

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD3320

Made Smarter Funding 2025-26

Executive summary:

Mayoral approval is sought to receive and spend funding in 2025-26, relating to the provision of support to businesses in the manufacturing sector aligning with the aims of the “Made Smarter” programme. The Department of Business and Trade has awarded £1.25 million to the GLA to deliver the programme.

The expenditure proposed concerns the award of grant funding to London & Partners as a contribution to its costs of delivering its Grow London Local project.

Decision:

That the Mayor approves:

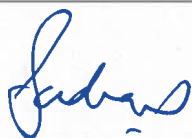
- receipt of £1.25 million of grant funding from the Department for Business and Trade, to support the Made Smarter programme
- expenditure of £1.25 million, in grant funding to London & Partners, as a contribution to its costs of delivering the Made Smarter programme as part of its Grow London Local project.

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:

12/3/25

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

Decision required – supporting report

1. Introduction and background

- 1.1. The Made Smarter initiative was borne out of a government review exploring how manufacturing industries can prosper via integration of digital technology tools and innovation. The programme ran in some parts of England in 2024-25; but at that time, London did not receive an allocation.
- 1.2. The programme is now expanding further. In the 2024 Autumn Budget, London was allocated £1.25 million to deliver the programme in 2025-26. This will give small and medium-sized enterprise (SME) manufacturers access to technology advice; leadership and management training; and grant funding for digital internships and technology projects. These interventions will boost productivity and growth; create new, high-value jobs; and decarbonise SME manufacturers across the country.
- 1.3. Funding is routed through the Department for Business and Trade (DBT) via section 31 grants to the accountable bodies, who manage the contracts with delivery partners. The GLA will be the accountable body for this funding in London.

Made Smarter funds

- 1.4. It is proposed that the Made Smarter Funding (2025-26) is awarded by the GLA to London & Partners (L&P) to meet its costs of complementing L&P's existing work to deliver a single front door for businesses (which is delivered under the Grow London Local banner and aligns with the objectives of the Made Smarter programme). The project will commence in April 2025 and include L&P's provision to SMEs of business support advice and training; grant funding to purchase Industrial Digital Technology (IDT) equipment and funding additional specialist advice/support.
- 1.5. To access Made Smarter business support advice and training from L&P, SMEs will need to:
 - register on the Made Smarter programme online or in-person
 - engage with one of L&P's Tech Adoption Specialists to determine their requirements and suitability for other elements of the programme.
- 1.6. To apply for Made Smarter funding SMEs will need to:
 - be registered on the Made Smarter programme
 - have completed other elements of the programme
 - have identified a need for the funding with a member of the L&P Made Smarter team.
- 1.7. Processes to manage and monitor the grants will include an application process; due diligence conducted on potential grant recipients; the outlining of ineligible/eligible costs; and grantee reporting requirements to L&P. Terms for administering the onward funding will comply with the GLA-L&P grant agreement.
- 1.8. The eligibility of L&P's project costs, the achievement of targets and their reporting and the administration of claims and payments will be governed by a grant-funding agreement with L&P. As the GLA will remain accountable for the funding to DBT, the GLA's standard funding terms for use will be tailored to enable the GLA's compliance with DBT's requirements. L&P will supply monthly and quarterly reporting (required by DBT) to the GLA.
- 1.9. L&P will be accountable to the GLA to ensure that claims made align with the delivery of the targets of its project.

1.10. Following the GLA's internal business support review in 2022-23, it was agreed through Mayoral Decision (MD) 3149 that L&P would take responsibility to deliver and manage the London Business Hub, and its core business-support service, under the Grow London Local brand. The Made Smarter programme will provide business support to SMEs, so it would be appropriate for L&P to deliver this programme.

2. Objectives and expected outcomes

2.1. Programme performance will be measured against key performance indicators (KPIs):

- Digital interns: Delivery of student placements allowing SMEs to submit a student role profile, outlining the specific areas of work and required skills for a student placement. For approved applications, the programme reimburses firms for the student's wages for a 90-day placement.
- Leadership and management training: This is designed to give businesses' leaders the practices required to address the challenges posed and exploit the opportunities presented by industrial digitisation.
- Organisation and workforce development participants: Specialist advisers dedicated to helping improve coordination by working more closely with local SMEs and universities; and targeting students directly through channels such as social media.
- Roadmaps: Providing a roadmap for approximately 50 per cent of registered SMEs is a consistent feature of delivery for existing Made Smarter regions.
- Intensive supports: An additional support level that exists in addition to, or separate from, engagement with other specified interventions, and that helps a business move forward with its roadmap.
- Grants: Supported manufacturers apply for up to £20,000 of grant funding from Made Smarter; this is match funded to purchase eligible equipment or to fund additional specialist advice and support.
- Registrations/reach: This is based on reaching approximately one per cent of the manufacturing SMEs in the London region.

2.2. The table below sets out the outputs that are expected to be delivered for each of these KPIs:

2025-26 deliverables	Digital interns	Leadership and management participants	Organisation and workforce development participants	Roadmaps	Intensive supports	Grants	Registrations/reach
	13	21	24	71	23	23	142

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' of 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 and those who do not. This involves having due regard to the need to remove or minimise any disadvantage suffered by those who share a relevant protected characteristic that is connected to the characteristic; taking steps to meet the different needs of such people; and

encouraging them to participate in public life or in any other activity where their participation is disproportionately low.

- 3.2. The Made Smarter programme will be delivered through L&P's Grow London Local service, which plays an important role in supporting diverse entrepreneurs and business owners, with targets set to ensure underrepresented businesses are reached by and supported through its business-support activities.
- 3.3. As part of Grow London Local, a number of interventions have been put in place to strengthen engagement with hard-to-reach communities – such as using translators; producing marketing material in various languages; and outreach via local community groups. In addition, many of the support schemes connected to Grow London Local, including information provision and events programmes, are specifically aimed at women; individuals from Black, Asian and Minority Ethnic backgrounds; and other underrepresented groups. As Grow London Local is not a public-sector website, L&P is not legally required to meet level 2 (AA) of the Web Content Accessibility Guidelines. However, it endeavours to work with its website delivery partners to implement accessibility standards of a similar level. Accessibility requirements are also considered when selecting any physical spaces used for hosting events.

4. Other considerations

- 4.1. The risks associated with this decision are detailed in the table below:

Risk description	Mitigation
L&P does not recruit or support sufficient SMEs through the programme to meet DBT's grant funding agreement targets.	L&P will increase marketing effort where necessary and use its Grow London Local platform to recruit businesses. They will also work in partnership with other institutions focusing on manufacturing, who will direct SMEs towards the platform. L&P will also receive leads from the national Made Smarter website.
The Made Smarter funding must be spent within the financial year, otherwise it can be clawed back. Any delays to spend can cause a risk.	The GLA grant manager will closely monitor spend and milestone payments made to L&P for delivery, to ensure no slippage occurs. L&P is recruiting an Operations team to oversee processes; timelines; and financial planning and monitoring. This will include processes for managing the onward grants to SMEs.
L&P will only be able to make claims and retain funding paid to the extent that it meets the milestones/outputs set in the funding agreement (including meeting the recruitment and funding targets).	L&P will deploy resource to raise awareness of the programme via GLL and through their communication channels to ensure outputs are met. They will also work in partnership with other institutions focusing on manufacturing, who will direct SMEs towards the platform. L&P will also receive leads from the national Made Smarter website.

Links to Mayoral strategies and priorities

- 4.2. The proposed use of the Made Smarter funding is consistent with the Mayor's objectives to champion and support London's micro businesses, and SMEs, which in turn align with L&P's Grow London Local brand.
- 4.3. The need to support London's SMEs, as provided by L&P's Grow London Local service, is recognised in the Mayor's Economic Development Strategy and the London Growth Plan.

Conflicts of interest

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

Subsidy control

- 4.5. The Subsidy Control Act 2022 requires that the GLA's provision of any grant funding complies with the subsidy control principles. Officers have assessed L&P's Grow London Local projects and are satisfied that the proposed award of funding to L&P in this regard aligns with the seven subsidy control principles. The guidance states:

"Where there is an intermediary involved – that is, the public authority initially transfers the financial assistance to an entity which automatically passes on the benefit (apart from reasonable administration costs) and does not receive any selective advantage itself – the intermediary should not be considered the beneficiary of a subsidy."

- 4.6. The subsidy pursues the policy objective of the 'single front door': to simplify the business support landscape across London to support global majority and underserved small businesses in the manufacturing sector to get the help and support they need to sustain and grow.
- 4.7. There is no direct benefit to the beneficiary as no profit is allowable under the terms of the grants and so the subsidy's beneficial effects outweigh any negative effects. Business support is not a statutory obligation and therefore without the grant the activity will not take place.
- 4.8. This project would not be pursued in the absence of the subsidy, leading to the Fund's policy objectives not being achieved and support not being delivered. The proposal has been designed to achieve the specific policy objective and as such there is low risk of the subsidy producing negative effects on competition or investment within in the United Kingdom.

5. Financial comments

- 5.1. Approval is requested for the receipt and expenditure of £1.25 million of grant funding from DBT, to be used as a contribution to L&P's costs of delivering the London's Made Smarter Programme, which is part of the Grow London Local project.
- 5.2. The grant will be spent by 31 March 2026 and is included within the 2025-26 budget plan. This grant funding is ringfenced for this programme. If the funding is not spent during the agreed timeframe, then it will need to be repaid to the government.
- 5.3. All relevant budget adjustments will be made.

6. Legal comments

- 6.1. Under section 30 of the Greater London Authority Act 1999 (GLAA), the GLA may do anything that it considers will further one or more of its principal purposes, which are promoting: economic development and wealth creation in Greater London; social development in Greater London; and the improvement of the environment in Greater London.
- 6.2. In determining whether or not to exercise its power to further one or more of its principal purposes, the GLA is required to consider the effect this may have on the remaining purpose or purposes — in so far as that is practicable — and, over a period of time, to secure a reasonable balance between furthering each of its principal purposes.
- 6.3. Section 33 of the GLAA requires the GLA to make appropriate arrangements with a view to securing that, in the exercise of its general power, there is due regard to the principle that there should be

equality of opportunity for all people. The GLA is also subject to the public sector equality duty imposed by section 149(1) of the Equality Act 2010 in relation to the exercise of its functions (see section 3 above).

- 6.4. Section 34 of the GLAA provides for the GLA to be able to do anything that is incidental to the exercise of its functions, including its general powers under section 30.
- 6.5. Sections 1 to 4, above, concern the award of grant funding by the GLA. Officers must ensure that such grant funding is distributed fairly, transparently, in a manner that affords value for money, and in accordance with the requirements of the GLA's Contracts and Funding Code and the Department for Business and Trade's requirements.
- 6.6. The Subsidy Control Act 2022 requires that grant funding comply with its subsidy control principles. Subject to section 6.7(a) below, the officers have set out at section 4 above how the proposed grant complies with those principles.
- 6.7. If the Mayor makes the decisions sought officers must ensure:
 - as the proposed grant exceeds £100,000, that the grant is registered on the Department for Business and Trade's Transparency Database
 - 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

- 7.1. The work will be carried out according to the following timetable:

Activity	Timeline
Grant-funding Agreement signed	March 2025
Proposed delivery/expenditure	April 2025 – March 2026
Final claim to DBT	March 2026

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? NO

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:

Binal Cadieu has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Phil 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.

✓

Mayoral Decision Board

This decision was agreed by the Mayoral Decision Board on 10 March 2025.

✓

CHIEF FINANCE OFFICER:

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

Signature:

Fay Hammond

Date:

10/03/2025

CHIEF OF STAFF:

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

Signature:

D. Jellamy

Date:

10/03/2025

