

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2138

Title: The Mayor's Entrepreneur Project: 2018 & 2019

Executive Summary:

The Mayor's Entrepreneur is a competition which promotes and celebrates student innovation, employability and entrepreneurship and helps reduce carbon emissions.

The project has run for six years, expanding its engagement each year. The 2018 and 2019 projects will build on this success and, each year, will comprise a competition for a £20,000 prize to bring the winning innovative idea to market, 20 paid internships, through the Mayor's Fund for London, to promote and support the competition (instead of an advertising campaign) and, for the first time, mentorship opportunities with key corporates.

The corporately sponsored development fund awarded to the winners each year facilitates the creation of new green businesses in London, strengthening the low carbon circular economy.

The Mayor's Fund for London has secured \$425,000 (circa £340,000 at the current exchange rate) of funding to support the project for 2 years. It is proposed that the GLA will enter an agreement with the Mayor's Fund for London to deliver the project in 2018 and 2019.

Decision:

That the Mayor approves:

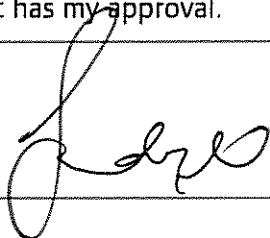
1. The receipt of funding, via a funding agreement between the GLA and the Mayor's Fund for London, totalling £306,000 over two-years to deliver the Mayor's Entrepreneur competition in 2018 and 2019.
2. Expenditure of the same to deliver the Mayor's Entrepreneur competition for the next 2 years.

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:

5/9/17

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

Decision required – supporting report

1. Introduction and background

- 1.1. The first Mayor's Low Carbon Entrepreneur (LCE) Project was held in 2012. The key aim of the project then and now is to inspire the next generation of young entrepreneurs to come up with innovative solutions for solving issues facing cities. Previous approvals related to this project over the past 4 years are: DD482 (2012); DD986 (2013); ADD141 (2014); ADD255 (2015); MD1519 (2016 & 2017).
- 1.2. It is proposed to continue the project, as it will support the Mayor's ambitious manifesto target to make London a zero-carbon city by 2050. It will also support the manifesto promise to be the most pro-business Mayor yet, working in partnership with industry to deliver on skills, infrastructure, and the growth of the low carbon circular economy through helping London's students become the next generation of green business entrepreneurs. It aims to achieve this by engaging students and academic staff across London's higher education establishment on the need to find market-driven solutions to reduce carbon emissions and tackle other environmental issues. The project encourages students and recent graduates to enter their business ideas for the opportunity of winning the £20,000 prize to bring their idea to market. This also allows engagement with these groups on the work of the GLA. The competition is open to all undergraduates, postgraduates (taught and research) and research PhD students in London and is judged by an expert, respected and high profile panel of judges.
- 1.3. The Mayor's Fund for London will employ 20 paid interns who will assist the delivery team at City Hall to advertise the project at their universities and to encourage students to attend the workshops and apply for the competition. The internships will be offered to a group of students from universities across London and will help them to develop their workplace skills through on-the-job training to enable them to compete in the job market with increased confidence. These opportunities will be advertised at universities across London with emphasis on trying to reach students from lower income backgrounds. The Mayor's Fund for London internships will employ the interns on fixed term contracts for a 6-month period for 4-5 hours per week. The Mayor's Fund has confirmed that the interns will be paid London Living Wage for those hours worked.
- 1.4. A new addition to the project is mentorship opportunities to students over the next two years of the project. The delivery team at City Hall will work with staff from universities across London to help identify students who would most benefit from having a mentor. Staff from universities will then be given the opportunity to nominate their students for a mentorship opportunity with Citi or one of the corporate partners of the Mayor's Fund for London. This will give the students an opportunity to get advice and learn from individuals in their chosen field.
- 1.5. The funds awarded to the competition winner/ winning team each year will facilitate the creation of new green businesses in London, strengthening the low carbon circular economy.
- 1.6. While the projects may tackle wider environmental issues, submitted ideas must contribute towards reducing direct and indirect CO₂ emissions in London and will be judged for their ability to reduce carbon as well as against the following criteria:
 - Originality
 - Practical application – it must work
 - Clarity of proposal
 - Sustainability - where will the business be in 5 years?

1.7. Categories for applications include

- Air Quality
- Product design
- Transport in the city
- Recycling and reuse
- Energy efficiency
- Food/food waste
- Water management
- Other – any other idea to help create a sustainable future for London

1.8. Previous winners include:

- Bio-bean: An award-winning green energy company which collects waste coffee grounds and recycles them into Advanced Biofuels. This company is now employing 40 people across two sites in London.
- Solarbox: Unused red telephone boxes are purchased from local councils and transformed into public mobile device charging points powered by solar panels on their roofs.
- Choose BLOCKS: A modular smartwatch that is composed of easily assembled and replaceable modules that each carry out a different function.
- Bump Mark: Developed a food expiry label that is bio-reactive, meaning it goes bad exactly when the food inside the package does too, helping reduce waste. The team has grown to 5 people.
- Clotho: A clothes exchange service that allows people to swap their clothes – reducing the amount of clothes going to landfill.
- Aeropowder: developing natural insulation materials from waste chicken feathers. With this, they aim to enable buildings to be insulated in a more sustainable manner.
- Twipes: developed hygienic, water-dispersible wet wipes on a roll designed to fit into existing toilet roll holders. They are free from harsh chemicals and dissolve in water within three hours

Finances

- 1.9. The project has throughout its life been financially supported through a commercial sponsor. In 2012 Berkeley Homes sponsored the project, from 2013 to 2015 Siemens were the commercial sponsor and for 2016 and 2017 the Citi Foundation was the commercial sponsor.
- 1.10. To be considered for funding from Citi Foundation, applicants must be registered charities. Therefore, the GLA worked with The Mayor's Fund for London to secure \$425,000 (circa £ 340,000 at current exchange rate of 1.25 dollars to the pound) of sponsorship funding from the Citi Foundation to support the project for 2 years. The Citi Foundation works to promote economic progress and improve the lives of people in low-income communities around the world. Their focus is on increasing financial inclusion, catalysing job opportunities for youth, and reimagining approaches to building economically vibrant cities. It is proposed that the Mayor will enter an agreement with the Mayor's Fund for London for the GLA to deliver the project in 2018 and 2019. The GLA plans to use £306,000 to deliver the project.
- 1.11. In kind funding from the Mayor's Fund and the GLA has been calculated as part of the applications process. This includes use of desk space (costed by FM as £22,500 per desk per year); use of meeting rooms and the Chamber and the London Living Room for the end of year awards event; and salaries

for project management, marketing, web, design, press, finance and senior staff attendance at events. This in-kind contribution was valued at £104,723 per year for the GLA and £2,717 for the Mayor's Fund per annum (breakdown provided in appendix 1).

2. Objectives and expected outputs

Objectives

- To engage with London's higher education students on carbon and energy reduction as well as wider environmental issues
- To work with lecturers and university staff to deliver workshops to achieve our joint outcomes through pooling resources
- To grow the low carbon circular economy by supporting the creation of new green businesses
- To provide students with direct employability training by offering paid internships and unpaid mentoring opportunities
- To hold a high-profile awards event attended by the Mayor and celebrities from the business community with an interest in sustainability
- To continue to expand the influence and scope of the competition building stronger relationships and "brand" awareness across all London higher education institutions
- To assist students in developing workplace skills

Expected outputs

- Employability and entrepreneurship training delivered to 600 London students per year
- 20 paid internships to support the project
- Over 300 competition entries per year from across London's higher education institutions
- At least 1 winning student business idea, per year, to be developed using the corporately sponsored development fund into a viable business
- An annual high profile judging and award ceremony celebrating the students' success

3. Equality comments

- 3.1. The project is open to all people including those with protected characteristics. The project is advertised through various methods to students across all London universities. The interns work at their individual universities to encourage students from all backgrounds to participate in the project and this is tracked via the feedback forms that are filled in after the workshops. The only limiting factor for eligibility to apply to the project is that the applicants are or have recently (graduated in the previous year) been students at a London university or college.

4. Other considerations

Key risks and issues

- 4.1. Two risks have been identified and plans have been put in place to minimise the potential of these situations occurring and their possible impact. The first is the risk of a lack of student engagement which is seen as being a low probability but medium impact risk. This will be avoided using a variety of communication tools and incentives for students to get involved. The strong network of staff contacts at London's universities and colleges established in previous years also helps to mitigate against this risk.

- 4.2. The second risk relates to the external sponsorship of the project being discontinued or withdrawn. This is seen as being a low probability but high impact risk. Planned continual communication with the sponsor over the next 2 years will minimise this risk to ensure their expectations and performance indicators are understood and met. To further reduce this risk other potential sponsors will be investigated and representatives invited to attend the high-profile events. This also raises the profile of the competition and the student ideas.

Links to Mayoral strategies and priorities

- 4.3. The links are:
- The project supports the Mayor's ambitious manifesto target to make London a zero-carbon city by 2050
 - The project also supports the Mayor's manifesto promise to be the most pro-business Mayor yet, working in partnership with industry to deliver on skills, infrastructure, and growth
 - This competition also links to the Mayor's pre-manifesto commitment to establish a 'Bazalgette Award' for Londoners to come up with innovative solutions to solve the environmental problems facing London. <http://www.newstatesman.com/politics/uk/2015/06/sadiq-khan-interview-london-can-t-have-somebody-stuck-1980s-or-1990s>

5. Financial comments

- 5.1. Mayoral approval is being sought to deliver the Mayor's Entrepreneur Project for 2017-18 and 2018-19 including the receipt of \$425,000 (via a funding agreement with the Mayor's Fund for London) secured from the chosen foundation to cover delivery costs. The project is expected to start from September 2017 and end in September 2019.
- 5.2. Funding from the foundation will come to the Environment team via the Mayor's Fund for London as a funding agreement between the Mayor's Fund for London and the Greater London Authority. Payment of the funding to the Greater London Authority will be in line with what is agreed on the funding agreement.
- 5.3. The Mayor's Fund for London will retain £34,000 over the two years to cover administration costs associated with the grant agreement, leaving the Greater London Authority with £306,000 of the funding to deliver the project. Exchange rate losses will be contained within the Unit's budget.

6. Legal comments

- 6.1. Under section 30 of the Greater London Authority Act 1999 (the "Act"), the Mayor, acting on behalf of the GLA, is entitled to do anything that he considers will further the promotion, within Greater London, of economic development and wealth creation, social development and improvement of the environment. It appears that the above proposals fall within the section 30 powers.
- 6.2. The GLA should satisfy itself that the proposed arrangements are within the charitable objects of the Mayor's Fund for London, that Citi Foundation as the proposed source of funds is aware of the details of the proposed arrangements, and that nothing that the GLA does could be characterised as designed to avoid the payment of tax or avoid other legal obligations.
- 6.3. Under section 34 of the Act, the GLA may do anything which is calculated to facilitate, or is conducive or incidental to, any functions of the GLA. This report indicates that the decisions requested of the Mayor may be viewed as falling within the GLA's powers to do anything which is facilitative of or conducive or incidental to the GLA's exercise of its power under Section 30 of the Act to promote economic development, social development and improvement of the environment within Greater

London. In this regard, the Mayor's Entrepreneur Project will promote student innovation, employability and entrepreneurship.

- 6.4. In taking the decisions requested of him, the Mayor must have due regard to the Public Sector Equality Duty under section 149 of the Equality Act 2010; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, and to advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it, and foster good relations between persons who share a relevant protected characteristic and persons who do not share it. To this end, the Mayor should have particular regard to section 3 (above) of this report.
- 6.5. Any procurement required and authorised should be undertaken in accordance with the GLA's Contracts and Funding Code and in consultation with Transport for London's procurement team, who will determine the procurement strategy.
- 6.6. Officers must ensure that appropriate contract documentation is put in place and executed by the successful bidder(s) and the GLA before the commencement of services.
- 6.7. The GLA may seek sponsorship in accordance with its relevant policies and proper conduct as a public body. Officers must ensure that an appropriate funding agreement is put in place between and executed by the GLA and the Mayor's Fund for London before any reliance is placed on such funding.
- 6.8. As the fixed term interns will be employed by The Mayor's Fund for London and therefore have a formal line manager within the Mayor's Fund for London, no formal creation of posts within the GLA is required. The recruitment should keep in mind equal opportunities obligations and should be subject to the fixed term interns having the legal right to work in the UK.

7. Planned delivery approach and next steps

- 7.1. Planned delivery schedule is set out below

Activity	Timeline
Entry into grant funding agreement	September 2017
Announcement [if applicable]	September 2017
Delivery Start Date [for project proposals]	September 2017
Final evaluation start and finish (self) [delete as applicable]:	June 2019
Delivery End Date [for project proposals]	June 2019
Project Closure: [for project proposals]	June 2019

- 7.2. London's university/college students and recent graduates are encouraged to submit existing, or develop new, innovative business ideas to help drive the low carbon economy. A high-profile communications campaign involving social media, university staff and lecturers, and a series of workshops serve to attract entries. Please note the following plan states the project timetable that will be conducted for each of the 2 years of the project therefore numbers refer to yearly aims.
- 7.3. The initial stage of student engagement in the initiative is the recruitment of 20 paid part-time interns from universities across London that will be employed by the Mayor's Fund and support the team at City Hall. These students are trained in the aims of the project and in how to pitch it to other students within their institution. This will give them direct work experience and help them to develop soft skills that will further increase their employability. The focus will be on getting students from a range of universities across London to try and bridge the opportunity gap. By having students from disadvantaged backgrounds employed through this project it provides benefits not only to the student

in the form of increased confidence and exposure to a working environment but also to the university in the form, of positive publicity and encouragement of their future students. Interns form a valuable link between the students and staff at the universities with City Hall.

- 7.4. Idea development workshops conducted at universities across London (600 students) and City Hall will allow students to gain a better understanding of the low carbon economy, its importance to London and the opportunities it opens for them to create their own commercially viable business as well as more details on how to enter the competition.
- 7.5. All applicants are offered an additional training workshop to help these potential entrepreneurs gain confidence in communicating, marketing, and pitching their ideas to this project and potential investors. From the applicants, 10 finalists are selected. The finalists are then provided with specialist advice, pitching training, ideas development support and training tailored to their business idea.
- 7.6. 10 finalists are invited to pitch, Dragon's Den style, to a panel of celebrity entrepreneurs (past judges have included Dame Vivienne Westwood, Jo Malone MBE, Dame Ellen MacArthur, Richard Reed and Deborah Meaden). The pitching and awards ceremony takes place at a high-profile event at City Hall, with 1 or 2 winning business ideas selected to receive a share of the £20,000 prize fund to start-up their business. In addition, these businesses, and other selected finalists, receive ongoing support and mentoring.
- 7.7. This year, in addition to the above, we will be introducing a mentorship programme where lecturers and staff members will have the chance to nominate students that they think will benefit from having a mentor. The mentors will be from Citi and from some of the Mayor's Fund for London's corporate partners. This will provide students with valuable techniques and advice from professionals and industry experts to help them develop their business ideas as well as giving the students a clear focus and helping them to achieve their objectives. It will also strengthen the message being sent to universities about the wider competition and its ability to support students into careers.

Appendices and supporting papers:

Appendix 1: Breakdown of annual estimated in kind contributions

GLA In-Kind contributions

Program Director G10	£55,995	
Marketing, web and design (various) 0.2 fte G7	£8,057	
Press team support (0.05 fte G7	£2,014	
Finance and admin support (various) 0.1 fte G7	£4,028	
Legal support 0.0125 fte G10	£679	
Room use for meetings and events	£9,450	
Senior staff time to attend events	£2,000	
Desk space	£22,500	
TOTAL		£104,723

Mayor's Fund for London In-Kind contributions

Mayors fund staff support (various) 0.05 fte G10	£2,717	
TOTAL		£2,717

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 to confirm the following (✓)

Drafting officer:

Sally Dagli has drafted this report in accordance with GLA procedures and confirms the following have been consulted on the final decision.

✓

Sponsoring Director:

Fiona Fletcher Smith has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Shirley Rodrigues has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 04 September 2017.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

Date

Tom Middleton *04-09-17*
Tom MIDDLETON on BEHALF OF MARTIN CLARKE

CHIEF OF STAFF:

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

Signature

Date

D. Bellamy

4/9/2017