GREATER**LONDON**AUTHORITY

REQUEST FOR MAYORAL DECISION - MD3080

Title: Infrastructure Coordination Service

Executive Summary:

The GLA's Infrastructure Team is seeking approval to receive and spend up to £10m over five years to fund ongoing delivery of the Infrastructure Coordination Service (ICS). The funding is from London Lane Rental Surplus Income and is expected to be formally confirmed by the Lane Rental Governance Committee (LRGC) in February 2023.

Since 2019, the ICS has become an established programme relied upon within London's infrastructure sector. The Mayor's London Infrastructure Group (LIG) partners such as utilities and industry regulators are clear about the need for its continuation. The ICS supports the delivery of Mayoral priorities including decarbonisation, reduced road network disruption and affordable housing. It is achieving measurable outcomes including 900 days of road network disruption avoided and improved resident wellbeing (with a combined economic value to London of nearly £10m) through collaborative streetworks.

The ICS has previously received funding from the LRGC for the programme's pilot phase (June 2019-2021) and for the expansion phase to increase the service's reach (June 2021-2023), approved through MD2386 and MD2735 respectively. Further core funding of up to £10m is anticipated from the LRGC over five years (June 2023-June 2028) to cover staff costs, with a range of other funding sources covering programme activities (e.g. subscriptions from developers accessing services, and contributions from utilities receiving the collaborative streetworks incentive). Approval to accept and spend this core Lane Rental Scheme Surplus income is sought now to ensure there is no gap or delay in delivery, so we can retain our expert team and recruit as soon as possible once funding is formally confirmed.

The delegation of the exercise of the GLA's powers is also sought to approve seeking, receipt and expenditure of further income sources identified in this five-year period, in line with the Infrastructure Coordination Service's plan for a sustainable service benefiting from a variety of funding sources.

Decision:

That, subject to confirmation of funding in February 2023, the Mayor approves:

- 1. acceptance of up to £10 million of London Lane Rental Scheme Surplus Income as core funding to continue the delivery of the Infrastructure Coordination Service (ICS)
- 2. expenditure of up to £10 million secured through London Lane Rental Surplus Income to deliver the ICS from June 2023 through to June 2028
- 3. a delegation of authority to the Executive Director of Good Growth to seek and approve the acceptance and expenditure of additional diversified income secured through to June 2028.

Mayor of London

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:

Date: 26/1/23

¹ MD2880 later approved additional income sources to diversify the ICS's funding streams.

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required - supporting report

1. Introduction and background

ICS pilot phase (June 2019 - June 2021)

- 1.1. The Infrastructure Coordination Service (ICS) was created in 2019 following a comprehensive business case² and endorsement from the Mayor's London Infrastructure Group (LIG).
- 1.2. The ICS objectives were to reduce disruption on London's road network and deliver the Mayor's priorities of improving air quality, creating 'healthy streets,' enabling decarbonisation, and unlocking affordable housing delivery.
- 1.3. MD2386³ approved the establishment of the ICS pilot phase, after the Infrastructure team secured £2.87m of funding from the London Lane Rental Scheme Surplus Income⁴.

ICS expansion phase (June 2021 - June 2023)

- 1.4. Building upon the success and learning from the pilot, the Mayor's LIG endorsed a second phase of the ICS, for which the team secured a further £3.5m grant funding from the London Lane Rental Scheme Surplus Income, approved under MD2735.⁵ This current phase serves as a bridge between the initial pilot and a sustainable, operational, London-wide service.
- 1.5. In this second phase, which runs until June 2023, the team has increased its geographic reach, delivered more projects, refined the service offer, collated further learning, and developed a longer-term strategy for the future of the service. While work is still ongoing to deliver against the commitments of this phase, with a quarter of the grant period still to come, it is already clear that the ICS will meet and exceed its key targets.
- 1.6. The ICS delivers work through its three service lines supported by Data & Innovation and Engagement & Delivery functions:
 - ICS Streets convenes collaborative streetworks, bringing together utilities, telecoms, and
 highway authorities to undertake a 'dig once' approach—reducing road network disruption and
 improving Londoners' wellbeing. The service uses the Infrastructure Mapping Application (IMA)
 and technical expertise to coordinate key stakeholders' activities, share best practice and
 measure benefits of collaboration while helping partners embed collaboration as business-asusual. The ICS's work in this area has already avoided 939 days of disruption, and has led the
 energy regulator, Ofgem, to introduce a collaborative streetworks incentive into gas and
 electricity companies' business plans.
 - ICS Planning works with local authorities and London's utilities to coordinate the planning of
 energy, water, and digital infrastructure, with a focus on growth areas identified in the London
 Plan. These strategies developed sub-regionally and involving at least five boroughs are
 critical to translating the Mayor's 2030 net zero target into delivery plans, and to addressing
 London's historic flooding, which is expected to worsen because of climate change.
 - ICS Development works to improve how developers and Infrastructure providers plan for and commission utility connections – reducing risks, improving viability, minimising disruption, reducing costs, and preventing delays. The ICS facilitates productive problem-solving conversations between utilities, highway authorities and developers; convenes developers to

² https://www.london.gov.uk/sites/default/files/md2386_annex_b.pdf

https://www.london.gov.uk/sites/default/files/md2386_infrastructure_and_development_coordination_unit_-_signed.pdf
 The Lane Rental surplus income funds innovative projects 'intended to reduce the disruption and other adverse effects caused by street or roadworks'

https://www.london.gov.uk/decisions/md2735-infrastructure-coordination-service-preparation-phase

- identify collaborative opportunities in high-intensity areas; and addresses strategic, London-wide infrastructure issues impacting on affordable housing delivery.
- ICS Data & Innovation develops and manages the digital tools and data sharing for the ICS, including The Infrastructure Mapping Application (IMA).
- ICS Engagement & Delivery undertakes functions like procurement, contracts, communications, and governance to ensure effective delivery of programme activities.
- 1.7. A key objective achieved in this phase was to establish a diversified funding base. The additional income sources—approved through MD2880⁶—have helped create a sustainable long-term programme and has allowed the team to scale-up delivery. Funding secured includes contributions from utilities as a result of a streetworks collaboration incentive introduced into regulation; a grant from the BEIS Regulators' Pioneer Fund; and fees from developers benefiting from the Development Service.

ICS plan for the next five years (June 2023 - June 2028)

- 1.8. The ICS has become an established programme relied upon within London's infrastructure sector. The members of the Mayor's London Infrastructure Group (LIG), which include utilities and industry regulators, are clear about the strong case for its continuation. The ICS supports the delivery of Mayoral priorities including decarbonisation, reduced road network disruption and affordable housing. It is achieving measurable outcomes such as nearly £10m in benefit to Londoners through collaborative streetworks that have avoided over 900 days of road network disruption and improved resident wellbeing.
- 1.9. ICS staff and programme activities are currently funded and will continue to be predominantly funded from external sources. London Lane Rental Scheme Surplus Income from the LRGC is expected to provide core funding to cover all staff costs. Formal LRGC approval is being sought in February 2023, having already received endorsement from its member organisations in October 2022. Mayoral approval is sought now, subject to funding being confirmed, to ensure there is no gap or delay in delivery and we can retain our existing expert team.
- 1.10. The LRGC has provided support in principle for the ICS to receive up to £2m annually to cover staff costs for five years, totalling up to £10m, with no cost risk to the GLA. This includes covering the cost of existing posts as well as the costs that would be incurred in creating five additional posts to be created to reflect the future work plan and increased delivery targets of the ICS. Partners, stakeholders and funders expect higher outputs, with more partners involved, and increased benefits across service lines. Having assessed the team's current capacity and gaps, this new resource is required.
- 1.11. The ICS also proposes some changes to the current team including making existing fixed-term posts permanent. This will allow us to establish a stable and reliable programme and, most importantly, mitigate the risk of loss of expertise built to date and the credibility that comes with this. By retaining talent through permanent posts, we will have a seamless continuation of activities beyond June 2023 and meet the sector's needs. Some regrades are also proposed in order to achieve fairness and consistency, so that similar posts are graded and titled similarly. Approval is being sought for all team changes in accordance with GLA policy and in consultation with the Assembly's GLA Oversight Committee and the Chief of Staff on behalf of the Mayor.
- 1.12. Unlike prior years, there will be no LRGC contributions to project costs; ICS programme activities will be funded by a wide range of other sources. These include subscription fees from developers accessing services through the ICS; subscription fees from boroughs receiving infrastructure strategies; contributions from utilities that receive a streetworks collaboration incentive; and GLA funding, if/when approved in future GLA budgets. Many of these funding sources are already secured or underway. Through this form the Mayor is proposing to delegate authority to the Executive Director

⁶ https://www.london.gov.uk/decisions/md2880-infrastructure-coordination-service-expansion-phase

of Good Growth to approve receipt and expenditure of these expected funding sources, and any others secured through to June 2028, for efficient decision making when opportunities arise for funding at short notice.

2. Objectives and expected outcomes

- 2.1. The ICS will continue to deliver initiatives that improve how infrastructure is planned and delivered in London, with a particular focus on reducing disruption and other adverse effects caused by streetworks. This is in line with the Lane Rental Scheme Surplus Income terms of reference.
- 2.2. The impact of the ICS's work to date has been substantial, with the Streets Service alone already generating nearly £10m in benefits for Londoners. The ICS as a whole creates significant benefits to a broad range of stakeholders:
 - Londoners: reduced road network disruption, improved public realm and air quality, reduced noise pollution, increased/expedited affordable housing delivery
 - boroughs: improved planning for growth/decarbonisation and delivery of strategic targets (such
 as carbon neutrality), improved quality of roads and public realm, cost savings from
 collaborative works, improved relationships with businesses, residents, and developers
 - *utility companies:* cost savings through more efficient delivery of works, improved reputation amongst customers, improved visibility of upcoming development
 - developers: reduced uncertainty and delay in delivery through support to unblock infrastructure challenges, improved information for planning and understanding of constraints, opportunities to collaborate and reduce costs.
- 2.3. The ICS is a key delivery function to support decarbonisation in line with the Mayor's Net Zero by 2030 target, through the preferred 'accelerated green' pathway. This accelerated target has impacts on London's infrastructure and utility providers, who will need to make crucial investment decisions and significant physical changes to their assets to meet the 2030 goal. The ICS has the technical capabilities and existing relationships to support this.
- 2.4. Going forward, the ICS will continue the transition from its initial pilot phase when it undertook hands-on, granular activities, to become a more strategic, sustainable service. The focus will be on:
 - developing and disseminating best practice
 - upskilling partners so that they can take on aspects of collaboration as part of their business-asusual activities
 - monitoring and evaluating results to steer the sector toward the most impactful interventions
 - managing the digital tools required for all partners to operate effectively in this space
 - convening otherwise siloed partners to capitalise on efficiencies and economies of scale
 - addressing policy and regulatory barriers to effective infrastructure coordination.
- 2.5. ICS outputs will continue to scale-up across its service lines—including delivering at least 25 new collaborative streetworks projects and ensuring at least 75 percent of boroughs have benefited from the development of a sub-regional infrastructure strategy, both by 2025. The ICS will also continue measuring benefits across its service lines; by 2025, the ICS forecasts that it will have avoided over 1,300 days of disruption through collaborative streetworks since its inception.

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 a positive impact for a diverse group of beneficiaries, including residents and businesses.
- 3.4. 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 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.
- 3.5. The Infrastructure Team convenes the Infrastructure Advisory Panel and Young Professional's Panel to advise on our work. Both panels bring together a diverse range of leaders in the infrastructure sector to contribute to, challenge and inform the infrastructure team's work programme. This ensures the ICS's contributions are informed by diverse perspectives. The wider Infrastructure Team also delivers school outreach and reciprocal mentoring programmes aimed to improve EDI in the infrastructure sector—making use of ICS expertise and relationships to do so.
- 3.6. In the process of establishing its new staffing structure, the Infrastructure Team intends to be at the forefront of the GLA's drive for proactive recruitment and selection practices that support a diverse organisation. This includes: ensuring recruitment panels are diverse; identifying a set of recruitment sources and opportunities to advertise the post to a broad range of Londoners; including an EDI-based question in interviews; and seeking to pilot new approaches (for example publishing videos where existing staff explain the work of the team, so that we are more attractive to a diverse set of applicants). In line with the GLA's Recruitment and Selection policy we will continue to welcome applications from everyone regardless of age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage/civil partnership status.

4. Other considerations

Risk assessment

Risk	Mitigation / Response	Probability	Impact	Overali
Stakeholder expectations not met, resulting in reputational risk to the GLA	 longstanding partner involvement in designing work programme to ensure aligned expectations agreement of a comprehensive work programme with clear delivery targets 	LOW	HIGH	AMBER

£)	 dedicated Engagement & Delivery team focused on communicating projects and initiatives on an ongoing basis frequent updates to the Mayor's London Infrastructure Group and Lane Rental Governance Committee and Secretariat 			
Financial risk to the GLA should funding not be approved, not continue beyond five years, or be suspended mid- project	 this work programme is dependent on the five-year funding to be secured in February 2023, and no changes to staffing arrangements will be undertaken before formal funding approval is in place should formal funding approval not be secured then other funding sources will be considered; if unviable, then GLA procedures for termination of contracts for staff will be followed should Lane Rental Funding be suspended, withdrawal of funding would be staged in a way that allows the GLA to cover any existing commitments because Lane Rental Funding would cover all staff costs over the next five years, were challenges to arise with other funding sources, this would not put the GLA at risk because it would impact only programme spend cultivating other sources of funding in this five-year period will continue to diversify the ICS's income going forward 	LOW	MEDIUM	GREEN
Project milestones are not met, or are not met on time	 a dedicated delivery team is in place to ensure work is kept on track and to budget five additional posts will be added to the ICS to ensure sufficient resource to meet commitments given reliance on external partners for some projects, an agile project management approach will also be used to allow for flexibility and adaptability 	LOW	MEDIUM	GREEN
Aspects of the project do not deliver expected benefits	 a strong evidence base has already been collected on the benefits delivered by the ICS during the prior phases extensive monitoring and evaluation will allow the team to assess if benefits are continuing to be delivered and if not, the work programme will be adjusted accordingly 	LOW	HIGH	AMBER

Loss of staff and expertise prior to funding being secured	 in parallel to this MD we are seeking to secure approval for fixed-term posts in the ICS to be made permanent, to reduce the risk of losing staff we are also seeking to secure approval for some changes to existing posts so that those posts better align with the current and future phase needs, and are fair/consistent across the service 	LOW	HIGH	AMBER
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Links to Mayoral strategies and priorities

Strategy	Links
London Recovery	 Engage with asset owners in London to influence the building and maintaining of green infrastructure, such as district heating networks and sustainable urban drainage systems.
Mission – A Green New Deal	Work with stakeholders to reduce environmental impacts from infrastructure works, such as air pollution, and limit disproportionate impacts on vulnerable Londoners.
1 1111	Support the creation of new jobs and skills in London's green economy.
	Help improve London's air quality by reducing congestion on roads and reducing vehicle movements associated with construction.
a = 11 11 1	 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.
Environment Strategy	 Help to reduce disruption such as ambient noise associated with construction, through improving the efficiency and speed of construction and road occupancy.
	Increase the amount of sustainable drainage, prioritising greener systems across London in new development, and retrofit solutions.
= ³ [2] = 2 3	Work with stakeholders to improve London's sewerage system so it is sustainable, resilient, and cost effective, and makes best use of innovation.
il a	Reduce risks and impacts of flooding in London on people and property and improve water quality in London's rivers and waterways.
	Promote circular economy approaches to construction where possible.
Transport Strategy	Minimise disruption on roads and reduce the number of vehicle movements associated with construction.
Transport Strategy	 Integrate healthy streets interventions in collaborations to improve the quality of roads for all users.
Housing Strategy	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	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.
in (i)	 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	 Reduce the impact of congestion and construction on London businesses and residents, to ensure that London's economy continues to grow productively.
Strategy	 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	 Work with partner organisations to improve diversity and inclusion across the infrastructure sector.

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

5. Financial comments

- 5.1. Approval is sought for the receipt and expenditure of up to £10m for the Infrastructure Coordination Service from the Lane Rental Governance Committee (subject to approval early 2023) to fund the estimated costs of the project.
- 5.2. Approved project expenditure will occur over the five-year duration of the phase and span six financial years. This funding is entirely for staffing resource and is estimated at up to £2m per funding year. The overall estimated staffing cost for this team is £1.715m in 23-24, £2.069m per year for 24-25 to 27-28 and £344k for 28-19. £2m will come from this Lane Rental Scheme income whilst the remainder will come from existing secured external funding from the current phase of work. Costs will be claimed from TfL on a quarterly basis based on defrayed expenditure. Figures are as per current pay rates and are not uplifted for inflation, any pay awards given will be contained within the funding envelope agreed.
- 5.3. It should be noted that no contractual commitments will be made on this funding until the Lane Rental Governance Committee have provided formal approval which is anticipated by the end of February 2023.
- 5.4. In addition to the £10m for which approval is being sought, delegated authority is also being requested to be given to the Executive Director of Good Growth to seek and approve the receipt of further sources of external funding to supplement the programme. The receipt and expenditure of this additional income will be subject to further approval by the authority's decision-making process. This additional income will be utilised to fund further programme costs.
- 5.5. All appropriate budget adjustments will be made and actioned by the finance team.

6. Legal comments

6.1. The GLA has wide powers under section 30 of the Greater London Authority Act 1999 (GLA Act) to promote economic development and wealth creation, promote social development, and promote the

- improvement of the environment, all in Greater London. These powers are sufficiently broad to cover the proposed use of funds in this decision.
- 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) these restrictions do not prevent the GLA cooperating with, or facilitating or co-ordinating the activities of, TfL.
- 6.3. The London Lane Rental Scheme is operated under the Street Works (Charges for Occupation of the Highway) (Transport for London) Order 2012. Under regulation 7 of the Street Works (Charges for Occupation of the Highway) (England) Regulations 2012, an "Approved Authority [of which TfL is one] must apply the net proceeds [of a lane rental scheme] for purposes intended to reduce the disruption and other adverse effects caused by street works". The application of any funding received from the London Lane Rental Scheme should comply with this statutory requirement.
- 6.4. In taking this decision, the Mayor 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.
- 6.5. It should be noted that this decision relates only to the approval of budget although there is reference to approval also being sought in relation to proposed staffing changes. Any staffing decisions that need to be made following this decision must be approved by the Head of Paid Service in accordance with the GLA Head of Paid Service Staffing Protocol and Scheme of Delegation.

7. Planned delivery approach and next steps

- 7.1. Funding is expected to be approved at the Lane Rental Governance Committee meeting in February 2023.
- 7.2. Updates will be regularly provided to key partners. The Mayor's London Infrastructure Group and the Lane Rental Governance Committee will continue to monitor progress.
- 7.3. The below table provides an indicative timeline:

Activity	Timeline
Confirmation of funding approval expected	February 2023
Recruitment and onboarding of additional staff; changes to existing staff contracts	March 2023 - June 2023
Conclusion of expansion phase of work, with accompanying monitoring and evaluation and best-practice outputs	June 2023
Begin to deliver activities covered by this Mayoral Decision	June 2023
Bi-annual reporting to the Mayor's London Infrastructure Group and quarterly reporting to the Lane Rental Governance Committee	June 2023 - June 2028
Funding covered by this Mayoral Decision concludes	June 2028

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 <u>or</u> on the defer date.

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? YES

If YES, for what reason: Publication should be deferred until funding is formally approved.

Until what date: 1 March 2023.

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:	3 · ·
Simona Webb has drafted this report in accordance with GLA procedures and confirms the following:	✓
Sponsoring Director:	
Philip Graham has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.	✓
Mayoral Adviser:	*:
Jules Pipe has been consulted about the proposal and agrees the recommendations. Advice:	✓
The Finance and Legal teams have commented on this proposal. Corporate Investment Board	✓
This decision was agreed by the Corporate Investment Board on 23 January 2023.	

EXECUTIVE DIRECTOR. RESOURCES:

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

Signature

Date

23 January 2023

D. Gry

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

Date

23 January 2023

D. Belleny