

Committee(s): Planning & Transportation Committee	Dated: 18 July 2023
Subject: Utility Infrastructure Strategy	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	Communities have the facilities they need Support to a thriving economy Digitally & physically well connected
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Executive Director, Environment	For Decision
Report author: Ian Hughes, Environment Department	

Summary

The success and effectiveness of Square Mile of London as a place to live, work and visit fundamentally relies upon the delivery and maintenance of high quality and effective utility services, with the City enjoying the benefits of past improvement, investment and innovation by the utility sector.

The future is expected to be no less challenging, as the City evolves its requirement for digital infrastructure, addresses climate change and ensures network capacities can facilitate the City's plan for substantial growth in office workers and floorspace.

With more renewable energy requirements, a shift to zero emission vehicles and the creation of local energy markets, the future of energy provision will require nothing less than a green revolution to meet these demands, whilst fast & reliable telecommunications have become a basic standard of living in today's modern world.

By working collaboratively and in partnership with all sectors of industry, government and our stakeholders, this strategy seeks to ensure the City's utility infrastructure remains fit for purpose today as well as future proofed for tomorrow.

Recommendation(s)

It is recommended that Members approve for a public consultation exercise to be undertaken on the draft strategy, with the updated final strategy returning to this committee for approval in due course.

Main Report

Background

1. The success of the Square Mile and way in which it supports the needs of its residents, workers and visitors is fundamentally reliant upon the provision of high quality utility services. Such services require the necessary gas, water, electricity and telecommunications infrastructure to be constructed, installed and maintained by the respective statutory utilities, with the City of London Corporation playing a key role in facilitating and supporting their delivery
2. Today's modern City still enjoys the benefits of past investment in utility infrastructure, such as Victorian-era underground utility pipe subways and Bazalgette's 19th Century sewer network, alongside more modern innovations such as the recently installed Wifi and 5G networks and Thames Water's Thames Tideway super-sewer.
3. However, to this point, the City Corporation has lacked an overarching utility infrastructure strategy to help focus attention on the maintenance and development of these services, to help drive the respective utilities forward to meet the needs of the future City and to respond to the emerging challenges of Climate Action and sustainability.
4. In large part, the City itself is not directly responsible for delivering these services but our stakeholders certainly expect the City Corporation to be at the forefront of innovation, working with the utilities to plan for the future and creating the right environment to plan ahead & invest with confidence in order to support the City's long-term priorities.

Current Position

5. The draft Utility Infrastructure Strategy seeks to bring together a raft of current and future activities being planned and delivered by the utility sector in the Square Mile. In terms of City departmental responsibilities, the majority of these aspects lie within the Environment Department to coordinate and manage, with the City Surveyors leading on the interface with Citigen.
6. To this point, informal consultation on the strategy has been undertaken with key contacts within each of the major utilities and their ideas & comments included. The concept of a strategy was also introduced at the Planning & Transportation Away Day at the beginning of this year, and the Town Clerk's Executive Leadership Board has also been briefed.
7. The full strategy can be found at Appendix 1, but for the purposes of this covering report, the strategy is grouped into five themes:

Performance

8. The first section focuses on the performance of the respective utilities in terms of their current operations, particularly their service response standards & communications with City stakeholders and the safety of their highway activities under the umbrella of the Considerate Contractor Streetworks Scheme.

Demand & Connectivity

9. This seeks to promote the initiatives being taken to ensure the City has the requisite amount of connectivity in terms of superfast broadband and public Wifi / 5G coverage. It also explains the key role that underground infrastructure plays in enabling that connectivity, either through the use of pipe subways or the City's support to the Citizen heating & cooling network.

Planning & Innovation

10. In this section, understanding the City's future requirements through the development process is highlighted as a key action, alongside establishing a better understanding of the constraints in meeting that need and promoting the City as a test bed of innovation for utilities to improve their services.

Climate Action

11. Given the City's own commitment towards Climate Action, this is a key area of focus for both the City Corporation and utilities, with the strategy outlining initiatives in terms of the Local Area Energy Plan (being brought forward as a separate but connected policy initiative by Environment's Planning Policy team), future heat zoning regulations and open energy networks for managing peaks & troughs in the energy supply grid. It also considers the need to support green infrastructure for electric vehicle charging in the context of the City's Transport Strategy.

Future Proofing

12. The strategy is intended to promote and intensify the City's active engagement with the utility sector in order to identify and address the Square Mile's longer term challenges. These include the need for more investment to meet the increasing demand for green energy, the transition from methane-based natural gas to zero-carbon hydrogen & biomethane, and the withdrawal by OpenReach of all copper-based voice telephone lines in the next two years.

Options

13. Utility functionality has been delivered to this point by the respective utilities without an overarching City Corporation strategy, but it is thought that developing and adopting such a strategy will not only raise the profile of the utility sector and the role it plays in supporting the Square Mile, but it will also help drive improvement, investment and innovation in what are vital services that underpin the City's current & future prosperity.

Proposals

14. It is proposed that Members of your Committee agree to a public consultation exercise for the draft strategy. The strategy will then be revised accordingly and brought back to your Committee, the Policy & Resource Committee and Court of Common Council for adoption.

Strategic & Risk Implications

15. This strategy will help support the delivery of various key strategic priorities within the City's Corporate Plan (ie contribute to a flourishing society, support a thriving economy and ensuring the City is digitally and physically well connected). It also connects to various important policy initiatives such as Climate Action, the Transport Strategy and the Local Area Energy Plan.
16. In terms of risk, not adopting such a strategy would mean a less coordinated and forward looking approach, leading to less than optimal outcomes in the delivery of these services now and in the future.

Financial Implications

17. It is not anticipated that this draft strategy, in and of itself, will require funding from City Corporation sources. Where investment and expenditure is required (eg maintenance of the pipe subway network, support to Citigen or ground penetration radar surveys), these will be subject to 'business as usual' governance and approval processes for capital and revenue expenditure.

Legal Implications

18. Some aspects of the strategy relate to upcoming primary legislation regarding energy and heat zoning, and as such the City Corporation will monitor and (if necessary) seek to influence such powers as they evolve through the parliamentary process.
19. Utilities themselves already make use of extensive statutory powers to excavate highways to install and maintain their equipment, albeit the City continues to support that activity in its role as Highway Authority and Planning Authority, as well as holding its own statutory powers in relation to requiring utilities to use underground pipe subways where such infrastructure exists.

Climate Implications

20. Aspects of this strategy will directly align with the City's Climate Action commitments to reach net zero across the Square Mile by 2040. This includes the Local Area Energy Plan which aims to improve understanding of the nature, scale, rate and timings of the changes necessary to transition to a net zero energy system.

Equalities, Resource & Security Implications

21. None

Conclusion

22. This strategy intends to better align the utility sector with the future needs of the Square Mile, drawing in key aspects of the City's activities that relate to utility infrastructure. By working collaboratively and in partnership with all sectors of industry, government and our stakeholders, this strategy seeks to ensure the

City's utility infrastructure remains fit for purpose today as well as future proofed for tomorrow.

Appendices

- Appendix 1 – Draft Utility Infrastructure Strategy

Ian Hughes
Director, City Operations,
Environment Department

T: 020 7332 1977

E: ian.hughes@cityoflondon.gov.uk