

REQUEST FOR DIRECTOR DECISION – DD1234

Title: Hydrogen London Partnership Budget and Expenditure 2014/15

Executive Summary:

This decision contains a breakdown of the Hydrogen London Partnership Budget for 2014-15 as well as a breakdown of expenditure with details against each. The Hydrogen London Partnership was setup in 2002 to develop a network of hydrogen fuel cell (HFC) stakeholders in the capital and help develop HFC technologies in London. It is a public/private partnership that consists of an Executive Committee, two Project Groups (the Infrastructure Vehicle Group and the Stationary Group) and a Secretariat based at City Hall (which coordinates the partnership's day to day activities). Deputy Mayor for Business and Enterprise Kit Malthouse is chair.

Decision:

The Executive Director approves expenditure of £124,000 in 2014-15 to support the implementation of the London Hydrogen Action Plan, inclusive of up to £50,000 to procure a consultant to undertake the bid preparation for European funding under the Fuel Cell Hydrogen Joint Undertaking 2014 call.

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: Fiona Fletcher-Smith

Position: Executive Director

Signature:

Date: 17 July 2014

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

Hydrogen London was setup in 2002 as London Hydrogen Partnership (LHP) to develop a network of hydrogen fuel cell (HFC) stakeholders in the capital and help develop HFC technologies in London.

Hydrogen London is a public/private partnership that consists of an Executive Committee, two Project Groups (the Infrastructure Vehicle Group and the Stationary Group) and a Secretariat based at City Hall (which coordinates the partnership's day to day activities). Deputy Mayor for Business and Enterprise Kit Malthouse is chair.

Hydrogen London works on delivery the London Hydrogen Action Plan (LHAP). LHAP makes the case for hydrogen investment and sets out the strategic framework and timeline (from now until 2016) for an action plan addressing vehicles and infrastructure, production and storage, stationary and early market applications. It aims to move beyond demonstrations and trials and to commercialise hydrogen and fuel cell projects that support the priorities of the Mayor's Economic Development Strategy, Climate Change Mitigation and Energy, Air Quality and Transport Strategies. The delivery of the action plan is being managed by the Hydrogen London Secretariat.

The main aims of the LHAP are to:

- deliver a series of interconnecting hydrogen refuelling facilities in London;
- deliver demonstration and deployment projects of early commercial hydrogen powered vehicles; and
- rollout a series of high profile fuel cell demonstration and deployment projects for buildings.

Hydrogen London has a proven track record of securing more than €50million worth of hydrogen projects in London. In May 2013 a bid for European funding was submitted by the LHP/GLA to coordinate the HyFIVE (Hydrogen for Innovative Vehicles) project. The bid was successful and has secured approximately € 30million with €400.000 funding of that funding being used to fund the appointment of a Grade 10 and a Grade 6 to deliver the project and coordinate the dissemination and communication activity.

2. Objectives and expected outcomes

This document seeks approval for the expenditure of the Hydrogen London budget in line with the agreed priorities set out in the LHAP. Kit Malthouse and the LHP Executive Committee have approved this work programme, which consists of the activities outlined below.

- £51K for the cost of a Grade 8 post to manage the Partnership's day to day activity. This resource will carry out the secretariat duties involved in running the LHP along with supporting London's strategic hydrogen agenda as well as pursuing new strategic opportunities for the Partnership. This will be funded partly by a contribution from the GLA central programme budget (£10K) and partly by Membership Fees (£41K).
- £50K to appoint a consultant to prepare bids under the FCHJU2 call due to be launched in July 2014. We aim to build on the success we had so far in securing EU funding and develop

London's hydrogen economy by submitting 1 or 2 bids under the upcoming funding call in July 2014.

- £10k for building on the success of the London Schools Hydrogen Challenge. The LHP will look to continue developing tomorrow's hydrogen market by heightening 11-16 year students' awareness of, interest in, and demand for cleaner H2 technology in London. These efforts will include delivery of a hands-on technology project, and produce engaging new web-based material with use of social networking tools to reach broader markets and to further enhance the positive image of hydrogen among tomorrow's scientists, technologists and customers.
- £3K for marketing and website development. The Hydrogen London website is the platform to promote the technology, activities and ongoing projects. This links to the London.gov.uk website and is visited by people interested in the technology as well as by those in the industry. We would like to build on the current site and add more interactive content as well as impartial graphics about the technology.
- £5K for travel and miscellaneous expenses. Hydrogen London is involved in many projects at EU and UK level (TSB funded projects, UK H2 Mobility, FCH-JU fuel cell study) which may require UK and EU travel. The person managing the programme will also travel to events and promote London's activity.
- £5K for Quarterly Meetings and Events. We currently host 12 annual quarterly meetings for the entire Partnership, for the Transport Delivery Group and the Stationary applications Group. We would also look to work with at least one organisation to host one large Hydrogen event and seek leverage from them in terms of catering costs.

Occasionally new opportunities arrive which the LHP needs to respond to quickly in order to exploit. Any such opportunities would be pursued instead of (rather than in addition to) one of the planned projects outlined above, and would therefore not require additional net spend. Any substitute will be approved via the Assistant Director and/or Executive Director of Development and Environment.

3. Equality comments

The Hydrogen London Partnership will aim to advance equality of opportunity in the delivery of the Hydrogen London programme. Actions will include ensuring equality of opportunity for all protected groups with all activities relating to the organising of partnership events, in particular through marketing and ensuring events are accessible for people with disabilities. The Hydrogen London Partnership will also take the present under-representation of women in the transport sector into consideration by ensuring that equality and diversity are taken into account for all activities relating to the partnership and recruitment.

4. Other considerations

The LHAP is a priority contained within the GLA strategic Plan. The Mayor views hydrogen as an alternative fuel which will provide clean energy, reduce carbon emissions and noise, and improve air quality. The LHAP also supports the delivery of other strategic priorities identified in the Plan including the London Plan, the Climate Change Mitigation and Energy Strategy, the Transport, Economic Development and Noise Strategies

5. Financial comments

5.1 The Mayor is requested to approve expenditure of £124,000 in 2014/15 to support the implementation of the London Hydrogen Action Plan.

5.2 An indicative allocation of the budget is detailed in the table below;

	£
EU Joint Technology Initiatives funding bids	50,000
Additional staff resource for LHP secretariat	51,000
London Schools Hydrogen Challenge (agreed by DAR)	10,000
Marketing and Website development	3,000
Travel and miscellaneous expenses	5,000
Hydrogen Meetings and Events	5,000
TOTAL EXPENDITURE	124,000

5.3 It is proposed to fund this expenditure from the following funding sources:

	£
2014/15 GLA Hydrogen Budget	30,000
2014/15 GLA Central Programme Budget allocation	10,000
2013/14 Confirmed income carried forward	38,000
Hydrogen London Membership Fees	46,000
TOTAL INCOME	124,000

5.4 Any changes to this proposal must be subject to further approval via the Authority's decision-making process. All requisite budget adjustments will be made.

5.5 The Economic and Business Policy Team within the Development, Enterprise and Environment Directorate will be responsible for managing this expenditure and ensuring that all expenditure complies with the Authority's Financial Regulations, Contracts & Funding Code, and Expenses & Benefits Framework.

6. Legal comments

6.1 The foregoing sections of this report indicate that:

6.1.1 the decisions requested of the Director fall within the statutory powers of the Authority to do such things as may be considered facilitative of or conducive or incidental to the promotion of the improvement of the environment in Greater London; and

6.1.2 in formulating the proposals in respect of which a decision is sought officers have complied with the Authority's related statutory duties to:

- (a) pay due regard to the principle that there should be equality of opportunity for all people;
- (b) 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
- (c) consult with appropriate bodies.

6.2 Officers must ensure:

- 6.2.1 to the extent that grant funding is to be awarded to facilitate the delivery of the programme, that such funding is disbursed in manner which is fair, transparent, considered to afford value for money and accord with the requirements of the Authority's Contracts and Funding Code;
- 6.2.2 to the extent that services/supplies/works are required for the delivery of the programme, that they are procured by Transport for London Procurement who will determine the detail of the procurement strategy to be adopted in accordance with the Authority's Contracts and Funding Code;
- 6.2.3 appropriate grant funding and contract documentation is put in place between and executed by the Authority and any funding recipient(s) and any contractors before any commitment to provide grant funding is made and/or the commencement of any services/supplies/works; and
- 6.2.4 to the extent that the activities to which the decisions impact upon staffing matters, that all relevant Authority HR protocols are followed, including where appropriate the need to obtain the Head of Paid Service's approval of any creation/deletion of posts.

7. Planned delivery approach and next steps

Activity	Timeline
Procurement of contract [for externally delivered projects]	August 2014
Announcement [if applicable]	
Delivery Start Date [for project proposals]	
Final evaluation start and finish (self/external) [delete as applicable]:	March 2015
Delivery End Date [for project proposals]	
Project Closure: [for project proposals]	

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**

If YES, for what reason:

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:

Alex Hobley has drafted this report in accordance with GLA procedures and confirms that.

✓

Assistant Director/Head of Service:

Mark Kleinman 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.

✓

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

Date