

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD163

Title: Review and update of the GLA’s Waste Model

Executive Summary:

The GLA uses a model to understand and forecast London waste arisings and waste management methods. This information is used to 1) inform the Mayor’s waste policy and programmes and 2) support the waste infrastructure investment need for the Infrastructure Investment Plan 2050.

The current model uses some data now 10 years old, which has never been independently reviewed and is considered out of date. It is necessary to review and update the GLA’s waste model using new waste tonnage and cost data with new London population and economic activity forecasts. This will ensure the GLA model is fit for purpose to credibly inform the Mayor’s waste policies and programmes

In order to review and update the model, there will be a requirement to procure consultancy services up to a maximum expenditure of £15k from the Environment Team 2013/14 budget, (already approved in principle by the Environment Team Management Group). It is proposed to obtain the services of SLR Consulting who completed related modelling work for the Further Alterations to the London Plan approved via ADD100 (attached as Appendix 1). There are financial saving and consistency benefits to be gained from this approach, which requires exemption from the GLA’s Contract and Funding code namely to seek three quotes. Seeking three quotes is unlikely to deliver value for money due to the resource requirement to prepare the necessary waste data and methodology already developed by SLR.

Decision:

That the Assistant Director of Environment approves:

1. Up to a maximum expenditure of £15,000 to update and review the GLA’s waste model; and
2. A related exemption from the requirement (under section 3.6 of the GLA’s Contracts and Funding Code) to seek three or more competitive quotations for the required services/call off the required services from an accessible framework.

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: Stephen Tate

Position: Assistant Director – Environment

Signature:

Date: 28 March 2014

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

1.1 The GLA Waste Team has developed a model to understand the economic, social and environmental impact of London's waste management, and opportunities for managing this waste more effectively and efficiently. Information gleaned from the model is used to form the evidence base for developing and implementing the Mayor's Business Waste Strategies and waste delivery programmes. The current model uses data that is 10 years old, and considered out of date. The model has also never been independently reviewed.

1.2 It is timely to update and review the GLA's waste model using new waste tonnage and cost data now publicly available, along with updated population and economic forecast data provided by the GLA. This will ensure the Mayor's waste programme and policies are informed by the most up-to-date information.

2. Objectives and expected outcomes

2.1 An updated and independently reviewed model will allow the GLA to best understand the economic, social and environmental opportunities London's waste presents. The model will be maintained in-house to build capacity and save money on external consultants.

2.2 This work will allow the Waste Team to model various waste management scenarios to identify the waste infrastructure investment need in London that will deliver benefits to Londoners in the form of new materials, jobs, heat and power and GVA. Preparing London to manage all its waste in the most carbon efficient way could generate 1260 green collared jobs and contribute £52 million of direct GVA.

2.3 This work will help to align the Mayor's climate change mitigation, energy security and waste management goals. New data in an updated model will inform the contribution London's non-recycled waste can provide for generating low carbon energy, helping to achieve the Mayor's CO2 reduction and decentralised energy targets

3. Other considerations

a) key risks and issues

Continuing to use old and out of date data will not sufficiently inform waste policy and programmes and will be open to challenge. There is also a risk the model is not deemed credible without independent peer review.

This ADD seeks permission to be exempted from the GLA's Contracts and Funding Code by way of directly appointing SLR Consulting which undertook related waste, population and economic forecast modelling services for the Further Alterations to the London Plan. The proposed services would use the same data, combined with latest cost and carbon modelling forecasted out to 2050. This approach will ensure data and methodology consistency and provide value for money saving the GLA an estimated £5-£8k by not having to procure services to update the waste management model from scratch. The GLA does not have sufficient resource or skill set to undertake this work. One of the grounds for exemption in section 5 from section 3.8 of the GLA's Contracts and Funding Code to undertake a competitive procurement exercise is where benefit outweighs risk. Officers have considered the risk and determined the relative merit outweighs risk.

The London Plan Team has already undertaken modelling work by SLR at a cost of £10k.

b) links to Mayoral strategies and priorities

This work will support the evidence base for

- The Infrastructure Investment Plan 2050
- Implementation of the Mayor's Climate Change Mitigation and Energy, Municipal and Business Waste Strategies (published 2011)
- Informing London Plan waste policy
- Growing the low carbon economy

c) impact assessments and consultations.

The Mayor's Climate Change and Energy, and Waste Strategies have been through a full public consultation and integrated impact assessment. The Further Alterations to the London Plan uses waste data already provided by SLR, and is being consulted on January to April 2014.

4. Financial comments

- 4.1 Approval is being sought for revenue expenditure of up to £15,000 relating to the update and review of the GLA's waste model.
- 4.2 Approval is also being sought for the award of a contract of up to £15,000 to SLR Consulting for professional services relating to this project (seeking an exemption to the Contracts & Funding Code for this purpose).
- 4.3 The spend of up to £15,000 will be wholly incurred in 2013/14.
- 4.4 The revenue cost of £15,000 will be funded from the 2013/14 Environment Team Programme budget for Waste Programmes.
- 4.5 All requisite budget adjustments will be made.
- 4.6 As part of this decision relates to a contract, officers have to ensure that the requirements of the Authority's Contracts and Funding Code are adhered to.
- 4.7 As this contract is consultancy based, officers also have to ensure that the requirements relating to consultancy services within the Authority's Financial Regulations and Expenses & Benefits Framework are adhered to.
- 4.8 Any changes to this proposal must be subject to further approval via the Authority's decision-making process.
- 4.9 The Environment Team within the Development, Enterprise & Environment Directorate will be responsible for managing this project.

5. Legal comments

- 5.1 The foregoing sections of this report indicate that:
 - 5.1.1 the decisions requested of the Assistant Director (in accordance with the GLA's Contracts and Funding Code) fall within the GLA's statutory powers to do such things considered to further or which are facilitative of, or conducive or incidental to the promotion of social

improvement and environmental improvement in Greater London. 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; and
- consult with appropriate bodies.

5.2 All services required will be procured by Transport for London Procurement (who will determine the detail of the procurement strategy to be adopted) in accordance with the GLA's Contracts and Funding Code. Officers must liaise with Transport for London Procurement in this regard.

5.3 Officers shall ensure that they liaise with legal Services in the preparation and execution of all contracts for services being procured.

5.4 Section 3 of the Contracts and Funding Code ("the Code") requires the GLA to seek 3 or more written quotes in respect of the services required or call –off the services from an accessible framework. However, the Assistant Director may approve an exemption from this requirement under section 5 of the Code upon certain specified grounds. One of those grounds is where benefit outweighs risk. Officers have indicated in this report that this ground applies and that the proposed contract affords value for money. On this basis, the Assistant Director may approve the proposed exemption if satisfied with the content of this report.

6. Planned delivery approach and next steps

Activity	Timeline
Procurement of contract [for externally delivered projects]	w/c 10 March
Delivery Start Date [for project proposals]	w/c 17 March
Delivery End Date [for project proposals]	31 March 2014
Project Closure: [for project proposals]	31 March 2014

Appendices and supporting papers:

Appendix 1: ADD100

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) 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 approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

Until what date: (a date is required if deferring)

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be 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:

Doug Simpson has drafted this report in accordance with GLA procedures and confirms that the Finance and Legal teams have commented on this proposal as required, and this decision reflects their comments.

✓

HEAD OF GOVERNANCE AND RESILIENCE:

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

Signature:

Date: