



## Operational Property and Projects Sub Committee

**Date:** MONDAY, 26 SEPTEMBER 2022  
**Time:** 11.30 am  
**Venue:** COMMITTEE ROOMS, WEST WING, GUILDHALL

## LATE SUPPLEMENTARY PACK

**Members:** Alderman Timothy Hailes (Chair) Deputy Christopher Hayward  
Deputy Rehana Ameer (Deputy Deputy Shравan Joshi  
Chairman) Deputy Edward Lord  
Deputy Randall Anderson Paul Martinelli  
Deputy Keith Bottomley Anett Rideg  
Deputy Michael Cassidy  
Deputy Madush Gupta

**Enquiries:** Polly Dunn  
Polly.Dunn@cityoflondon.gov.uk

**John Barradell**  
Town Clerk and Chief Executive

## AGENDA

### 16. ANY OTHER BUSINESS THE CHAIR CONSIDERS URGENT

- a) **Gateway 4 Issue Report: City Cluster - Wellbeing and Climate Resilience programme: Green Streets Project**  
Report of the Executive Director Environment.

**For Decision**  
(Pages 3 - 22)

- b) **\*Climate Action Strategy - Purchased Goods and Services Project Plan Update**  
Report of the Chief Operating Officer.  
*To be read in conjunction with a non-public appendix.*

**For Information**  
(Pages 23 - 26)

### 27. ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT AND WHICH THE SUB COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED

- a) **Report of Action Taken Between Meetings**  
Report of the Town Clerk.

**For Information**  
(Pages 27 - 36)

- b) **\*Non-Public Appendix: Climate Action Strategy - Purchased Goods and Services Project Plan Update**  
*To be read in conjunction with the public report.*

**For Information**  
(Pages 37 - 40)

<p><b>Committees:</b></p> <p>Streets and Walkways sub- committee – <i>For decision</i></p> <p>Operational Property and Projects Sub – <i>For decision</i></p>	<p><b>Dates:</b></p> <p>5 July 2022</p> <p>26 September 2022</p>
<p><b>Subject:</b>  <b>City Cluster - Wellbeing and Climate Resilience programme: Green Streets project</b></p> <p><b>Unique Project Identifier:</b>  <i>PV Project ID</i></p>	<p>Regular  <b>Gateway 4 Issues Report</b></p>
<p><b>Report of:</b>          Executive Director, Environment</p> <p><b>Report Author:</b>          Maria Herrera</p>	<p><b>For Decision</b></p>
<h1 style="margin: 0;">PUBLIC</h1>	

<p><b>1. Status update</b></p>	<p><u>Context:</u></p> <p>The implementation of the City Cluster Vision is divided between three programmes focused on:</p> <ol style="list-style-type: none"> <li>1) Pedestrian priority and traffic reduction,</li> <li>2) Well-being and climate resilience, and,</li> <li>3) Activation and engagement.</li> </ol> <p>Each programme will deliver complementary improvements, in response to the highest priorities in the area, and are being developed in close collaboration with local stakeholders. Officers have worked closely with the EC BID to understand the needs of the area at this challenging time and have developed designs that will assist post-pandemic recovery by providing attractive spaces to meet and spend time outdoors.</p> <p><u>Green Streets project description:</u></p> <ul style="list-style-type: none"> <li>○ The Green Streets project is one of seven projects within the Wellbeing and Climate Resilience Programme</li> </ul>
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(Gateway 4 approval, April 2021), and is focused on the creation of a greener more welcoming environment, increased climate change mitigation measures and contributing towards an improved walking experience and wellbeing.

**RAG Status:** Green (as last report to committee at Programme level)

**Risk Status:** Low (as last report to committee)

**Total Estimated Cost of Project (excluding risk),** £350,000-£400,000.

**Change in Total Estimated Cost of Project (excluding risk):** Increase of £150k since Gateway 3 approval as a result of the external funding contribution.

**Funding Source:** A 50% contribution from the EC BID has been confirmed, with the other 50% contribution from the Section 106 Agreement of 40 Leadenhall Street and 52-54 Lime Street projects.

**Spend to Date:** Fees to date have primarily been funded directly by the EC BID. The City Corporation has contributed £7,000 in fees towards the design development of the project. City staff costs have been funded as part of the overall City Cluster Wellbeing and Climate Change resilience programme management.

**Costed Risk Provision Utilised:** NA

<p><b>2. Requested decisions</b></p>	<p><b>Next Gateway:</b> Gateway 5 - Authority to Start Work (Light)</p> <p><b>Requested Decisions:</b></p> <ol style="list-style-type: none"> <li>1. Approve the change in scope and funding strategy as set out in this report.</li> <li>2. Note the total estimated cost of the project at £350,000-400,000 as a result of the additional external funding, and the resulting increased programme budget, details of which will be set out in a forthcoming programme update report in September 2022.</li> <li>3. Agree the installation of a prototype in September 2022 at a total estimated cost of £20,000 to be funded by the EC BID with soft landscaping costs of £7,000 covered by the City's Cool Streets and Greening programme (Climate Action Strategy).</li> <li>4. Note that, following the review of the prototype, a Gateway 5 report is to be prepared under Delegated Approval to Chief Officer for delivery of the installations proposed within Green Streets project.</li> </ol>																												
<p><b>3. Budget</b></p>	<p>Table 1. Well-being and Climate Change resilience programme spend to date. Involves the development of seven projects within the programme.</p> <p>The available funds are sufficient to reach Gateway 5.</p> <table border="1" data-bbox="528 1460 1431 1982"> <thead> <tr> <th colspan="4"><b>Table 1: Spend to Date - City Cluster Vision - Well-being &amp; Climate Change - 16800437</b></th> </tr> <tr> <th><b>Description</b></th> <th><b>Approved Budget (£)</b></th> <th><b>Expenditure (£)</b></th> <th><b>Balance (£)</b></th> </tr> </thead> <tbody> <tr> <td>Env Servs Staff Costs</td> <td>29,000</td> <td>11,502</td> <td>17,498</td> </tr> <tr> <td>Open Spaces Staff Costs</td> <td>14,000</td> <td>2,845</td> <td>11,155</td> </tr> <tr> <td>P&amp;T Staff Costs</td> <td>85,000</td> <td>81,397</td> <td>3,603</td> </tr> <tr> <td>P&amp;T Fees</td> <td>57,000</td> <td>53,914</td> <td>3,086</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>185,000</b></td> <td><b>149,659</b></td> <td><b>35,342</b></td> </tr> </tbody> </table>	<b>Table 1: Spend to Date - City Cluster Vision - Well-being &amp; Climate Change - 16800437</b>				<b>Description</b>	<b>Approved Budget (£)</b>	<b>Expenditure (£)</b>	<b>Balance (£)</b>	Env Servs Staff Costs	29,000	11,502	17,498	Open Spaces Staff Costs	14,000	2,845	11,155	P&T Staff Costs	85,000	81,397	3,603	P&T Fees	57,000	53,914	3,086	<b>TOTAL</b>	<b>185,000</b>	<b>149,659</b>	<b>35,342</b>
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	<p>The overall programme budget was approved in April 2021 at between £1.4 and £1.5M for the delivery of seven projects within the programme.</p> <p>The scope of the Green Streets project has been increased to take account of the aspirations of the recently established EC BID. This includes funding from the BID of £175,000, resulting in a total estimated project cost of £350-400k (see Section 4 below).</p> <p>As a result, Members should note that the overall cost of the Wellbeing and Climate Resilience Programme will increase. A programme level update report is intended to be submitted in September, to provide an overview on all workstreams.</p>
<p><b>4. Issue Description</b></p>	<p><b>4.1. Scope change:</b></p> <p>At Gateway 4, seven projects were approved to be taken forward as part of the delivery of the Wellbeing and Climate resilience programme. The projects were organised in three themes as follows:</p> <p>Improvements to existing public spaces:</p> <ol style="list-style-type: none"> <li>1. St Helen’s Bishopsgate churchyard:</li> <li>2. St Andrew Undershaft churchyard</li> <li>3. Jubilee Gardens</li> </ol> <p>Green streets:</p> <ol style="list-style-type: none"> <li>4. Creechurch Lane - Stoney Lane (interim greening measures)</li> <li>5. Philpot Lane - Rood Lane (interim greening measures)</li> </ol> <p>Climate Change Resilience measures</p> <ol style="list-style-type: none"> <li>6. Bevis Marks and Houndsditch; Pilot Sustainable urban drainage (Suds) scheme</li> <li>7. Area wide tree planting</li> </ol> <p>4.2 The Green Streets project initially consisted of interim greening measures (in locations listed above), to deliver a welcoming and attractive urban environment in the short-term. Proposals considered at Gateway 4 included installation of parklets, planters and seating, building on the measures delivered as part of the City Corporation’s Covid19 recovery strategy.</p> <p>However, this scope is proposed to be revised in response to the objectives of the EC BID to include longer lasting green interventions alongside seating in more locations in the City Cluster. This will result in a more sustainable and impactful outcome. The proposed locations are set out in 4.4 below.</p>

4.3 A high-quality design has been developed by architects WMB studio. The materials chosen for the modular seating and planting units are natural and durable and minimal maintenance is anticipated. The materials considered for the units are robust and long lasting. The units will be fabricated using terracotta and reclaimed timber for the seats. The modules have been designed to be movable and arranged in different configurations in response to specific site conditions. The aim is for the seating and planting units to be reused across the area in other public realm improvements.

A resilient planting palette will be selected to ensure plants are suitable for the site conditions. Please see designs in the appendix 3.

4.4 The Green Streets project will now deliver installations in the following locations:

Sites proposed at Gateway 4:

1. Rood Lane
2. Creechurch Lane north
3. Philpot Lane: a temporary intervention has been installed at this location as part of the Covid-19 recovery measures. This will be evaluated further to consider stakeholder needs, traffic movement and dependencies with nearby developments.

Additional sites proposed:

4. Lime Street
  5. Fen Court north
  6. Mark Lane / Great Tower Street
  7. Mark Lane north
  8. Fenchurch Place (London Street)
  9. St Margaret Pattens courtyard
- See plan attached in Appendix 3.

4.5 A joint funding strategy has been agreed with the EC BID which has enabled the scope to be expanded. The EC BID has committed to funding £175,000 for the delivery of the Green Streets project. The City Corporation's contribution will be from S106 receipts that were committed to this programme at Gateway 4.

4.6 A prototype installation is planned to be commissioned by the EC BID to finalise manufacturing details and reduce risk for future installations. It is proposed that the City Corporation will cover the cost of the soft landscaping for the prototype, utilising existing funds from the Cool Streets and Greening Programme.

	<p>The aim is to install a prototype in September to review and test the design ahead of rolling out the wider project by the end of 2022.</p> <p>4.7 The maintenance costs of the installations will be covered by the EC BID through a maintenance agreement to be finalised at the next stage. This will include an allowance for the occasional movement or relocation of the installations. This will be detailed in the Gateway 5 report (delegated to the Director of Environment) in the autumn. The Gateway 5 report will also include an assessment of pavement width and impact on Pedestrian Comfort Levels to ensure there is still sufficient width available for people walking.</p>
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### **Appendices**

<b>Appendix 1</b>	Project Coversheet
<b>Appendix 2</b>	Risk Register
<b>Appendix 3</b>	Project summary; visuals and plans

### **Contact**

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# Project Coversheet

## [1] Ownership & Status

**UPI:**

**Core Project Name:** City Cluster - Well-being and Climate Resilience programme: Green Streets project

**Programme Affiliation** (if applicable):

**Project Manager:** Maria Herrera

**Definition of need:** Project scope increased due to additional external funding being secured

**Key measures of success:**

1. Project prototype is delivered successfully in September.
2. Design details are agreed and approved by funding partner.
3. Project objectives are achieved, and stakeholders are supportive.

**Expected timeframe for the project delivery:** July-December 2022

**Key Milestones:**

1. *Production of prototype and signoff design.*
2. *Gateway 5 report is submitted in September.*
3. *Implementation of all sites completed by December 2022*

**Are we on track for completing the project against the expected timeframe for project delivery?** Yes.

Target completion timescales is connected to the production of the prototype to ensure the design is successful and reduce risk.

**Has this project generated public or media impact and response which the City of London has needed to manage or is managing?**

Not yet. The funding partner (EC BID) intend to promote the project in the Autumn 2022.

## [2] Finance and Costed Risk

**Headline Financial, Scope and Design Changes:**

**'Project Briefing' programme report**

**City Cluster Area –Delivery Plan, as approved by:**

Planning and Transportation Committee – For decision, 14 July 2020

Streets and Walkways Sub – For decision, 07 July 2020

Projects Sub – For decision, 30 July 2020

Open Spaces Committee - For information, 14 July 2020

- Total Estimated Cost (excluding risk): £2.4-2.9m delivery of the initial three years of work (2020-23)
- Costed Risk Against the Project: NA
- Estimated Programme Dates: 2020-2023 for the overall programme which consists of several projects across three workstreams.

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<p>Scope/Design Change and Impact: The delivery of the programme was set out within three work programmes:</p> <ol style="list-style-type: none"><li>1. Pedestrian Priority and traffic reduction</li><li>2. Well-being and Climate Change resilience</li><li>3. Activation and Engagement</li></ol>
<p><b>City Cluster Area – Wellbeing and Climate Change resilience programme implementation (2021-2024) Gateway 3, as approved by:</b></p> <p>Planning and Transportation Committee – For decision-14 July 2020 Streets and Walkways Sub – For decision – 07 July 2020 Projects Sub – For decision – 30 July 2020 Open Spaces Committee - For information – 14 July 2020</p> <ul style="list-style-type: none"><li>• Total Estimated Cost (excluding risk): £750-850k for the projects within the programme.</li><li>• Estimated Programme Dates: 2020-25</li></ul> <p>Scope/Design Change and Impact: Projects within the programme have been developed further and this reflects the increase in overall estimated costs. External funding has been taken into account in the estimated programme costs.</p>
<p><b>City Cluster Area – Wellbeing and Climate Change resilience programme implementation (2021-2024) Gateway 4, as approved by:</b></p> <p>Open Spaces Committee - For decision – 27 April 2021 Streets and Walkways Sub Committee – For decision – 29 April 2021 Projects Sub Committee– For decision – 17 May 2021</p> <ul style="list-style-type: none"><li>• Total Estimated Cost (excluding risk): £1.4-£1.5 for the projects within the programme.</li><li>• Resources to reach next Gateway (excluding risk): within project budget as set out in report.</li><li>• Spend to date: £149,659 on this programme only (June 2021).</li><li>• Costed Risk Against the Project: NA</li><li>• Estimated Programme Dates:2021-24</li></ul> <p>Scope/Design Change and Impact: Detailed project scope has been presented with seven projects proposed to be taken forward to gateway 5. The Green Streets project is one of the projects within the programme.</p>
<p>‘Authority to start Work’ G5 report (as approved by PSC xx/yy/zz):</p> <ul style="list-style-type: none"><li>• Total Estimated Cost (excluding risk):</li><li>• Resources to reach next Gateway (excluding risk)</li><li>• Spend to date:</li><li>• Costed Risk Against the Project:</li></ul>

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- CRP Requested:
- CRP Drawn Down:
- Estimated Programme Dates:

*Scope/Design Change and Impact:*

**Total anticipated on-going commitment post-delivery [£]:**<Current Range>  
**Programme Affiliation [£]:**<(If applicable) What is the estimated total programme cost including this project:>

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City of London: Projects Procedure Corporate Risks Register

Project Name:	Green Streets - City Cluster Well bieng and Climate	PM's overall risk rating:	Low	CRP requested this gateway:		Average unmitigated risk:	7.1	Open Risks:	8
Unique project identifier:	NA	Total estimated cost (exc risk):	£ 350,000	Total CRP used to date:	£ -	Average mitigated risk score:	5.5	Closed Risks:	0

General risk classification											Mitigation actions					Ownership & Action				Comment(s)			
Risk ID	Gateway	Category	Description of the Risk	Risk Impact Description	Likelihood Classification pre-mitigation	Impact Classification pre-mitigation	Risk score	Costed impact pre-mitigation (£)	Costed Risk Provision requested Y/N	Confidence in the estimation	Mitigating actions	Mitigation cost (£)	Likelihood Classification on post-mitigation	Impact Classification on post-mitigation	Costed impact post-mitigation (£)	Post-Mitigation risk score	CRP used to date	Use of CRP	Date raised		Named Departmental Risk Manager/Coordinator	Risk owner (Named Officer or External Party)	Date Closed OR/Realised & moved to Issues
R1	5	(10) Physical	Project prototype not delivered by September 2022	Delivery impacted by manufacturing delays of units	Possible	Major	12	£0.00			The desing team are working with suppliers to ensure the sample is produce in time for installation in September. Ensure payment for the production of the sample is actioned promptly.	£0.00	Possible	Serious	£0.00	6	£0.00		05/05/2022	DBE			
R2	5	(10) Physical	Trees cannot be planted due to a lack of depth or utilities.	Site conditions may impact the ability to plant trees.	Possible	Minor	3	£0.00			The consideration for street trees in one location has been considered and subject to a trial hole to investigate ground conditions. Alternative locations have been identified as part of another workstream.	£0.00	Possible	Minor	£0.00	3	£0.00		05/05/2022	DBE			
R3	5	(10) Physical	Bespoke design fails and planters cannot be manufactured.	The project requires the procurement of bespoke planters with a specialist supplier.	Possible	Major	12	£0.00			The desing team are working with the suppliers to review design details and a prototype will be manufactured to rectify any design issues.	£0.00	Possible	Major	£0.00	12	£0.00		05/05/2022	DBE			Throughout the design process the design team has visited the manufacturer premises and assurance has been provided in terms of quality and experience of the selected supplier. Alternative materials have also been evaluated and could be
R4	5	(10) Physical	Works cost increase due to appointment of new term contractor.	FM Conway have been appointed as the new City's term contractor, an increase on rates is expected.	Likely	Serious	8	£0.00			The budget has taken this increase into consideration and the project can be adjusted to be delivered within the available budget.	£0.00	Likely	Serious	£0.00	8	£0.00		05/05/2022	DBE			
R5		(4) Contractual/Partnership	Delays to the Procurement of products	A significant delay to the receipt of orders will impact the programme for implementation	Possible	Serious	6	£0.00			To establish procurement route at Gateway 5 stage to ensure suppliers and stakeholders are aware of the issue.	£0.00	Possible	Serious	£0.00	6	£0.00		05/05/2022	DBE			
R6		(4) Contractual/Partnership	Sites for intervention become unavailable due to nearby construction sites.	The sites that have been selected for the implementation of the project have been evaluated based on site conditions, access and impacts of nearby developments.	Unlikely	Major	8	£0.00			The project has been developed taking into account site conditions and available areas for intervention, alternative sites can be evaluated if required.	£0.00	Possible	Minor	£0.00	3	£0.00		05/05/2022	DBE			
R7		(5) H&S/Wellbeing	Noisy Works	Noisy Works could generate complaints from local occupiers	Unlikely	Minor	2	£0.00			All noisy works times will be agreed with Environmental Health Officers and communicated with local occupiers. Delivery of the project is unlikely to cause noise issues as the units are self standing.	£0.00	Unlikely	Minor	£0.00	2	£0.00		05/05/2022	DBE			
R8		(5) H&S/Wellbeing	Funding sources are not available in time for orders to be placed.	Availability of funding is crucial for the delivery of the sample installation in September and the subsequent implementation of the rest of the interventions.	Possible	Serious	6	£0.00			CoL officers are working on committee report approvals in line with Corporate procedure. The EC BID (funding partner) have agreed the contribution to fund the project.	£0.00	Unlikely	Serious	£0.00	4	£0.00		15/03/2020	DBE			

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### Appendix 3. City Cluster Programme overview

The City Cluster delivery framework is structured around three programmes and focused on the implementation of the City Cluster Vision.

This work supports objectives set out in the Transport Strategy, Climate Action Strategy and Destination City report.

The three programmes are:

**Programme 1:**  
**Pedestrian priority & traffic reduction**

Ensure pedestrian routes can accommodate the projected increases in pedestrians and cyclists flows by rebalancing the street capacity.

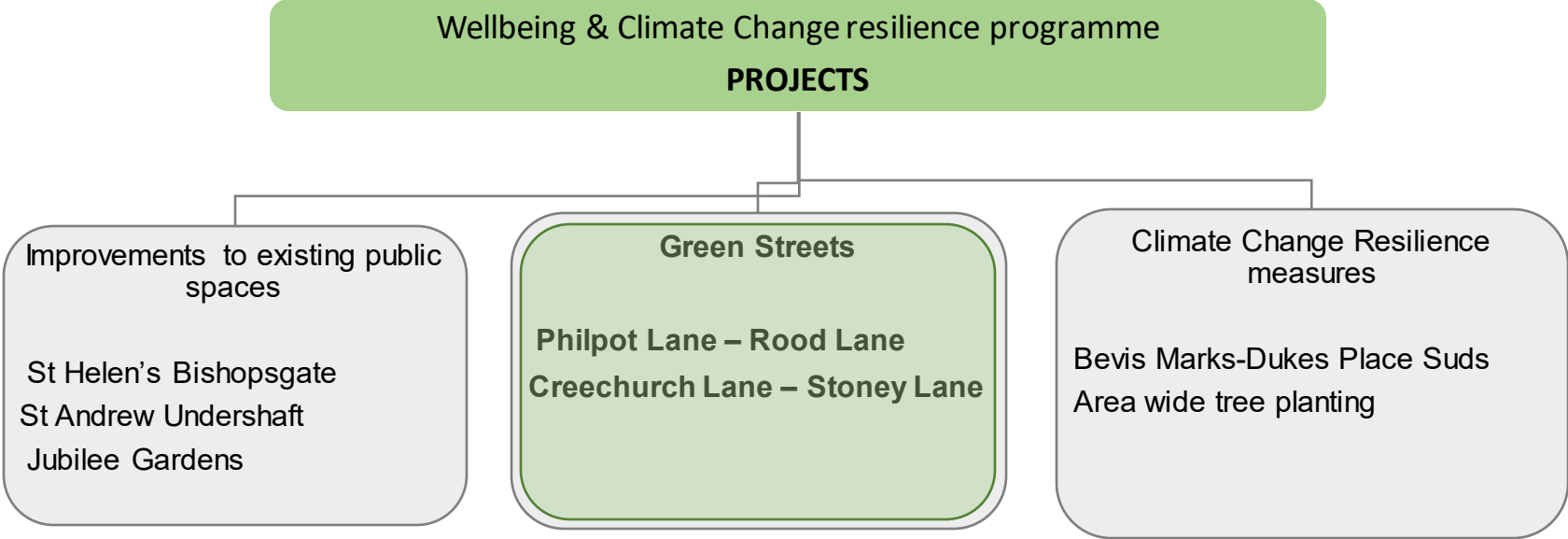
**Programme 2:**  
**Well-being & Climate change resilience**

Promote the improvement of public spaces and introduce greenery to deliver an attractive environment.

**Programme 3:**  
**Activation & engagement**

Deliver public places that are welcoming and inclusive; and encourage public participation and social engagement.

### Appendix 3. City Cluster - Wellbeing and Climate Change resilience Programme





Green Streets.  
Project summary



**Location plan; EC BID area.**

Proposed sites for installations:

- 1. St Margaret Pattens courtyard
- 2. Rood Lane
- 3. Lime Street
- 4. Fen Court north
- 5. Mark Lane / Great Tower Street
- 6. Mark Lane north
- 7. Fenchurch Place
- 8. Creechurch Lane north
- 9. Philpot Lane: existing parklet



## Concept design.



## CLUSTERS

The Pentile provides versatility and allows tailoring to specific sites. The physical model shown opposite is set up in the form of a Parklet (single sided seating with planters forming a buffer to the road). The plan drawing below illustrates how this would be applied at the site in front of WeWork. A deck would be required to bring the level of the ground up to be at least flush with the pavement.

The image immediately to the left illustrates one of the smaller clusters that we recommend are distributed on 'incidental' locations throughout the Eastern City area to reinforce the idea of a connected network or trail of interventions. This 4 pentile cluster could be any combination of seats and planters, to suit the location.



## Detail. Seating units and modules



Terracotta base with timber seat





## Materials

- Terracotta base
- Sustainable timber seats
- Resilient planting palette



**Example installations.**



Terracotta base with timber seat

<b>Committee(s):</b> Operational Property and Projects Sub Committee	<b>Dated:</b> 26 September 2022
<b>Subject:</b> Climate Action Strategy - Purchased Goods and Services Project Plan Update	<b>Public</b> <b>Appendix Non-Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	2, 5, 11, 12
<b>Report of:</b> Emma Moore, Chief Operating Officer	<b>For Information</b>
<b>Report author:</b> Lisa Moore, Responsible Procurement Manager	

## Summary

The Purchased Goods and Services (PGS) project plan of the Climate Action Strategy (CAS), aims to improve supplier's performance in delivering low carbon and sustainable contracts. PGS plans to introduce a category measurement of supplier emissions that will inform engagement, help set targets and increase performance management. The project focuses on working with our top emitting suppliers and seeks to embed low carbon procurement practices and sustainable procurement standards throughout our purchasing decisions.

The focus this year has been engagement with both internal stakeholders and suppliers raising climate action on agendas and getting commitment to take action. We are working on several projects to help capture carbon reductions as moving away from proxy values in carbon emissions data reporting is proving to be a challenge due to lack of information from the supply chain.

## Recommendation(s)

- Members are asked to note the report.

## Main Report

### Background

1. The carbon footprint exercise that accompanied the development of the CAS from FY 2018/19, identified PGS as the third largest area for carbon emissions in the City Corporation's Scope 3 measurements. Work under the CAS PGS project plan will improve supplier's performance in delivering low carbon and wider sustainable products and services on our contracts. It will also introduce a measurement of supplier emissions by category to inform decision making.
2. Initially, the PGS project plan focuses on the top 25 suppliers to get the greatest carbon return on effort invested and to update procurement standards so we may reduce carbon emissions quicker than the current Government Buying Standards. The latter will be balanced against commitments to SMEs.

### Current Position

3. The PGS project plan outlines five main aims. Members are asked to note the aims and the update against each:

## **Implement the Carbon Net Zero Procurement Plan; FY 2022 – 2024 “Does your organisation have a net zero carbon target?”**

4. This has been included in tenders over £100,000 since April 2022. The responses have been very positive. The information received indicates that climate action is on the radar of businesses throughout the supply chain including SMEs. The market appears to be working proactively on climate action and further ahead than we anticipated so we are reviewing the net zero carbon plan (NZCP) for suppliers to see if timelines can be brought forward. The next step in the plan will be to introduce a standard weighting tied to the PGS KPI on carbon metrics.

## **Work with our supply chain to embed Climate Action KPIs into the supply chain through focus on the most impactful contracts.**

5. Engagement with our Top 25 suppliers has been a key activity this year with more than 40 meetings held with suppliers. The PGS team worked with an external consultant to map the first ‘Top 25’ set based on proxy data and carbon intensity with a view to have representation from each category in PGS remit. See appendix for the list of Top 25 suppliers. This list will be reviewed annually after the carbon footprinting exercise to ensure we are working with the most relevant suppliers to advance the project plan objectives.
6. Through discussions with our Top 25 suppliers several carbon reduction projects are being explored which include swapping to low carbon goods or machinery. More details can be found in appendix one which has been put in the non-public papers for commercial reasons.

## **Focusing on the most impactful contracts, migrate away from proxy values to track carbon performance more accurately.**

7. While we are finding suppliers are more engaged than expected on climate action in general, proxy data (data calculated using spend with a supplier against an industry standard carbon emissions factor) is still largely used across the PGS supply chain. The one exception in our Top 25 is the corporate print supplier.

The requirement to help us move away from proxy and provide more accurate data is being included in relevant new contracts such as the Integrated Facilities Management contracts and we are engaging the current Top 25, but it is proving to be a challenge. We do not expect this to change significantly this year, but will keep exploring options for more accurate data such as ‘top down’ metrics which may be useful for service contracts. That approach may allow us to apportion a percentage of a company’s own carbon emissions footprint based on City Corporation activity rather than rely on spend.

## **Develop low carbon, green and circular criteria, and standards to help decouple carbon from spend.**

8. An in-house tool is in development to ‘read’ our spend data and produce reports on our most carbon intensive (by way of volume) goods and services. The information will be used to engage with category boards.



9. A specification is being drafted to procure a consultant to write options after this scoping exercise. The current timeline for this project would see implementation of the outputs in FY 23/24.
10. PGS are currently supporting the Environment department on a review of materials used in the public realm which use whole life cycle analysis materials performance data on cost, carbon emissions and ethical sourcing. We will also be engaging with officers on low carbon trials in the second half of this year.

**Ensure this project plan promotes a Just Transition for worker's rights and livelihoods e.g. we do not want to perpetuate use of zero hours contracts, worker's paying for their own retraining or modern slavery.**

11. It is essential that we keep people and human rights in focus while carrying out this project plan. An equalities impact assessment has been carried out for the year two plan with no negative impacts from the work planned.
12. The supplier action plan includes a section for suppliers to declare any high risk areas under the Just Transition principles for suggested innovations or pilots which will be checked by the PGS team before going ahead.
13. The PGS team are undertaking a review of high risk areas for modern slavery in our domestic and global supply chains against the response to climate action. A training session will be delivered to the climate action leads and commercial services team in Q3 to support the Just Transition aim of the project plan.
14. The London Responsible Procurement Network, of which the City Corporation is a founding member and sits on the steering group, will be hosting a meeting in October on Modern Slavery and the response to Climate Action.

### **Key Performance Indicators**

15. Four key performance indicators have been set for this project plan:
  - % spend on suppliers with SBTi targets or equivalent Paris aligned target – 32% for FY 21/22 which increased from 27% for FY 20/21 and 15% in 19/20
  - Number of Top 25 contracts with action plans signed off – Currently zero, but that is due to the action plan still being in draft form.
  - % spend on contracts with a carbon metric integrated – this is not currently known, but will be tracked by end of Q3.
  - Annual carbon footprint from PG&S – FY21/22 footprint exercise complete and going through external verification process in September 2022
16. We are still using proxy data to inform our carbon foot-printing exercises. A change to the scope of PGS has meant a jump in the carbon emissions associated with this project plan. There has been an overall reduction from the baseline year, but until we can decouple from proxy spend we are relying on individual projects to show true carbon reduction.
17. While not a key metric at the moment, PGS has been working closely with Heart of the City (HoTC) to support the SMEs in our supply chain. A small number of our

Top 25 suppliers are SMEs so we are expanding to the Top 50 for future engagement. We've had one of the SMEs in our Top 25 sign up to HoTC's programme.

## **Corporate & Strategic Implications**

18.

- Strategic implications – Efforts to improve environmental sustainability supports the Corporate Plan, Responsible Business Strategy, RP Policy and CAS.
- Financial implications – City Procurement's efficiency and savings targets have consistently been met even as requirements for responsible procurement outcomes have been continuously strengthened since 2016.
- Resource implications – No additional resource implications as a result of this paper.
- Legal implications – Procurement regulations are considered before implementing changes as a result of the PGS project plan.
- Risk implications – Delays in initial recruitment have slowed progress on the project plan but this is not likely to have an impact on achieving the net zero target by 2040.
- Equalities implications – No equalities implications have been identified to date, but we will continue to monitor and assess at least annually.
- Climate implications – The work outlined in this paper is directly supporting CAS
- Security implications – No security implications have been identified.

## **Conclusion**

19. Engagement with internal stakeholders and key suppliers has been the headline in the first half of this year. We hope that this partnership working approach can show carbon reduction as well as cost savings on our contracts.

## **Appendix – CAS PGS Top 25 Suppliers**

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