

GREATER LONDON AUTHORITY

REQUEST FOR DIRECTOR DECISION – DD2816

London & Partners Business Plan 2026-27 and Grant Funding

Programme: Boosting London's Growth Sectors

Executive summary:

In December 2025, Mayoral Decision (MD) 3430 approved the delivery plan for the Boosting London's Growth Sectors (BLGS) strategic programme. MD3496 later aligned government and Mayoral funding, respectively, to the BLGS delivery plan to support London's small and medium-sized enterprises, and innovation activity, via Grow London Global.

This Director Decision, made under the delegation provided by MDs 3430 and 3496, seeks approval to award grant funding of up to £40,095,000 to London & Partners (L&P) for 2026-27 and, subject to future Mayoral budget decisions, 2027-28. This funding will contribute to L&P's costs of delivering the outcomes and activities set out in its 2026-27 Business Plan, which aligns with the success measures and delivery milestones of the BLGS programme.

This decision also seeks approval to introduce an annual top slice to cover the GLA's ongoing grant management and oversight costs. For 2026-26, this would be £142,680, equivalent to 0.5% of the overall grant funding. In future years, this will be agreed in detail as part of grant negotiations.

Decision:

That the Executive Director of Good Growth approves total expenditure of £40,095,000, in grant award to London & Partners (L&P) in 2026-27 (£28,536,000) and 2027-28 (£11,559,000, subject to future Mayoral budget-setting for 2027-28). This spend comprises:

- £17,136,000 in 2026-27 and £11,459,000 in 2027-28 (subject to Mayoral budget-setting) as a contribution to L&P's costs of delivering the outcomes and activities in its business plan and Grow London Global
- £100,000 in 2026-27 and £100,000 in 2027-28 (subject to Mayoral budget-setting), to support the delivery of Opportunity London
- £7,000,000 in 2026-27 for London's Global Brand campaign work
- £4,000,000 in 2026-27 to help small and medium-sized enterprises adopt artificial intelligence
- £300,000 in 2026-27 for London's Local Innovation Partnership Fund.

Approval is also sought for:

- L&P's business plan for 2026-27 (at Appendix 1)
- the obligation of a top slice of £142,680 in 2026-27 (and expected to be broadly equivalent to 0.5 per cent of grant in future years), to cover the GLA's ongoing grant-management and oversight costs, meaning a revised total grant award to L&P in 2026-27 of £17,473,320 – this includes the deduction of £10,920,000 from the total grant, as per Assistant Director Decisions 2836, 2842, 2848 and 2859 and the aforementioned top slice.

AUTHORISING DIRECTOR

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: Philip Graham

Position: Executive Director, Good Growth

Signature:



Date: 6 August 2026

PART I – NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1. In December 2025, Mayoral Decision (MD) 3430 approved the delivery plan for the Boosting London's Growth Sectors (BLGS) strategic programme. This programme contributes to the core London-level outcome: stable long-term growth benefits all of London's communities.
- 1.2. Guided by the London Growth Plan (LGP), published in February 2025, the BLGS delivery plan outlines the Greater London Authority's (GLA's) contribution to improving productivity; generating employment; and attracting investment. The LGP prioritises the development of growth sectors and clusters as a primary mechanism for raising productivity; evidence shows this is central to achieving the London-level outcome. This work is pivotal to the Mayor's support of the government's mission to kickstart economic growth. This Director's Decision (DD) seeks approval to align the funding needed to invest in London's high-growth small and medium-sized enterprises (SMEs). This will boost the London economy and uphold its reputation as a visitor and business destination, via London & Partners (L&P).
- 1.3. L&P is the growth agency for London.¹ It is a company limited by guarantee, operating as a social enterprise that receives both public and commercial income. L&P's mission is to create economic growth for London that is resilient, sustainable and inclusive.
- 1.4. This DD seeks approval of L&P's 2026-27 business plan (attached at Appendix 1). This plan relates to activities funded under the BLGS delivery plan, approved under MD3430. It also seeks approval to align budgets referenced below to the BLGS delivery plan.
- 1.5. L&P's Business Plan activities align with the BLGS delivery plan in the following sections:
 - Project 1.1: Enabling London's high-growth potential businesses to expand and trade internationally by supporting London's businesses in growth sectors to scale and win international business via Grow London Global.
 - Project 2.3: Promoting capital investment in London's built environment through support for Opportunity London by winning international capital investment in housing, energy and infrastructure to enable growth.
 - Project 3.3: Promoting London as the best city in the world in which to invest and visit by attracting and convincing international companies to set up or expand in London and by promoting London's brand to attract investment, visitors, conferences and events, boosting London's capacity to promote London to international tourism and investment audiences.
 - Project 3.4: Strengthening London's frontier innovation ecosystem by working with UK Research and Innovation and partners in higher education, industry and local government to establish a Local Innovation Partnerships Fund in London in support of frontier innovation sectors such as life sciences, AI and quantum, and climate tech.
 - Project 1.3 (new): Enabling artificial intelligence (AI) adoption in SMEs to deliver sustainable and inclusive growth by improving AI adoption rates in SMEs.

¹ L&P promotes the capital across the world; attract overseas organisations, events and visitors to the city; and helps retain and grow London companies.

Top slicing of funding for GLA oversight

- 1.6. This DD seeks approval of the obligation of a top slice to contribute to the GLA's ongoing grant management and oversight of £142,680 in 2026-27 from the total L&P grant allocation of £28,536,000 in 2026-27. This equates to 0.5% of the total grant allocation and is to cover the GLA's ongoing grant-management and oversight costs relating to this funding. It is expected that in future years a similar top slice will be agreed, at broadly the same percentage of overall grant.
- 1.7. Interim grant payments have been issued to L&P under the delegations set out in MD3430; and Mayoral delivery plans have been updated.
- 1.8. The overall grant to L&P, therefore, will be £17,473,320, once the top-slice value has been applied, and advance payments of £10,920,000 removed, as per Assistant Director Decisions (ADDs) 2836, 2842, 2848 and 2859.

Background

- 1.9. Between May 2016 and the end of the financial year 2025-26, L&P has:
 - added £3.7 billion gross value added (GVA) to London's economy
 - inspired 202 million people (either planning their trip or visiting London) through visitlondon.com
 - created or supported 69,800 jobs
 - supported 1,457 overseas companies to set up or expand in London
 - brought £508 million in extra tourism expenditure to London through the Let's Do London campaigns, at a return of £26 for every pound spent on the campaigns.
- 1.10. Since launching in May 2023, L&P's Grow London Global programme (which supports high-growth businesses with international expansion) has graduated 480 UK tech scale-ups from the 12-month programme. Businesses have generated an additional £1.08bn in GVA as a result of the programme.

2. Objectives and expected outcomes

Boosting London's Growth Sectors

Project 1.1: Enabling London's high-growth potential businesses to expand and trade internationally

- 2.1. The BLGS delivery plan notes that London remains the UK's economic engine and its only truly global city, uniquely positioned to catalyse national growth. The capital drives job creation and investment across the country; and serves as a gateway to international markets. Its economy is therefore critical to Londoners' quality of life, and to the wider prosperity of London and the UK.
- 2.2. However, London's productivity has declined by 2.6 per cent since 2008, in contrast to the 30 per cent growth achieved in the preceding decade. Reversing this trend is imperative to achieving the LGP's targets:
 - 2 per cent average annual productivity growth between 2025 and 2035
 - an annual 6 per cent increase, at least, in London's services exports
 - raising real household weekly incomes for the lowest earning quintile by 20 per cent by 2035.
 - help create 150,000 high-quality jobs by 2028.

- 2.3. The LGP identifies a range of challenges impacting on London's productivity. It also identifies the need to enhance London's sectoral mix as a key challenge. This means helping the highest-productivity sectors to secure investment, scale up and export. The capital's increasing strength as a creator of innovation at the frontier of science and technology provides an important opportunity – as do its long-standing strengths in financial and professional services, and the creative industries.
- 2.4. Grow London Global will accelerate growth in London's technology and innovation-driven sectors. It seeks to support businesses to scale internationally, equipping them with the tools, connections, and market insights needed for global expansion. Focus is placed on the market sectors and audiences likely to generate most value for London, ensuring representation in core markets across the world.
- 2.5. Grow London Global activities (as set out in L&P's business plan) align with BLGS delivery plan project 1.1 (enabling London's high-growth potential businesses to expand and trade internationally) as follows:
- Success measures:
 - Grow London Global project supports at least 50 per cent of participating companies to successfully expand into new markets
 - over 35 per cent of participating businesses are diverse-owned or led.
 - Expected delivery:
 - Grow London Global Grant Funding Agreement signed by Q2 2026-27
 - 300 jobs created by Q4 2026-27
 - 100 businesses engaged in new markets by Q4 2026-27
- 2.6. Two additional milestones are recommended to be added:
- 200 businesses supported by Q4 2026-27
 - £200 million GVA generated in supported businesses.
- 2.7. Subject to future Mayoral budgets, proportionate delivery milestone targets will be agreed for 2027-28 through L&P's 2027-28 business planning process.

Project 3.3 Promoting London as the best city in the world in which to invest and visit

- 2.8. L&P plays an active role in promoting and attracting visitors and businesses to London. This includes the following:
- Attracting international firms to locate in the capital; acting as a launchpad to enable international investment to reach other parts of the country; attracting FDI; and boosting London's GVA.
 - Helping to shape London's strategy in priority sectors by sharing data and insights and convening stakeholders.
 - Promoting London to leisure and business tourists, including London's brand, places and growth sectors; curating London's story; and coordinating the city's advocates via Visit London and the London Convention Bureau.²

² 17 million people used the London visitor website Visit London in 2025-26, and the London Convention Bureau, which attracts international business conferences to take place in the capital.

- a new London Global Brand campaign which will promote London to international tourism and investment audiences. The GLA's objectives are to enhance London's reputation internationally, particularly with tourists and investors in areas such as the US, Europe and China, and increase tourism and investor confidence in London. The London Global Brand campaign will consist of a marketing campaign targeted at international tourists to drive visits to London, and a marketing campaign targeted at potential investors driving investor confidence in London. Targets will be developed as part of the London Global Brand campaign, and these will be refined once exact target markets are defined.

2.9. Promoting London as the best city in the world in which to invest and visit's success measures and delivery milestones, aligns with L&P's business plan as set out below:

- Success measures:
 - London's position as a global centre for investment is improved across the LGP's growth sectors, supporting international companies to locate in the capital and onward investment to the rest of the UK.
 - London's reputation as one of the best cities in the world to visit is maintained.
- Expected delivery:
 - 1,500 jobs created by Q4 2026-27
 - GVA target of £125 million achieved by businesses locating in London through foreign direct investment work undertaken by L&P by Q4 2026-27
 - key industry publications have named London one of the world's best cities to visit by Q1 2027-28.

2.10. New delivery milestones will be added for the London Brand campaign. These will be based on:

- additional international visitors to London by Q4 2026-27
- total visitor value to the London economy, based on additional visitor spend, by Q4 2026-27.

2.11. Targets for these new delivery milestones will be determined in due course, and once budget allocations and market splits are defined. Benchmarking against previous campaigns is challenging as the current landscape is materially different – with geopolitical factors, cost and broader economic pressures continuing to impact demand in addition to different media costs.

2.12. This decision seeks approval to award L&P:

- up to £17,136,000 of grant funding in 2026-27 and (subject to Mayoral budget in future years), £11,459,000 in 2027-28, as a contribution to delivery of BLGS activities
- £7,000,000 for Brand London activities in 2026-27.

Project 2.3: Promoting capital investment in London's build environment through support for Opportunity London

2.13. Opportunity London is an innovative public-private partnership that aims to secure up to £100 billion in capital investment into London's built environment. It brings global institutional capital to London to fund priority real estate, energy and infrastructure. The GLA is a strategic and funding partner to Opportunity London; and works with it to secure investment for specific development projects such as the Royal Docks.

2.14. Opportunity London success measures and delivery milestones align with L&P's business plan and the BLGS delivery plan project 2.3 (promoting capital investment in London's built environment through support for Opportunity London) as set out below:

- Success measures:
 - Opportunity London can demonstrate its success in unlocking significant new private and institutional capital investment in London's built environment
 - investor sentiment regarding the value and navigability of London, as a destination for investment, has demonstrably improved.
- Expected delivery:
 - updates to Opportunity London's investment prospectus published in Q2 and Q4 2026-27
 - visible GLA presence in support of Opportunity London at flagship events – including the London Real Estate Forum (Q3 2026-27); the Global Urban Festival at Le Marché International des Professionnels de l'Immobilier (Q4 2026-27); and the UK Real Estate Investment and Infrastructure Forum (Q1 2026-27).

2.15. This decision seeks approval to award £100,000 for Opportunity London in grant funding to L&P in 2026-27 and (subject to Mayoral budget in future years), £100,000 in 2027-28.

Project 1.3: Enabling AI adoption in SMEs to deliver sustainable and inclusive growth.

2.16. According to London's Business Support Strategy, it suggests 60 per cent of businesses believe AI will be essential for the survival and growth of small businesses over the next five years. This aligns with wider national analysis: the efficient adoption of AI could unleash £119 billion, in productivity gains, across UK sectors that have high adoption rates and capacity. It is expected that the need is particularly pronounced among SMEs from minoritised communities and those with growth ambitions, where AI adoption is seen as a key enabler of competitiveness, productivity and market expansion. However, while recognition of AI's importance is high, intention to adopt remains low.

2.17. This highlights a significant adoption gap between perceived necessity and practical implementation. The strategic imperative for SMEs is no longer whether to adopt AI, but how to implement it in ways that complement workforce capability; enhance higher-value tasks; and prioritise reskilling over displacement to support sustainable and inclusive growth. This project will deliver business support services to address this and aligns with the Mayor of London's newly established AI and Jobs Taskforce. (Further decision forms on actions to deliver on the taskforce's recommendations will follow.)

2.18. Success measures and delivery milestones align with L&P's business plan, and the BLGS delivery plan project 1.3 (enabling AI adoption in SMEs to deliver sustainable and inclusive growth), as set out below:

- Success measures: L&P will conduct research to define the appropriate success measures and deliverables.
- Expected delivery: L&P will conduct research to define the appropriate delivery milestones

2.19. This decision seeks approval to award L&P £4,000,000 in 2026-27, to support SMEs' adoption of AI.

3. Equality comments

- 3.1. Under section 149 of the Equality Act 2010, the Mayor and the GLA must comply with the public sector equality duty (PSED), and must have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Equality Act 2010
 - advance equality of opportunity between people who share a relevant protected characteristic and those who do not
 - foster good relations between people who share a relevant protected characteristic and those who do not.
- 3.2. The 'protected characteristics' are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership (but only in respect of the requirements to have due regard to the need to eliminate discrimination), race (ethnic or national origins, colour or nationality), religion or belief (including lack of belief), sex, and sexual orientation.
- 3.3. Consideration of the PSED is not a one-off task. The duty must be fulfilled before taking a decision, at the time of taking a decision, and after the decision has been taken, to ensure that equalities impacts are kept under ongoing review.
- 3.4. In accordance with the PSED, officers have considered the potential impacts of L&P's activity on groups with protected characteristics. The success measures and milestone indicators support inclusive delivery; and require monitoring of participation and outcomes across demographic groups. L&P will be required to demonstrate compliance with equality obligations.
- 3.5. L&P's 2026-27 business plan includes priorities for supporting under-served Londoners under its four areas of delivery:
- Strategy:
 - improve provision of business support for under-served entrepreneurs by implementing London's new Business Support Strategy
 - share insights on the needs of under-served entrepreneurs, to inform more effective commissioning of business support.
 - Promotion:
 - champion London's diversity as a core value and strength of the city as part of London's global brand messaging
 - ensure representation of London's diversity in all marketing materials and at events.
 - Investment: work proactively with international investors to develop inclusive recruitment strategies and to access diverse sources of talent.
 - Business growth:
 - deliver Grow London Global supporting 200 businesses, 35 per cent of which will be diverse founders
 - develop a new AI adoption service that supports under-served entrepreneurs
 - proactively recruit diverse cohorts of companies to business growth programmes

4. Other considerations

Key risks and issues

- 4.1. There are no significant risks or issues associated with awarding £40,095,000 to L&P over two financial years (subject to future Mayoral budgets) for the purposes laid out above. L&P has maintained a very strong track record of delivery against its core functions since it was created in 2011. This includes its delivery of the post-COVID recovery 'Let's Do London' domestic and international tourism campaigns, for which the GLA provided over £14.5 million in grant funding to L&P over three financial years.
- 4.2. More broadly, L&P has strong risk-management structures. Core to this is Board scrutiny – including an Audit and Finance committee, which considers a risk register of known risks.

Links to Mayoral delivery plans, and other strategies and priorities

- 4.3. L&P's business plan aligns with the Boosting London's Growth Sectors delivery plan described in sections 1 and 2 above. It also aligns with the Mayor's Economic Development Strategy and the London Growth Plan. These focus 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.

Conflicts of interest

- 4.4. No one involved in drafting and clearing this document has any conflicts of interests to declare.

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.
- 4.6. Subsidy control advice will be sought before a grant-funding agreement is issued.

5. Financial comments

- 5.1. Approval is requested to award L&P £40,095,000 of grant funding across 2026-27 and (subject to Mayoral budget) 2027-28.
- 5.2. The proposed grant of £28,536,000 in 2026-27 is financed by GLA resources, as agreed in the budget for this financial year. £300,000 of the proposed grant is financed by London's Local Innovation Partnership Fund via UK Research and Investment. This is not part of the Integrated Settlement and was not part of the GLA Mayor budget for 2026-27, as the final amount was not known until after the budget was finalised.
- 5.3. If approved, a £142,680 top slice of this funding will provide financial support to the GLA's ongoing grant-management and oversight costs relating to this award in 2026-27 (this equates to 0.5 percent of the grant value). A similar top slice, equivalent to broadly the same percentage of overall grant, is expected to be agreed in future years.
- 5.4. Following the approval of ADDs 2836, 2842, 2848 and 2859, and subject to this DD being approved, the revised total grant award to L&P, in 2026-27, will be £17,473,320.
- 5.5. Expenditure and indicators will be monitored on a quarterly basis. This requirement, as well as the standard break clauses, will be incorporated into the funding agreement to ensure that performance and risk is managed effectively throughout the grant agreement.

5.6. All appropriate budget adjustments will be made.

6. Legal comments

- 6.1. The preceding sections of this report, and those set out in MD3430, indicate that the decisions requested of the Mayor fall within the GLA's general statutory powers – specifically section 30(1) of the Greater London Authority Act 1999. This provides for the GLA to be able to do anything that is incidental to the exercise of its functions, including its general powers – specifically promoting economic development and wealth creation in Greater London. If the Executive Director of Good Growth, under the delegation of MDs 3274 and 3496, makes the decisions sought to continue to support L&P's Grow London Local programme, it will achieve this ambition.
- 6.2. Officers have ensured that no reliance is placed on, nor commitments made in reliance of:
- third-party funding, until legally binding commitments are secured for it; and officers are satisfied that their proposed use of the same aligns with any conditions of award
 - future budgets remaining subject to the outcome of the budget-setting process for future financial years, until those budget-setting exercises are completed
 - “returned funding”, without confirming that it can be used as proposed; and, where applicable, after liaising with third-party funders and varying current GLA funding agreements to reflect the reallocation of funding.
- 6.3. Sections 1 to 4, above, concern the award of grant funding by the GLA. Officers will act in accordance with requirements of the GLA's Contracts and Funding Code, and the Department for Business and Trade's requirements; and ensure that such grant funding is distributed fairly, transparently, and in a manner that affords value for money.
- 6.4. As set out in 4.5 above subsidy control advice will be sought prior to a grant funding agreement being issued.
- 6.5. If the Executive Director 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

Activity	Timeline
Funding agreement(s) signed	August 2026
GFA Start Date	April 2026
Final 2026-27 claim submitted to GLA	April 2027

Appendices and supporting papers:

Appendix 1 – London & Partners 2026-27 Business Plan

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.

Strategic Programmes

Does this decision seek approval for activity falling within the remit of a programme delivery plan? YES/NO

If YES, which programme/s does this fall within: Boosting London's Growth Sectors (BLGS)

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? YES

If YES, for what reason: L&P's 2026-27 business plan will be published in July 2026

Until what date: August 2026

Part 2 – Sensitive information

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

✓

Assistant Director/Head of Service:

Philip Graham has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Financial and Legal advice:

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments

Mayoral Delivery Board

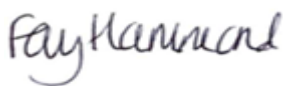
This decision was agreed by the Mayoral Delivery Board on the 27 July 2026.

✓

CHIEF FINANCE OFFICER:

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

Signature:



Date: 6 August 2026