

MDA No.: 1413

Title: Relocation of City Hall

1. Executive Summary

1.1 At the GLA Oversight Committee meeting on 23 March 2022 the Committee resolved that:

Authority be delegated to the Chair in consultation with the Deputy Chairman and party Group Lead Members to agree any output arising from the discussion.

1.2 Following consultation with party Group Lead Members, the Chair agreed the Committee's letter to the Mayor on the relocation of City Hall as attached at **Appendix 1**.

2. Decision

2.1 **That the GLA Oversight Committee's letter to the Mayor on the relocation of City Hall be agreed.**

Assembly Member

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:



Printed Name: Léonie Cooper AM

Date: 5 July 2022

3. Decision by an Assembly Member under Delegated Authority

Background and proposed next steps:

- 3.1 The terms of reference for this investigation were agreed by the Chair, in consultation with relevant party Lead Group Members and Deputy Chairs, on date 9 March 2022 under the standing authority granted to Chairs of Committees and Sub-Committees. Officers confirm that the letter and its recommendations fall within these terms of reference.
- 3.2 The exercise of delegated authority approving the letter to the Mayor will be formally noted at the GLA Oversight Committee's next appropriate meeting.

Confirmation that appropriate delegated authority exists for this decision:

Signature (Committee Services):



Printed Name: Davena Toyinbo

Date: 23 June 2022

Telephone Number: 07521 266519

Financial Implications: NOT REQUIRED

Note: Finance comments and signature are required only where there are financial implications arising or the potential for financial implications.

Signature (Finance): Not Required

Printed Name:

Date:

Telephone Number:

Legal Implications:

The Chair of the GLA Oversight Committee has the power to make the decision set out in this report.

Signature (Legal):



Printed Name: Emma Strain, Monitoring Officer

Date: 24 June 2022

Telephone Number: 07971 101375

Supporting Detail / List of Consultees:

- Susan Hall AM
- Caroline Russell AM
- Caroline Pidgeon MBE AM

4. Public Access to Information

- 4.1 Information in this form (Part 1) is subject to the FoIA, or the EIR and will be made available on the GLA Website, usually within one working day of approval.
- 4.2 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.
- 4.3 **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

If yes, until what date:

Part 2 – Sensitive Information:

Only the facts or advice that would be exempt from disclosure under FoIA or EIR should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form? NO

Lead Officer / Author

Signature: G.Brand


Printed Name: Gino Brand

Job Title: Senior Policy Advisor

Date: 24 June 2022

Telephone Number: 07511 213765

Countersigned by Executive Director:

Signature: 

Printed Name: Helen Ewen

Date: 05/07/2022

Telephone Number: 07729 108986



Appendix 1

Caroline Pidgeon MBE AM **2021-22 Chair of the GLA Oversight Committee**

(Sent by email)

5 July 2022

Dear Sadiq

I am writing to you on behalf of the GLA Oversight Committee following our Question and Answer sessions with senior GLA officers on the relocation of City Hall. We acknowledge and appreciate the hard work of the GLA staff that have delivered the relocation against a background of two COVID-19 lockdowns, other COVID-19 impacts and a global supply chain crisis.

However, we do feel that there are important lessons to be learned both to improve the effectiveness of the current relocation and for any future moves within the GLA Group. The recommendations and requests in this letter are numbered and reproduced at the end to aid the ease of your response. In terms of potential lessons for the future, this is particularly relevant with the lease at Union Street due to expire in 2027. **The Committee would like to understand what early planning the GLA is doing now in advance of the end of the lease at Union Street to ensure a similar situation is avoided.**

An overall theme for the discussion on the relocation was around the 'aggressive' timescale of the project which appeared to the Committee unwarranted given the success of the temporary accommodation at Union Street. While no one could have predicted with any certainty the impact of the pandemic, it was felt that setting such an unrealistic timescale resulted in unnecessary uncertainty and confusion for staff.

It is understood that there were failings in the understanding of the project's progress which led to several occupation dates being communicated to staff. The new City Hall was initially due to open on 21 October 2021. In an internal *Core Brief* bulletin on 18 October 2021, no fixed date was set but the Chief Officer stated: '*I remain confident that we will be able to occupy our new City Hall before Christmas*'.

In a further *Core Brief* bulletin on 10 December 2021, it was announced that occupation of the new City Hall would be phased from 4 January 2022, with full occupation by 17 January 2022. On 13 January 2022 it was announced that the occupation of the new City Hall was delayed until 21 February 2022, due to a number of factors but in particular the very high sickness rates amongst the contractor and sub-contractors, largely due to COVID-19. Teams anchored at the site would be moving into the building in a phased approach over several weeks from 21 February 2022.

However, only a few days before this date, on 17 February 2022, the London Assembly and staff were notified that moving in had been further delayed due to the contractor being unable to complete final elements of the work programme. This notification fell during a school half term week adding an unhelpful challenge of trying to inform staff of the change while some were on leave. The Chief Officer confirmed on Friday 11 March 2022 that City Hall would be ready for staff occupation on Monday 21 March 2022. Delays are common in capital projects of this nature however **the GLA must be clearer and more considerate with its communications and be mindful of the impact on staff of changing dates.**

There are clear lessons to be learned from the relationship with the contractor that resulted in a situation where staff were only told on Thursday 17 February that they would not be moving into the new building on Monday 21 February, as expected. Moreover, this delay was relatively lengthy - staff did not move into the building until a month later, on 21 March 2022. This resulted in two Committee meetings being made 'informal' so they could be held online, as there was no physical space to hold the meetings. **The GLA should review the reporting requirements with contractors to ensure this type of misunderstanding cannot recur.**

The Committee felt that there was insufficient consideration of staff welfare when deciding on the first meetings at the new City Hall. Support staff and security staff were required to work for many hours in an incomplete building with insufficient heating. **In future staff welfare should be a key consideration when trialing new facilities.**

The Committee questioned your press release of 24 November 2021, which in our view misrepresented the London Assembly's position, explicitly stating that the final Mayor's Question Time would not be held at the new City Hall, at the Assembly's request.¹ There was also disappointment over the choice of the early meetings at the new City Hall which excluded consideration of a key Police and Crime Committee meeting. In particular, the Committee is disappointed that following multiple requests for the project details over the last year these were not received until this Committee resorted to summoning the detail on 1 February 2022. **This is indicative of a continuing lack of engagement with the London Assembly on key issues that impact its work which must be addressed going forward.**

It has always been accepted that relocating to a combination of smaller offices and moving City Hall out of a central London location would save money. You have repeatedly stated that savings from the relocation would amount to £61 million over five years, when compared with staying at the former City Hall at Queen's Walk on the original terms of the lease. However, the landlord was actively working with the GLA to agree a reduced rental offer on the lease and, as described in the

¹ Mayor of London, [Press Release](#) 24 November 2021

Mayoral Decision, this effective 'do nothing' option would already have saved £24 million.² This makes the real savings from the relocation as £37 million over a 5 year period. Any other interpretation overestimates the impact of the move. **Decision making at the GLA must be based on robust financial analysis. The GLA, including the Mayor's Office, must adopt a more open and transparent approach to the communication of savings. The true savings have been established as £37 million over a five year period and this figure should be used in all future communications from the Mayor and GLA.**

Much of the detail behind the GLA decision making around the relocation remains unpublished and the Committee accepts there are certain aspects that are commercially confidential. This Committee welcomes your publication of a redacted version of the detail to the Mayoral Decision for the relocation of City Hall to the Royal Docks (MD2705 Part 2) as requested at the GLA Oversight Committee on 23 March 2022. **However, the Committee encourages you to publish a redacted version of the detail to the Mayoral Decision on the settlement of dilapidation costs with More London (MD2843) to support open and transparent decision making at the GLA.**

The Committee is concerned at the expense, nearly £100,000, incurred to hold the early meetings at the new City Hall and the impact these had on completing the building works and subsequent relocation. The contractor was required to stop and then restart works, and to set up facilities for the meetings, only to take them down again afterwards. For three meetings held in the new facilities between January and February 2022, we learned that the contractors were stood down for a total of around five days at an additional cost of £85,000. We acknowledge that there could have been some benefits from testing that the Chamber worked effectively but are not convinced that this reflects good value for money. **In response to this letter, the GLA should set out its justification for how this was a good use of public money.**

The Committee remains concerned about the availability of desks at City Hall with some teams' 'anchor points' (i.e. allocated desks for each team) limited to 10 per cent of the size of the team, and with restricted access to the drop-in desks which have no screens, keyboards or mice. The Committee will be monitoring this going forward. The Committee understand that with a 10 per cent allocation of desks, it is a strong possibility that most members of a team would be regularly based at drop-in desks. This approach would not appear to take account of particular needs or pressures on certain areas of the organisation which need a more regular presence in City Hall (such as the Assembly Secretariat). The Chief Officer confirmed during our meeting that GLA employees are expected to be in the office 2-3 days per week. **The Committee would like to understand how this can be accommodated within current fixed desk allocations, and the extent to which staff are expected to work at drop-in desks to meet the 2-3 day per week commitment. The Committee would like to see evidence on the effectiveness of the desk arrangements. We request that the drop-in desks in the Mayor's Office are made available for general use and that screens, keyboards and mice added to a proportion of the drop-in desks on the Ground Floor of City Hall.**

² MD2705 October 2020

As part of the planning permission for the redevelopment of the new City Hall, the GLA entered into an agreement with the London Borough of Newham. This S106 agreement includes a target that 50 per cent of new jobs that become available at City Hall should be filled by Newham residents. **The Committee supports efforts to improve employment and job opportunities in Newham but feels strongly that the GLA should remain representative of London and that this should not be undermined by the S106 agreement and this intention should be made clear to the London Borough of Newham.**

This Committee awaits with interest the outcome of the current staff survey and looks forward to working with the Chief Officer to make the relocation as successful as possible. The Committee is planning a further review of the relocation at its meeting on 2 February 2023. **The Committee would like to see the metrics on which the success of the relocation will be monitored and to see regular progress reported to the Committee against those targets.**

We are grateful to the GLA officers for giving up some of their time to meet with the GLA Oversight Committee and we look forward to the completion of the relocation of City Hall. I look forward to your response to this letter by **29 July**.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Caroline Pidgeon', with a stylized flourish at the end.

Caroline Pidgeon MBE AM
2021-22 Chair of the GLA Oversight Committee

Recommendations

1. The Committee would like to understand what early planning the GLA is doing now in advance of the end of the lease at Union Street to ensure a similar situation is avoided.
2. The GLA must be clearer and more considerate with its communications and be mindful of the impact on staff of changing dates.
3. The GLA should review the reporting requirements with contractors to ensure this type of misunderstanding cannot recur.
4. In future staff welfare should be a key consideration when trialing new facilities.
5. This is indicative of a continuing lack of engagement with the London Assembly on key issues that impact its work which must be addressed going forward.
6. Decision making at the GLA must be based on robust financial analysis. The GLA, including the Mayor's Office, must adopt a more open and transparent approach to the communication of savings. The true savings have been established as £37 million over a five year period and this figure should be used in all future communications from the Mayor and GLA.
7. The Committee encourages you to publish a redacted version of the detail to the Mayoral Decisions on the settlement of dilapidation costs with More London (MD2843) to support open and transparent decision making at the GLA.
8. In response to this letter, the GLA should set out its justification for how this was a good use of public money.
9. The Committee would like to understand how this can be accommodated within current fixed desk allocations, and the extent to which staff are expected to work at drop-in desks to meet the 2-3 day per week commitment. The Committee would like to see evidence on the effectiveness of the desk arrangements. We request that the drop-in desks in the Mayor's Office are made available for general use and that screens, keyboards and mice added to a proportion of the drop-in desks on the Ground Floor of City Hall.
10. The Committee supports efforts to improve employment and job opportunities in Newham but feels strongly that the GLA should remain representative of London and that this should not be undermined by the S106 agreement and this intention should be made clear to the London Borough of Newham.
11. The Committee would like to see the metrics on which the success of the relocation will be monitored and to see regular progress reported to the Committee against those targets.