

REQUEST FOR MAYORAL DECISION – MD1519

Title: Mayor's Low Carbon Entrepreneur Programme: 2016 & 2017

Executive Summary:

The Low Carbon Entrepreneur (LCE) competition is a Mayoral manifesto commitment, which promotes and celebrates student innovation, employability and entrepreneurship and helps reduce carbon emissions.

The LCE competition has run for 4 years expanding its engagement each year. The 2016 and 2017 prizes will build on this success.

The corporately sponsored development fund awarded to the winners each year facilitates the creation of new green businesses in London, strengthening the green economy. To support young London entrepreneurs The Mayor's Fund for London has applied for \$350,000 of funding to support the LCE prize for 2 years. It is proposed that the Mayor will enter into an agreement with the Mayor's Fund for London to deliver the LCE prize in 2016 and 2017.

Decision:

That the Mayor approves:

1. To continue to deliver the Mayor's Carbon Entrepreneur competition for the next 2 years (2015-16 and 2016-17)
2. Expenditure of up to £428,588 to deliver the Mayor's Low Carbon Entrepreneur competition for the next 2 years, which includes the provision of in kind support, such as use of desk space and GLA and Mayor's Fund staff support as well as senior staff attendance at the end of year awards events.
3. The receipt of funding, via a funding agreement with the Mayor's Fund for London, to cover delivery costs (totalling £212,120 over the 2 year period)

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:

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) Prize ("the Prize") was held in 2012. The Mayor committed to the prize in his 2012 manifesto stating 'It is important for City Hall to show positive leadership and to foster innovative in green technology. I have introduced the Mayor's prize for new research into low carbon technology. The £20,000 prize money is targeted at students, without cost to the public purse.' Previous approvals related to this programme over the past 4 years are: DD482 (2012 prize); DD986 (2013 prize); ADD141 (2014 prize); ADD255 (2015 prize)
- 1.2. The project supports the growth of the green economy and job creation by helping London's students become the next generation of green business entrepreneurs. It achieves 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. 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 both an expert and a high profile respected panel of judges.
- 1.3. The funds awarded to the winners each year facilitates the creation of new green businesses in London, strengthening the green economy.
- 1.4. 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 and how the idea would be taken forward using the prize money
 - Broader sustainability benefits
- 1.5. Categories for applications include
 - Product design
 - Transport in the city
 - Materials/reuse and recycling/circular economies
 - Behaviour change/networking
 - Energy efficiency/capture/generation
 - Food/food waste
 - Water management
 - Other – any other idea to help create a sustainable future for London
- 1.6. Previous winners include:
 - Bio-bean: An award-winning green energy company which collects waste coffee grounds and recycle them into Advanced Biofuels.
 - 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.
 - 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.
 - Clotho: A clothes exchange service that allows people to swap their clothes – reducing the amount of clothes going to landfill.

Finances

- 1.7. The Prize has been financially supported through a commercial sponsor. In 2012 Berkeley Homes sponsored the Prize and from 2013 to 2015 Siemens were the commercial sponsor. For 2016 and 2017 a new commercial sponsor has been secured. The sponsorship value of the programme has increased over the past 4 years (sponsorship team estimate this increase in value at 7% per year if no expansion in the reach and duration of the project had occurred, the additional increase in sponsorship obtained is due to the growth in scope of the programme).
- 1.8. To support London's young low carbon entrepreneurs The Mayor's Fund for London has applied for \$350,000 (circa £233,000 at current exchange rate of 1.5 dollars to the pound) of sponsorship funding from the Citi Foundation to support the Prize for 2 years. The Citi Foundation works to promote economic progress, investing in efforts that increase financial inclusion, catalyse job opportunities for young people and reimagining approaches to building economically vibrant cities. It is proposed that the Mayor will enter into an agreement with the Mayor's Fund for the GLA to deliver the Prize in 2016 and 2017. Of the £233,334 funding the GLA plans to use £212,120 to deliver the programme. The Mayor's Fund's management of the grant will cost £21,214 over the 2 years
- 1.9. In kind, match 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 £94,362 per year for the GLA and £3,265 for the Mayor's Fund per annum (breakdown provided in appendix 1).

2. Objectives and expected outcomes

2.1. Objectives

- To engage with London's higher education students on carbon and energy reduction as well as wider environmental issues
- To grow the green economy by supporting the creation of new green businesses
- 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

2.2. Expected outcomes

- Employability and entrepreneurship training delivered to 500 London students
- Over 200 applications from across London's higher education institutions
- At least 1 winning student business idea 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

Equalities have been considered for this programme. The programme is open to all protected groups. The only limiting factor for eligibility to apply to the programme is that the applicants are or have recently (graduated in the previous year) been students at a London university or college. The programme is open to all, regardless of background or circumstances. The mission is to be open to people, places, methods and ideas – and as such, equality and diversity are at the heart of everything we deliver and aim to providing an inclusive culture in which all individuals are encouraged to participate fully.

4. Other considerations

a) Key risks and issues

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.

The second risk relates to the external sponsorship of the programme 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 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.

b) Links to Mayoral strategies and priorities

- The programme supports the Mayoral manifesto promise "to grow the green economy by supporting the creation of new green businesses" (mayoral Manifesto, p. 10 & p. 29, 2012)
- The programme also supports the Climate Change Mitigation and Energy Strategy aim to reduce London's carbon emissions by 60% by 2025

5. Financial comments

- 5.1 Mayoral approval is being sought to deliver the Mayor's Low Carbon Entrepreneur Programme for 2015-16 and 2016-17 including the receipt of \$350,000 (via a funding agreement with the Mayor's Fund for London) secured from the chosen foundation to cover delivery costs. The programme is expected to start from June 2015 and end in June 2017.
- 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 GLA. Payment of the funding to the GLA will be in line with what is agreed on the funding agreement.
- 5.3 The tables below detail project funding including in-kind and overhead contributions over the next 2 financial years. The funding of \$350,000 from the foundation is circa £233,334 at the current exchange rate of 1.50 dollars to the pound) and in-kind and overheads costs of approximately £195,254.

Funding for 2015-16 and 2016-17	£
GLA In-kind match funding (staffing and overheads*)	188,724
Mayor's Fund for London In-kind match funding (staffing)	6,530
Charitable Foundation (\$350,000) funded to the programme via the Mayor's Fund for London	233,334
Total	428,588

* GLA's in kind contributions over the 2 years to match fund the sponsorship includes use of desk space, and marketing, legal and finance GLA staff support as well as senior staff attendance at the end of year awards events.

- 5.4 The profile spend of the funding of £233,334 will be split as detailed in the table below. The Mayor's Fund for London's management of the grant will cost £21,214 over the 2 years, leaving the GLA with £212,120 of the funding to deliver the programme.

Costs/ expenditure of incoming funding.	2015-16 (£)	2016-17 (£)	2017-18 (£)	Total (£)
GLA				
Salaries	35,000	40,000	7,120	82,120
Consultancy	18,000	18,000	-	36,000
Prize awards and contingency	3,200	23,200	20,000	46,400
Communications and marketing	17,800	17,800	-	35,600
Catering	5,000	5,000	-	10,000
Travel	1,000	1,000	-	2,000
Total GLA	80,000	105,000	27,120	212,120
Mayor's Fund for London				
Management of the grant fees	10,607	10,607		21,214
Total	90,607	115,607	27,120	233,334

- 5.5 If at any stage of the programme there is a need for any consultancy work, officers have to ensure that the requirements relating to consultancy services within the Authority's Financial Regulations and Expenses & Benefits Framework are adhered to and costs will be contained within the existing Environment budget allocation for 2015-16.
- 5.6 Should this decision relate to a contract at any stage, officers have to ensure that the requirements of the Authority's Contracts and Funding Code are adhered to.
- 5.7 Any changes to this proposal will be subject to further approval via the Authority's decision-making process.
- 5.8 The Environment team within the Development, Enterprise & Environment will be responsible for managing this project

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.
- 6.2 In formulating the proposals in respect of which a decision is sought officers have complied with the GLA's related statutory duties to:
- pay due regard to the principle that there should be equality of opportunity for all people;
 - consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
 - consult with appropriate bodies.
- 6.3 This report demonstrates that the requested decision 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 Greater London Authority Act 1999 to promote social development and improvement of the environment within Greater London. In this regard, the Mayor's Low Carbon Entrepreneur programme will promote student innovation, employability and entrepreneurship and help reduce carbon emissions.

- 6.4 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 Procurement, who will determine the procurement strategy.
- 6.5 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 the services.
- 6.6 The GLA may seek sponsorship when exercising its section 30 general power under its power to charge third parties for discretionary services under section 93 of the Local Government Act 2003 provided that the charges levied do not exceed the costs of provision.

7. Investment & Performance Board

Minutes of IPB meeting on the 14th May 2015:

14.1 The Board received a report outlining proposals for a Low Carbon Entrepreneur (LCE) to celebrate and promote student entrepreneurship in the low carbon sector.

14.2 DECISION

That the delivery of the Mayor's Low Carbon Entrepreneur 2016 and 2017 Prize for London University Students, including the receipt of \$350,000 secured from the chosen grant providing foundation, via a funding agreement with the Mayor's Fund, to cover delivery costs, be approved in principle.

- See more at:

<http://www.london.gov.uk/moderngov/ieListDocuments.aspx?CId=234&MId=5586&Ver=4#sthash.kOE06GZ8.dpuf>

8. Planned delivery approach and next steps

Activity	Timeline
Procurement of contract [for externally delivered projects]	June 2015
Announcement [if applicable]	June 2015
Delivery Start Date [for project proposals]	June 2015
Final evaluation start and finish (self) [delete as applicable]:	June 2017
Delivery End Date [for project proposals]	June 2017
Project Closure: [for project proposals]	June 2017

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 serves to attract entries. Please note the following plan states the programme timetable that will be conducted for each of the 2 years of the programme therefore numbers refer to yearly aims.

The initial stage of student engagement in the Initiative is the recruitment of 100 student ambassadors. These students are trained in the aims of the programme and in how to pitch it to other students within their institution. Ambassadors form a valuable link to the students at each university while gaining valuable experience to help them enter employment. A new component planned for the ambassador scheme will involve "super ambassadors" who will monitor the ever growing number of student ambassadors. These paid roles will provide an additional level of careers experience for these students alongside their studies, further increasing employability.

Workshops conducted at universities across London (500 students) will give them more details about the competition and how they can enter. These idea development workshops will also allow them 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.

All of the 200 entrants are offered training workshops to help these potential entrepreneurs communicate, market, and pitch their ideas to this programme and potential investors. From the applicants, 10 finalists are selected. The finalists are then provided with specialist advice, ideas development support and training tailored to their business idea, as well as a business mentor.

10 finalists are invited to pitch, Dragon's Den style, to a panel of experts (past judges have included Dame Vivienne Westwood, 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.

For the last 3 years an additional benefit has been offered to all entrants, the choice to be part of a closed internship assessment centre run by the sponsor. Students in this assessment centre were then offered paid internships varying from 3-12 months in length. This is aimed to be continued in 2016 and 2017 with internships being paid for by the businesses offering the internship.

Appendices and supporting papers:

Appendix 1: Breakdown of annual estimated in kind contributions

GLA In-Kind contributions

Program Director (Sally) 0.7 fte G10	£45,712	
Marketing, web and design (various) 0.2 fte G7	£9,000	
Press team support (Rachelle) 0.05 fte G7	£2,250	
Finance and admin support (various) 0.1 fte G7	£4,500	
Legal support (various) 0.0125 fte G10	£900	
Room use for meetings and events	£7,500	
Senior staff time to attend events	£2,000	
Desk space	£22,500	
TOTAL		£94,362

Mayor's Fund for London In-Kind contributions

Mayors fund staff support (various) 0.05 fte G10	£3,265	
TOTAL		£3,265

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.

✓

Assistant Director/Head of Service:

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

✓

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:

Matthew Pencharz has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

Date

CHIEF OF STAFF:

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

Signature

Date