do not include EDI approaches this will be scored zero as no further information is able to be requested due to the framework constraints.

- Following award of a contract to the supplier that is assessed as achieving best fit, the supplier of the site investigation service will be encouraged to adopt equality policies in their practice.
- 3.2. Public sector landowners who will be the beneficiaries of this digital service are also subject to the public sector equality duty. This will be stipulated in any agreements relating to the use of this service.
- 3.3. The project will be delivered in compliance with relevant codes of practice, and in line with the requirements of the public sector equality duty, to ensure that the following issues have been considered:
- action will be taken to assess the willingness of suppliers identified to provide users' data in different formats, in accordance with any accessibility needs
 - any associated documents and publications the GLA uses to publish this resource will comply with Mayor of London branding guidelines, which in turn are based on guidance from the Royal National Institute of Blind People
 - any associated learning events will be open to all; where possible, we will also encourage people who share a protected characteristic to participate in activity in which their participation is disproportionately low.

4. Other considerations

- 4.1. The London Housing Strategy sets out how the number of small builders operating in London has reduced significantly over the past 15 years, resulting in an over-reliance on large sites and a relatively small number of large developers to build new homes in London. The reasons for the decline in small builders are well documented, and include difficulty in obtaining finance; planning uncertainty; risk; and lack of available sites. The boroughs and other public sector landowners often struggle to bring forward small sites because of a lack of available resources, and a perceived imbalance between the effort involved and the benefits received. The proposed procurement – which is intended to make due diligence processes more efficient for public landowners – therefore has strong alignment with Mayoral policy 3.3 in the Strategy to provide support for small sites and small builders.
- 4.2. The SSSB Project Board (comprising GLA officers from the Regeneration, and Housing and Land directorates) has been consulted on this procurement, and has agreed that it should be prioritised.
- 4.3. TfL Legal has been consulted, as per the guidance in the Contracts and Funding Code, to assess the extent to which this proposal is lawful, and where their support may be required on legal steps to protect the GLA's interest. TfL Legal assessed that, provided the GLA can accurately report that, firstly, the framework has been set up in accordance with Public Contracts Regulations 2015 and is accessible to the GLA, and secondly, the GLA has complied with the requirements of the framework in selecting the supplier, then this would be considered a model procurement. As this is not considered novel or contentious, TfL Legal is not required to comment directly on this ADD form.
- 4.4. There are no conflicts of interest to declare from any of the officers involved in the drafting or clearance of this decision.
- 4.5. Key risks for this project are set out in the table below:

Risk	RAG	Strategy for minimising / dealing with the risk
Presumed outcomes are not delivered through adoption of	Green	This risk will be mitigated by trialling the approach and supplier through an initial

a cloud-based approach to site investigation.		contract commitment of one year.
Procurement processes delay adoption of the tool, and the SSSB programme misses the opportunity to test this with a relevant public landowner due to sequencing issues.	Green	This risk is being mitigated by seeking approval for the budget in advance of the overall MD for the programme.
The quality of the service procured does not meet the expectation of public landowners.	Amber	This risk is being mitigated through retention of an associated risk mitigation budget during the trial period.

5. Financial comments

5.1. Approval is sought from the Assistant Director, Strategic Projects and Property, for expenditure up to £25,000 to commence procurement of a cloud-based site investigation tool to allow for up to three years' subscription and user licences utilising the government's Digital Marketplace 'G-Cloud' framework in accordance with the framework requirements. This expenditure is anticipated to be spent on: a GLA licence for three years; six public land owner licences; and an integration budget (equivalent to £21,000 for nine licences and £4,000 for an integration budget). The expected profile of expenditure is as follows:

- £8,000 in 2022-23
- £5,000 in 2023-24
- £12,000 in 2024-25.

5.2. The 2022-23 spend is to be funded from the SSSP 2022-23 budget of £300,000. Future years' expenditure is to be funded from the planned budget of £300,000 per annum for 2023-24 and 2024-25, which is to be approved as part of 2023-24 budget-setting process.

5.3. It should be noted that the 2023-24 budget, and subsequent budgets, for this programme are not yet formally approved, and will be subject to funding still being available via the GLA's 2023-24 budget-setting process. To mitigate any risk of the programme not being sufficiently resourced in future years to cover costs following the budget-setting process, all contracts and grant agreements will include the usual break clauses that could potentially be exercised if required. All appropriate budget adjustments will be made.

6. Planned delivery approach and next steps.

Activity	Timeline
Procurement of contract for externally delivered projects	January 2023
Delivery start date	March 2023
Onboard first users	July 2023
Final evaluation start and finish (self)	January 2024
Extend/terminate contract	March 2024
Project closure/transfer to SSSB legacy vehicle	April 2025

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:

Jessica Tsang has drafted this report in accordance with GLA procedures and confirms the following:

✓

Corporate Investment Board

✓

A summary of this decision was reviewed by the Corporate Investment Board on 16 January 2023.

ASSISTANT DIRECTOR OF FINANCIAL SERVICES

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

Signature:



Date:

16/01/2023