

GREATER LONDON AUTHORITY

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2728

Research to support London's esports sector

Executive summary:

In 2023, the Mayor stated his ambition for London to become a centre for esports and to bring the biggest and best tournaments to London.

Esports is a growing market with huge potential for the capital's businesses and communities. The Mayor currently funds the gaming sector through his Creative Economy Growth Programme and helps bring esports events to London through the work of London & Partners. Through a cross-GLA esports working group (including the Culture, Creative Industries and 24-Hour London Unit; Civil Society and Sport Unit; Host City Projects; Violence Reduction Unit, Major Sports Events; and the Communities and Social policy team), the GLA will explore how to build on its current programme of support to ensure London remains competitive domestically and globally.

This decision seeks approval to appoint a consultant to generate a report on esports in London. The report will provide an overview of the sector; suggest long-term growth strategies; and outline the benefits of hosting esports events. The aim is to boost London's standing in the industry and to spur industry growth.

This work will contribute to the Mayor's programme priority to Boost London's Growth Sectors, as well as the London Growth Plan.

Decision:

That the Assistant Director of the Culture, Creative Industries and 24-Hour London Unit approves:

- expenditure of up to £15,000 in 2024-25, to commission a report in relation to esports in London funded by £7,500 from the Culture, Creative Industries and 24-Hour London budget in 2024-25; and £7,500 from the Major Sports Events budget in 2024-25.
- the receipt and expenditure of up to £10,000 in grant funding or sponsorship from external funders

AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT

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: Shonagh Manson

Position: Assistant Director Culture, Creative Industries and 24-Hour London

Signature:



Date:

09/09/2024

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 At the 2023 Mid-Season Invitational (MSI) League of Legends event, the Mayor stated: “We want to bring the biggest and best tournaments to London and MSI is a brilliant way to showcase our ambition to become a centre for esports.”
- 1.2 The games sector has been part of the Creative Economy Growth Programme for the Culture, Creative Industries and 24-Hour London Unit (CCI24) since 2012, and esports will contribute to the Mayor's programme priority to Boost London's Growth Sectors, as well as the London Growth Plan.
- 1.3 Countries including South Korea and France, and cities such as Toronto, Berlin and Barcelona, are already offering incentives to the esports industry, to encourage tournaments and grow domestic esports markets. These incentives include strong government support and dedicated strategies.
- 1.4 In London, venues such as Wembley Stadium and the Copper Box Arena in the Queen Elizabeth Olympic Park already host major esports events, and a College of Esports has been established in the park. London & Partners has helped to bring major esports events to the capital; and the games sector has been part of the Mayor's Creative Economy Growth Programme since 2014.
- 1.5 Riot Games is staging the next League of Legends – Worlds event; this will be held at the O2 Arena on 2 November 2024 and is the UK's biggest esports event to date. The previous event in Seoul, Korea, had an in-person audience of 16,000 and a peak online viewership of 6.4m online (this does not include China, whose viewership figures are not collected owing to the difficulty in measuring this data).
- 1.6 Esports has a global audience of 540+ million as of 2024 and is expected to have 640 million viewers by 2025. The 2023 League of Legends World Championship had more than 6.4 million peak concurrent viewers globally (excluding China)
- 1.7 The esports global market is valued at more than \$2.39 billion+ and increases year-on-year. Economic impact reports suggest that the BLAST Counter-Strike autumn final in 2023 brought in £8.3million of investment to Copenhagen. There is also a projected £13million for the spring finals in London, and £10million projected for the Rocket League Championship Series in 2024 in Copenhagen.
- 1.8 However, London does not have a dedicated strategy for growing the esports sector. With other UK cities increasingly taking an interest in growing esports, there is a risk of London falling behind in the competitive global esports market, both domestically and internationally.
- 1.9 A GLA working group has been established to support this work, which includes Culture, Creative Industries and 24-Hour London, Civil Society and Sport; Host City Projects; the Violence Reduction Unit; Major Sports Events; and the Communities and Social policy team.
- 1.10 There will be two outputs for this strand of work:
 - a GLA esports report, developed by an industry specialist in collaboration with the industry
 - a PowerPoint presentation overview of the report, clearly sharing its key messages and insights
- 1.11 The PowerPoint presentation of the report's initial findings would provide an opportunity for the GLA to show its long-term commitment to esports to the wider industry. Officers from CCI24 have already met with the Association for UK Interactive Entertainment, and London & Partners to get their views; they will also meet with the British Esports Federation. This will build on previous announcements about London wanting to become 'a centre for esports'.

- 1.12 Support from the sector for the report will be sought, along with a financial contribution. However, if this cannot be sourced, the consultants' scope will be refined, allowing them to focus on fewer, high-quality deliverables.

2. Objectives and expected outcomes

2.1 The GLA investment of up to £15,000 aims to deliver the following key objectives:

- Outline the industry's expectations and needs from London's esports offering.
- Provide an overview of how well London meets these expectations and needs and how it could be an even more attractive destination for esports.
- Identify ways to increase esports growth in London, including skills development.
- Analyse the long-term value of esports to London, including metrics such as:
 - Statistics and data on the popularity and growth of esports and gaming in London, including economic benefit and employment.
 - Consumer behaviour statistics in the market including demographics.
 - Potential economic impact of esports
 - The broader long-term social and cultural value of esports.

2.2 The GLA investment of up to £15,000 will deliver the following outputs:

- a research and engagement programme with broad representation of esports stakeholders across the Capital
- a report assessing the current state of esports in London, in-line with the objectives of this procurement
- a PowerPoint presentation overview of the report, clearly sharing its key messages and insights with a wider audience.

2.3 This will achieve the following outcomes:

- better-informed, evidence-based policymaking to inform the GLA's work in relation to esports
- greater partnership working and collaboration between London's esports community, businesses, GLA family organisations, boroughs and researchers, which will support strong and resilient esports offer
- Londoners and esports communities having a strong and coordinated voice in shaping policy that affects London's esports sector.

3. Equality comments

- 3.1 Under section 149 of the Equality Act 2010, as a public authority, the Mayor of London must have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation; and to advance equality of opportunity, and foster good relations, between people who have a 'protected characteristic' as defined in the Equality Act 2010 and those who do not.

3.2 Esports is a rapidly growing sector that offers significant opportunities for promoting equality, diversity, and inclusion among Londoners. The nature of esports inherently reduces many traditional barriers to participation:

- **Accessibility:** Esports are generally accessible to a wide range of participants, regardless of physical ability, therefore a wide range of people can take part. Assistive and adaptive technologies can also support those with disabilities.
- **Diverse participation:** The esports community is known for its diversity, encompassing players from various backgrounds, genders, and ages. This allows Londoners of all backgrounds to engage in esports, whether as players, fans, or professionals within the industry.
- **Economic opportunities:** The esports industry offers numerous career paths beyond playing, including roles in management, marketing, broadcasting, and game development. These opportunities can help to advance equality of opportunity for underrepresented groups.
- **Community and social interaction:** Esports can foster good relations between different communities by providing a platform for social interaction and teamwork. This helps to bridge gaps between individuals with different protected characteristics.

4. Other considerations

4.1 The programmes and policies outlined in this decision also link to the following Mayoral strategies:

- **Culture for All Londoners**, the Mayor's landmark strategy for culture, which outlines an ambitious vision to ensure all Londoners can engage with, and contribute to, the capital's rich cultural offering on their doorstep.
- **Inclusive London**, the Mayor's EDI Strategy, which sets out that a successful city needs to work well for all residents. Everyone should be able to share in its prosperity, culture and community life regardless of age, social class, disability, race, religion, sex, gender identity, sexual orientation, marital status, or whether they are pregnant or on maternity leave.
- **The Mayor's Social Integration Strategy**, which aims to improve social integration in London. This means enabling people to have more opportunities to connect with each other positively and meaningfully; and supporting Londoners to play an active part in their communities and the decisions that affect them.

4.2 CCI24 will complete procurement and full due diligence for the proposed project. This will ensure that: services are properly procured; and funding is distributed fairly and transparently, in accordance with the GLA's equality policy and legislative requirements and subsidy control rules, and in a manner that ensures value for money, in accordance with the GLA Contracts and Funding Code. Legal advice will be sought as required.

Risks

4.3 The main risks, and their mitigations, are outlined in the table below:

Risk	Mitigations in place	RAG rating
Financial mismanagement by any organisation in receipt of GLA funding	<ul style="list-style-type: none">• Responsible GLA officers overseeing research will closely monitor delivery and meet regularly with delivery partners.• Robust contracts will be put in place; and payments will be made against clearly defined milestones and, where appropriate, in arrears.	Green

Consultant does not have time to complete the work	<ul style="list-style-type: none"> • Ensure that: a clear timeline and deliverables are presented as part of the procurement; and the successful candidate can meet the deadlines presented. • Explore options to present initial findings at the esports reception, rather than a completed report. 	Amber
Delay in procurement	<ul style="list-style-type: none"> • Programme timelines will be monitored throughout and adjusted accordingly, to mitigate against any delay. 	Amber
Lack of bids from suitable consultants	<ul style="list-style-type: none"> • Tender documents will be shared across stakeholder networks to ensure a broad range of consultants with the necessary expertise. Prior engagement with the industry also means there are already suitable consultants who could be approached. 	Green
Low engagement from the esports sector for the research	<ul style="list-style-type: none"> • Use existing strong networks across City Hall departments to share opportunities to engage with the research. • Work with external partners to identify further routes for engagement. • Consultants will have demonstrated their capacity to reach underrepresented communities as part of their bid. 	Green
Lack of access to high-quality data	<ul style="list-style-type: none"> • Work closely with external organisations to identify potential sources to of new data. • Ensure the appointed consultants have the capacity to bridge the current gaps in data. 	Green
Value for money	<ul style="list-style-type: none"> • Scope of the programme will be clearly defined from the outset, and costs minimised wherever possible. • Potential funding partners will be investigated. 	Green

Conflicts of interest

- 4.4 There are no conflicts of interest to note for any of the officers involved in the drafting or clearance of this decision form.

5. Financial comments

5.1 Approval is requested:

- for expenditure of up to £15,000 to procure a consultant to produce a report related to esports in London
- to seek and accept grant funding or sponsorship of up to £10,000 from external funders; and approve the expenditure of any secured sponsorship and third-party funding for the programme activities set out in this decision, without the need for a further decision form.

- 5.2 The expenditure will be funded jointly from the Culture, Creative Industries and 24-Hour London Unit's approved budget for 2024-25 – specifically the Culture Strategy budget and from the Major Sports Event Budget, each paying £7,500

- 5.3 All expenditure will be incurred by 31 March 2025.

6. Planned delivery approach and next steps

6.1 The project will be delivered according to the timeline below:

Activity	Timeline
Procurement of consultant begins	August 2024
Consultant appointed	September 2024
Delivery start date	September 2024
League of Legends – Worlds event	November 2024
Final report – Completed	End of 2024/Early 2025

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 be published either 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: So as not to pre-empt a potential Mayoral announcement regarding the programme.

Until what date: 2 November 2024

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:

Linden Walcott-Burton has drafted this report in accordance with GLA procedures and confirms the following:

✓

Mayoral Delivery Board

A summary of this decision was reviewed by the Mayoral Delivery Board on 27 August 2024.

✓

ASSISTANT DIRECTOR, FINANCIAL SERVICES:

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

Signature:

Anna Walcott-Burton

Date:

29/08/2024