

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD372

Title: Approval for the UK Stem Cell project to allocate its unspent grant allocation of £27,000 towards its marketing campaign.

Executive Summary:

The ADD requests approval for the UK Stem Cell project to allocate its unspent grant allocation of £27,000 as a contribution towards its 10 year anniversary marketing campaign. The marketing campaign is designed to generate awareness and raise funding/income for future stem cell research projects in London. The marketing campaign is anticipating that it will lever in an additional £100,000 towards future projects.

Decision:

The Assistant Director approves the UK Stem Cell project's request to allocate its unspent grant allocation of £27,000 towards its 10 year anniversary marketing campaign.

AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT:

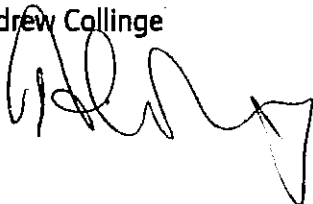
I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Andrew Collinge

Position: Assistant Director, Intelligence and Analysis

Signature:



Date:

8/12/2015

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 The Science and Technology category is seen as key for the London economy, as outlined in the London Enterprise Panel's Jobs and Growth Plan, where priority three is "Digital Science and Technology". The LEP's vision is to realise the potential of London's world class science and technology community to drive innovation, jobs and growth. It recognises that London's ability to innovate and adapt will be critical to staying ahead in the global economy.
- 1.2 The UK Stem Cell Foundation (UKSCF) project started delivery on the 1st December 2005 and the project will end on the 30th September 2015, although the organisation will continue its activities beyond this date. The project was created as London was emerging as a world-leading centre of excellence for stem cell research. The rationale for investment was that emergent stem cell research was at an early stage and therefore too risky for the private sector to invest in as it was not clear whether research investment would lead to commercial outcomes. The UKSCF has funded projects that bridged the gap to a point where projects could be commercialised into specific technologies, therapies or products. Funded projects were assessed against stringent criteria by the foundation's scientific board and with the Medical Research Council.
- 1.3 The last project approval was in September 2010, when the Head of Service at the London Development Agency (LDA) approved a revised delivery plan for the project. The approval was based on the findings from the mid-term evaluation. The evaluation identified that it was unlikely that the project would be able to deliver the number of outputs that it was originally contracted to deliver and it was difficult to predict when the outputs would be delivered due to the risky nature of early stage research. This was further exacerbated by the withdrawal of a proposed government fund of up to £10m over ten years, due to a change in government priorities.
- 1.4 As a result of the findings a revised delivery plan was approved to cover the remaining five years of the project. The GLA has been monitoring the project to ensure that the new deliverables for the project: leverage, jobs created, business collaborations and businesses created were achieved.
- 1.5 £27,000 from the LDA's £5.1m grant funding allocation to UKSCF has not been spent. £27,000 is insufficient to allocate as project funding to a typical stem cell project which would cost between £150,000 to £3.7m. Therefore UKSCF is requesting permission for the funding to be used as a contribution to the marketing campaign that they are planning for the projects' 10 year anniversary. Having funded projects for the last ten years, the 10 year anniversary will be used as a platform to fundraise so that they build a legacy to fund new projects.
- 1.6 The aim of the awareness campaign is to fundraise so that the project can fund new projects and research new initiatives. The proposed marketing campaign will use a combination of social media and other advertising to raise awareness of the foundation's work. They will be targeting a cross section of the population and have identified that advertising on the London Underground's tube car panels is a useful marketing tool to reach a wide range of people. Other charities have used this model and have had successful marketing campaigns using this approach. In total, the UKSCF has estimated that the marketing campaign will cost £97,000; of which they have earmarked £45,000 for two tube car panel marketing campaigns in 2015. UKSCF are requesting that the GLA's contribution contributes to the tube car panel campaign. In recognition that not everyone uses the underground,

they have allocated a further sum of £22,000 for other social media throughout the year and online advertising in newspapers. This will culminate with a 10 year celebratory event and the project has identified £20,000 for the event.

- 1.7 The GLA can formally request for this £27,000 of unspent funding which was awarded by the LDA to be returned to the GLA. However, the primary benefit for the GLA from allowing the project to use its unallocated funding would be the opportunity to build on UKSCF's legacy and maximise future investments for projects. The foundation has recently started to receive increased publicity regarding the work of the foundation and the marketing campaign will help the foundation to continue and enhance the stem cell research that they are undertaking. The project will report an additional £100,000 of leverage as a result of being allowed to retain the £27,000 to invest in this publicity and marketing campaign, enabling UKSCF to continue to contribute to delivering the LEP's vision of building London's world class science and technology community to drive innovation, jobs and growth.

2. Objectives and expected outcomes

- 2.1 The project is contracted to deliver outputs until September 2015. Output delivery commenced in February 2006. Please see below Lifetime Outputs and Outcomes delivered against targets:

Outcome	Target	Achieved/Outturn
Jobs Created	23	26
Business Collaboration	3	3
Business Creation	2	1
Leverage	£15m	£16,140,620

- 2.2 With the exception of the Business creation target, the project has achieved its outcomes. The objective and expected outcome that UKSCF aims to achieve as a result of retaining the £27,000 is increased leverage of £100,000 which will make a contribution to UKSCF's long term fundraising objectives enabling it to further sustain the project activities and continue investment in new Stem Cell research projects in London.

3. Equality comments

- 3.1 The marketing campaign will be designed to raise funds and income for the UKSCF to find new ways to treat conditions like Alzheimer's, diabetes, multiple sclerosis, stroke, spinal cord damage and blindness. The campaign will not be targeting a specific group as their work crosses, age, disability, gender and race. There will be no adverse impacts for any of the groups with protected characteristics. There will be in the development and delivery of the campaign consideration of the way marketing is done to ensure that it reaches as many groups of people as possible (and the proposed events). They will where possible ensure the other marketing campaigns support older people, disabled people and people who may be from groups that are disadvantaged, for example through digital exclusion or because they use buses rather than tubes due to cost.

4. Other considerations

4.1 Risks

- The key risk for this project is that the marketing campaign may lead to complaints due to the nature of the Stem Cell research. This in turn might cause reputational risk for the GLA. The UKSCF board has safeguards in place to deal with adverse reactions to Stem Cell Research.
- Additionally there is a risk that the marketing campaign does not generate enough interest to lever in the additional £100,000 for the project. The contingency arrangement for this is that the project will exhaust all of the marketing campaigns and use these avenues to fundraise. The project has also proven that it can generate leverage having previously exceeded its leverage target.

4.2 Links to Mayoral Strategies

- The project is linked to the Mayoral strategies as it is part of the Science and Technology category, as detailed in the London Enterprise Panel's Jobs and Growth Plan, where priority three is "Digital Science and Technology". Allowing UKSCF to invest £27,000 to promote and leverage in further investment in Stem Cell Research projects will support the aims of the London Jobs and growth plan, to create a competitive environment for science, technology organisations and investors to help increase opportunities for collaboration and global R&D investment.

4.3 Impact assessments and consultation

- The impact of the project in terms of its fundraising objective will be measured through money raised. The foundation will be asking new funders to complete a short survey to establish why they chose to support the project, which marketing route was used to engage them, any additional comments which will feed into future marketing campaigns.

5. Financial comments

5.1 This money could be returned to the GLA to meet future budget pressures.

5.2 The original grant award of £5.1m to the UK Stem Cell Foundation was provided by the LDA and was paid in full prior to the LDA dissolving. Allowing the foundation to retain the unspent grant allocation of £27,000 will enable them to leverage in funds towards other projects. As detailed within the main body of this report, the current project closes at the end of September 2015 and it is not intended that the GLA will provide any further funding towards new projects.

6. Planned delivery approach and next steps

Activity	Timeline
Marketing Campaign	July 2015 - March 2016
Final project self-evaluation completed	31 st October 2015
Project Delivery End Date	30 th September 2015
Project Closure	30 th November 2015

Appendices and supporting papers:

N/A

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

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

Part 2 Confidentiality: Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

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

✓

HEAD OF GOVERNANCE AND RESILIENCE:

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

Signature:



Date:

08.12.15

