

GREATER LONDON AUTHORITY

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2239

Title: Mentoring Programme

Executive Summary:

As part of the London Growth Hub initiative, the GLA is commissioning a pilot project that will provide Mentoring opportunities to London based Small and Medium Sized Enterprises (SMEs)

The identification of high calibre mentors from London based corporates will be facilitated by the Productivity Leadership Group (PLG) a business lead organisation backed by the Department for Business, Energy and Industrial Strategy (BEIS), and corporates such as BAE Systems, John Lewis and Glaxo Smith Klein. PLG has been tasked to deliver activities that will increase productivity businesses and this proposal forms a key part of this programme.

Decision:

That the Assistant Director of Regeneration approves:

A total expenditure of £25,000, on the GLA's one-year London Growth Hub 'Mentoring Programme', for a services contract.

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: Debbie Jackson

Position: Assistant Director of Regeneration

Signature:



Date:

05/07/18

PART I – NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 Growth Hubs are funded by central government via the Department for Business, Energy and Industrial Strategy (BEIS) and delivered as regional public/private sector partnerships led by local Enterprise Partnerships (LEP). They join up national and local business support so it is easy for businesses to find the help they need. There are 38 hubs, one for each LEP region. In addition to providing a co-ordination function, each regional growth hub provides a different type of support tailored to the needs of business in its region.
- 1.2 Launched in November 2016, the London Growth hub aim is to bring together the capital's vast business support offer into a single online resource (<https://www.growthhub.london>). The site also aims to become a forum for SMEs and business support providers to exchange information and develop new networks. As the London Growth Hub matures, a range of new initiatives will be developed and implemented.
- 1.3 In 2016 in his Autumn statement Phillip Hammond indicated his commitment to improve UK's productivity by announcing funding to create the Productivity Leadership Group (PLG). The remit of the group is to ensure that UK SMEs have the necessary skills to operate and compete in a post Brexit environment. To support PLG to deliver their objectives, BEIS has provided £13m funding for a period of three years.
- 1.4 PLG has identified that the UK has a long-standing productivity gap, currently standing at around 35% behind Germany. Additionally, a study undertaken by McKinsey, states that whilst the UK has many well-run companies, that many of these companies' productivity is below what is expected for similar sized companies.
- 1.5 The 'Productivity Tsar' and John Lewis Partnership Chairman Sir Charlie Mayfield has set up a mentoring programme for PLG, that draws mentors from London based corporates such as Nestle, Siemens, Cisco, Accenture, BT, Amazon and KPMG pro bono.
- 1.6 The London Mentoring programme, will match high calibre mentors drawn from the corporates mentioned above and others to high growth SMEs based in London. The project will offer 30 SMEs access to mentoring sessions for one year free of charge.
- 1.7 Two pilot mentoring programmes focusing on manufacturing have been trialled successfully in Manchester and Birmingham. The London Mentoring programme, will be part of the phased national roll out of the programme, that will be launched on the 24th of October on 'National Mentoring Day'.
- 1.8 The costs associated with programme delivery are only for setting up activities (matching of mentors and mentees) and light administrative tasks during the programme lifetime, as currently the GLA doesn't not have qualified business support in house to carry out these functions. These costs will be funded from the London Growth Hub work programme for 2018/19 and 2019-20.
- 1.9 A range of business support organisation will be invited to put forward proposals to set up and deliver light administrative support for this project. The successful company will be awarded a contract for services following a procurement process that will be supported by TfL commercial. A detailed timetable can be found in section seven of this paper.

2. Objectives and expected outcomes

- 2.1 As part of the London Growth Hub offer, we aim to provide high quality mentors to high growth SMEs. For this project high growth SMEs have been defined as: SMEs that have a minimum of 5 employees, have achieved a minimum of £250,000 turnover in the last financial year and having the potential/aspiration to increase their turnover by 50% over a 3-year period. This definition will provide a framework for the selection process, however if an SME with good growth potential that doesn't pass the minimum threshold is identified during the selection process, it will be considered for the programme.
- 2.2 The project will target SMEs in the following sectors: Advanced Urban Services, Tech and Digital, Life Sciences, Cultural and Creative Industries and Retail and Hospitality.
- 2.3 The project will provide between 8 to 12 hours support to each SME, and the SME will determine what topics will drive the session between the SMEs and mentors.
- 2.4 Acceptance in the programme will be subject to SMEs' willingness to become a mentor to another business (it is expected that at least 50% of the participating SMEs will be suitable to become mentors).
- 2.5 Expected project outcomes are 1) increase the productivity of participating SMEs 2) employment increase in participating SMEs 3) introduction of new processes in participating SMEs and 4) better leadership skills.
- 2.6 The project will support the Mayor's manifesto commitment of supporting competitiveness and productivity by providing London based SMEs with mentoring support that will help them identify and develop productivity drivers.

3. Equality comments

- 3.1 The officers have given due regard to their duty in respect of section 149 of the Equality Act 2010
- 3.2 The proposed project will have a specific component to address equality issues that are specific to SMEs, namely underrepresentation of women, disabled people and BAME. To achieve this will include in the funding agreement that the appointed delivery partner must pay due attention to the recruitment of SME so the end number of beneficiaries are reflective of the London population.

4. Other considerations

- 4.1 This project links with the section on "Creating conditions for growth" within the Mayor's Draft Economic Development Strategy. By delivering this project the London LEP will roll out a mentoring programme to support SMEs in addressing productivity issues and therefore supports the Government's Industrial Strategy.

5. Financial comments

- 5.1 Assistant Director's approval is sought for expenditure of £25,000 on the GLA's one-year London Growth Hub 'Mentoring Programme', for a services contract. The cost of this will be funded from the London Growth Hub 2018-19 (£20,000) and 2019-20 (£5,000) budget. London Growth Hub budget is fully funded by BEIS as an allocation to LEAP to deliver Growth Hub services.

6. Planned delivery approach and next steps

Activity	Timeline
Procurement of contract	June 2018
Announcement	July 2018
Delivery Start Date	July 2018
Short list SMEs (mentees)	July 2018
Interview & match mentor & mentees	August 2018
First session between mentees and mentors	October 2018
National Programme Launch	October 2018
Interviews/surveys and case studies	April/October 2019
Delivery End Date	October 2019

Appendices and supporting papers:

None.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) 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 approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

If YES, for what reason:

Until what date: (a date is required if deferring)

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be 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:**

Iva Figueiredo has drafted this report in accordance with GLA procedures and confirms that the Finance and –if relevant– Legal teams have commented on this proposal as required, and this decision reflects their comments.

Corporate Investment Board:

The Corporate Investment Board reviewed this proposal on 2 July 2018.

HEAD OF FINANCE AND GOVERNANCE:

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

Signature:



Date:

03-07-18

