

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD3098

### Title: Business Support Review implementation costs 2022-23

#### Executive summary:

London & Partners Ltd (L&P)<sup>1</sup> is undertaking changes to its organisational structure in response to a GLA officer-led review of business support. This includes expanding its role so that:

- a) MedCity,<sup>2</sup> currently a separate third-party organisation (to which the GLA also provides grant funding), is brought into L&P to sit within a newly configured organisational structure
- b) it takes over responsibility for everyday business support via the Wayfinder programme and the London Business Hub<sup>3</sup> (also third-party projects funded by the GLA), coordinated via a new unit within L&P.

The details of this expanded role, and a related L&P request for additional GLA funding as a contribution to its costs in this regard, will be the subject of future MDs.

Combined, these L&P actions appear in principle (but subject to approvals to be sought under cover of future MDs, as noted above) to align with the Mayor's goal of achieving a tangible single platform for business support, and an integrated business support proposition for London's small businesses.

In implementing actions a) and b) above, L&P has incurred significant costs. Officers are of the opinion at this point that the changes are beneficial to London and Londoners, and align with the aims of the GLA; and therefore propose that funding be awarded as a contribution to these costs.

#### Decision:

That the Mayor approves expenditure of £265,000 in GLA grant funding to London & Partners as a contribution to its costs of implementation of arrangements for an expanded role.

#### 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:

23/3/23

<sup>1</sup> L&P is a separate legal entity (not falling within the GLA Group) that acts as the business growth and destination agency for London, with this activity being part-funded by the GLA.

<sup>2</sup> MedCity is the cluster organisation for the health and life science sector in London.

<sup>3</sup> Wayfinder and the London Business Hub act as a "single front door" for accessing business support.

## **PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR**

### **Decision required – supporting report**

#### **1. Introduction and background**

- 1.1 The Mayor is committed to reviewing and addressing the complex business support eco-system in London, to simplify, integrate and strengthen business support that may be provided for small and medium-sized businesses (SMEs) across London.
- 1.2 GLA officials conducted a review whose recommendation was that greater centralisation of business support activity in London was required. As noted in the executive summary of this MD, London and Partners (L&P) has proposed that it expand its activity to encompass such support provision; and has undertaken to incorporate MedCity, Wayfinder and London Business Hub activity into a new organisational structure. In doing so, L&P has incurred costs such as appointing a consultant Transformation Director and fixed-term project managers; legal fees; and branding costs. Officers are of the opinion that the expanded activity, enabled by the expenditure incurred by L&P, aligns with the overarching aims of the GLA to simplify, integrate and strengthen business support in London. Officers have reviewed, and are content with, the evidence of the implementation costs incurred, and are seeking approval to award funding to L&P as a contribution to these costs.

#### *MedCity*

- 1.3 MedCity is the cluster organisation for the health and life science sector in London. Supported by the GLA and other partners in recent years, its funding and programmes are reducing. As MedCity's life sciences specialism aligns with L&P's high-growth business activity, and L&P already provides some support services to MedCity, L&P will integrate the organisation within the high-growth segment of its business. The move will achieve operational efficiencies and simplify the business support landscape, whilst providing a solid foundation for MedCity to seek new programme funds.

#### *Wayfinder*

- 1.4 Wayfinder is a "single front door" for everyday businesses, helping businesses navigate the plethora of support provision available and improves the SME client experience by guiding them through their customer journey step by step. To date it has operated across Lambeth, Southwark and Wandsworth boroughs, and expanded in 2023 to Tower Hamlets, Newham and Barking and Dagenham boroughs, via external funding. It is expected that L&P will also apply to the UK Shared Prosperity Fund (UKSPF)<sup>4</sup> to expand Wayfinder across London (any award of funding by the GLA in this regard being subject to future MDs).

#### *London Business Hub*

- 1.5 The London Business Hub website is the Mayor's 'one-stop shop' for businesses. It offers information and advice to help with issues faced by small businesses. The portal provides access to business support programmes, webinars and events, as well as promotion of third-party support. It is funded by the European Regional Development Fund and the Growth Hub, but these funding routes will no longer be available from 2023 onwards. Again, it is expected that L&P will seek UKSPF funding to enhance the London Business Hub (any award of funding by the GLA in this regard being subject to future MDs).
- 1.6 L&P also proposes to seek UKSPF funding as a contribution to its costs of implementing its new expanded role in order to support businesses. L&P will be required to submit the supporting proposal in the form of a standard UKSPF funding application. GLA officers will, as is standard practice with any such application, evaluate any such grant application; conduct due diligence on L&P and its

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<sup>4</sup> The UKSPF is the government's domestic replacement for the European Structural and Investment Fund. The GLA has been named as 'lead authority' for the UKSPF in London by the government.

proposals; and should that application prove successful, seek approval for such grant expenditure via a future MD.

- 1.7 The UKSPF can be used to support place-based, business support, and skills and employment interventions. The GLA has been named as 'lead authority' by the government and is the accountable body for the UKSPF in London.
- 1.8 London has been awarded up to £144m of UKSPF funding, of which £62m has been ring-fenced for business support activity; the L&P role is one proposed element of this. In December 2022, the government approved London's investment plan for UKSPF.
- 1.9 MD3058, "GLA management of the UK Shared Prosperity Fund" (January 2022), referenced the UKSPF investment plan; it stated that a direct allocation to L&P to assist with support for everyday businesses and growth businesses would be considered, and a related MD sought in due course. The GLA's Corporate Investment Board endorsed outline proposals in principle in July and September 2022, which stated: "This is in line with recommendations to simplify and strengthen the support for small businesses across London."

## **2. Objectives and expected outcomes**

- 2.1 The award of a £265,000 GLA grant, as proposed, will contribute to L&P's implementation costs with reference to its expanded role. The funding proposed will enable L&P to begin an enhanced business support role that will, subject to a successful application, be funded by the GLA using the UKSPF (subject to Mayoral approval being granted (see paragraph 1.6)).

## **3. Equality comments**

- 3.1 Section 149(1) of the Equality Act 2010 provides that, in the exercise of their functions, public authorities including the GLA must have due regard to the need to:
  - eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the Equality Act 2010
  - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
  - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 3.2 The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- 3.3 Due regard must be had at the time a decision is being considered. The duty is non-delegable and must be exercised with an open mind.
- 3.4 L&P committed to a new recovery mission in 2021-22<sup>5</sup> that focuses on the quality and quantity of growth; and on supporting resilience, sustainability and inclusion. The commitment to inclusion in L&P's mission will continue to frame its work, guiding the types of businesses it supports, the sorts of jobs it seeks to create, and its work to connect people with jobs.
- 3.5 L&P is also delivering an internal project to increase its focus on diversity and inclusion. This has the joint aims of ensuring that L&P reflects and champions the diversity of London; and creating an environment in which everyone is valued, feels supported to be themselves, and can thrive. This

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<sup>5</sup> The London Recovery Board (LRB) committed to taking a missions-based approach to London's recovery following the COVID-19 pandemic. The LRB is chaired jointly by the Mayor of London and the Chair of London Councils. It brings together leaders from across London's government, business and civil society, health and education sectors, trade unions, and police.

project is being implemented across L&P with a focus on areas such as recruitment; progression; mentoring; employee brand imagery and content; and diversity and inclusion education and training. It is being implemented in partnership with a well-supported employee network that includes active diversity and inclusion groups.

- 3.6 Officers have considered the likely impact of this proposed decision on groups with protected characteristics. For the reasons outlined above, they have concluded that there are no adverse impacts, and that impacts are likely to be positive.

#### **4. Other considerations**

##### *Key risks and issues*

- 4.1 In itself, there are no significant risks or issues associated with awarding £265,000 to L&P using the GLA's business support review budget. As noted, a subsequent Mayoral Decision will seek approval for the enhanced business support role of L&P using funding from the UKSPF.

##### *Declarations of interest*

- 4.2 The individuals involved in drafting and clearing this document have no interests to declare.

##### *Links to Mayoral strategies and priorities*

- 4.3 L&P's business plan aligns with the Mayor's Economic Development Strategy, which focuses on the importance of a thriving London economy that is open to business and the promotion of London as a world leader in innovation, technology and creativity.
- 4.4 As noted at paragraph 1.1 above, the Mayor is committed to simplifying, integrating and strengthening the business support the GLA can provide for SMEs across London. He is also committed to ensuring that this support caters for diverse needs and types of businesses, including social enterprises and cooperatives.

#### **5. Financial comments**

- 5.1 Approval is being sought for revenue grant funding of £265,000 to L&P to fund costs incurred in line with L&P's expanded role.
- 5.2 This expenditure will be funded via the Business Support Review budget within the Economic Development Unit.
- 5.3 Funding will be transferred by 31 March 2023.

#### **6. Legal comments**

- 6.1 The foregoing sections of this report indicate that:
- the decisions requested of the Mayor concern the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further or that are facilitative of, or conducive or incidental to, the promotion of economic development and wealth creation in Greater London
  - in formulating the proposals in respect of which a decision is sought, officers have complied with the GLA's related statutory duties to:
    - pay due regard to the principle that there should be equality of opportunity for all people

- 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
- consult with appropriate bodies.

- 6.2 In taking the decisions requested, the Mayor must have due regard to the Public Sector Equality Duty – namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010; and to advance equality of opportunity, and foster good relations, between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion) and persons who do not (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 (above) of this report.
- 6.3 If the Mayor makes the decisions sought, officers must ensure that a grant funding agreement is put in place between and executed by the GLA and L&P before any commitment to fund is made.

## 7. Planned delivery approach and next steps

Activity	Timeline
Payment of £265,000 to L&P in respect of implementation costs	Payment by 31 March 2023
Completion of evaluation and due diligence review of L&P's UKSPF application	Spring 2023
Subject to the above, a subsequent MD is submitted, seeking approval for L&P's expanded role realised with funding from the UKSPF	Spring 2023

**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 or 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: to align with the related announcement.

Until what date: 28 April 2023

**Part 2 – Sensitive information**

Only the facts or advice that would be exempt from disclosure under the 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:**

Sarah Purvis 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:**

Richard Watts 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 20 March 2023.

✓

**EXECUTIVE DIRECTOR, RESOURCES:**

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

**Signature:**

*D. Gove*

**Date:**

22/03/2023

**CHIEF OF STAFF:**

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

**Signature:**

*D. Bellamy*

**Date:**

20/03/2023