

GREATER LONDON AUTHORITY

REQUEST FOR DIRECTOR DECISION – DD2185

Title: Tech Challenge Programme Pilot 2018

Executive Summary:

This Decision seeks approval to pilot the Mayor's Tech Challenge Programme (working title). The programme will identify the big strategic challenges facing London and Londoners – from inequality to climate change and an ageing population – and incentivise London's high performing SMEs to provide solutions. The business support programme is funded through LEAP and will be delivered through the Growth Hub. A key element of support is proof of concept funding to enable firms to work directly with the market to test and co-develop their product or service. £75,000 of funding has been approved by LEAP, and up to £25,000 will be sought from private sector match to fund the delivery of the programme.

Decision:

That the Executive Director for Development, Enterprise & Environment approves expenditure of up to £100,000 to pilot the Mayor's Tech Challenge Programme.

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: Fiona Fletcher-Smith

Position: Executive Director-Development,
Enterprise & Environment

Signature:



Date:

11.12.17

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 The Mayor's draft Economic Development Strategy, to be published for consultation on 13th December 2017, prioritises supporting the growth and innovation of London's tech and digital sectors and pledges to set strategic challenges for the tech community to help solve – to meet both London's growth aspirations, and help to solve some of the pressing issues facing the city (from health inequality to air pollution and the challenges of an ageing population).
- 1.2 The Tech Challenge programme will incentivise London's high performing SMEs to respond to these challenges, stimulating innovation, and will provide the business support firms need to access the market.

2. Objectives and expected outcomes

- 2.1 The Tech Challenge Programme is a mission-led business support programme, aimed at creating markets for innovative SMEs focussed on solving some of the big challenges facing London.
- 2.2 The objectives of the programme are:
 - To provide targeted business support to high performing tech SMEs;
 - To direct London's tech SMEs towards solving the challenges facing London and Londoners;
 - To stimulate the creation of new markets;
 - To support the co-design and co-development of innovation with the market;
 - To engage markets (public and private sectors) in the potential for disruptive technologies, business models and processes to meet their needs;
 - To complement the wider business ecosystem in London, including existing Mayoral business support programmes such as the Investment Showcase (which provides funding to later stage SMEs);
 - To pilot an approach which will feed into the development of a larger scale, annual Mayor's Challenge programme.
- 2.3 These objectives will be achieved through:
- 2.4 **Business development support** to companies which have innovative, but which may lack competencies in other areas, such as:
 - Sales and marketing,
 - Protection and exploitation of intellectual property,
 - Investment and finance-raising,
 - Business and financial planning,
 - Responding to public tender, and
 - Business/tech ecosystem awareness.
- 2.5 **Access to market** by convening innovative SMEs with the market, the challenge will provide support to companies who have well developed innovations but who:
 - Need to know more about the requirement of their end market and potential clients;

- Could convert their innovations into more market-ready products;
- Could move towards sales-based growth in the medium term;
- Would benefit from the experience of an integration and sales funnel with larger clients;
- Need to identify and address gaps in their own business capacity;
- Would benefit in terms of business credibility from a project of this kind with their end market.

2.6 **Co-design and learning** for tech SMEs and the market, through a LEAP-funded proof-of-concept (or pre-proof-of-concept – dependent upon the stage of the innovation). The programme will support the SME and the market to explore the integration of their solution into their existing business flow at reduced risk to both parties. This funding will be awarded on a competitive basis.

2.7 As well as providing business support to high performing SMEs, the programme will provide to the end market:

- Early awareness and adoption of technologies likely to disrupt their business models;
- An opportunity to integrate a new solution which could improve productivity or provide capabilities which were previously not possible.

2.8 The table below sets out how the funding will be used:

Use of Funding	Overall Cost £X	Delivery Start Date
Delivery of programme and provision of business support	£55,000	Feb 2018 (tbc)
Distributed Prize Money	£45,000	May 2018 (tbc)

3. Equality comments

3.1 Under Section 149 of the Equality Act 2010, as a public authority, the Mayor of London must have 'due Regard' of the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who have a protected characteristic and those who do not.

3.2 Gender Equality and Equal Opportunities are enshrined within the GLA's programmes and activities according to the Mayor's Framework for Equal Life Chances (June 2014) and the Mayor's draft Diversity and Inclusion Strategy.

3.3 The Tech Challenge programme will look to maximise its positive impact on equality for all Londoners through ensuring innovation is targeted at addressing some of the strategic inequality challenges facing Londoners. The programme will be promoted through a wide variety of channels to reach out to underrepresented groups, events will be accessible and communication channels will be used to showcase and celebrate innovation across a diverse SME base.

4. Other considerations

Key Risks and Issues

4.1 The main risk to the success of the pilot would be that not enough tech start-ups, or not enough of the right kind of start-ups, apply to the competition. This will be mitigated by ensuring a prominent announcement, maximising the use of existing networks and all communication channels available to the GLA, and channelling applications through a well-used platform in the tech start-up community. The programme will be delivered in partnership with key members of London's innovation ecosystem. An expert steering panel will ensure that the companies chosen for support can deliver, and are at the right stage for exploitation of the opportunity.

Links to Mayoral Strategies and Priorities

- 4.2 The Objectives and outcomes of this programme are in line with the draft Economic Development Strategy, which prioritises supporting the growth and innovation of London's tech and digital sectors and pledges to set strategic challenges for the tech community to help solve.
- 4.3 The programme also helps to meet the Mayor's Manifesto pledge to "take tech to the next level" by removing barriers to growth. The Tech Challenge programme will support SMEs to access the market to test and co-design their innovation.

5. Financial comments

- 5.1 The total estimated cost of this programme is £100,000, of which £75,000 will be funded from ringfenced LEAP funds, specifically the LEAP Strategies budget for 2017-18, with the balance of up to £25,000 being sought from private sector match funding. It should be noted the match funding has not yet been confirmed and if this level of match funding is not secured, the programme will be reduced accordingly.
- 5.2 While delivery is expected to commence in 2017-18, the programme is expected to end during the 2018-19 financial-year and as a result part of the budget allocation will require re-profiling into 2018-19. This will form part of the Authority's budget process for 2018-19, which is currently underway.

6. Legal Comments

- 6.1 The foregoing sections of this report indicate that:
 - 6.1.1 the decisions requested of the director concern the exercise of the GLA's general powers, falling within the statutory powers of the GLA to do such things as may be considered to be facilitative of or conducive or incidental to the promotion of economic development and wealth creation in Greater London; and
 - 6.1.2 in formulating the proposals in respect of which a decision is sought officers have complied with the GLA's related statutory duties to:
 - (a) pay due regard to the principle that there should be equality of opportunity for all people;
 - (b) 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
 - (c) consult with appropriate bodies.
- 6.2.1 The GLA must, in the exercise of its functions, have due regard to the need to:
 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010 ("the Act");
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

6.2.2 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; and
- (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

6.2.3 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

6.2.4 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to: tackle prejudice; and promote understanding.

6.2.5 Compliance with the above duties may involve treating some persons more favourably than others, but that is not to be taken as permitting conduct that would otherwise be prohibited by or under the Act.

6.2.6 The relevant protected characteristics are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation.

6.2.7 A reference to conduct that is prohibited by or under the Act includes a reference to a breach of: an equality clause or rule; or a non-discrimination rule.

6.2.8 To this end the director should have particular regard to section 3 (above) of this report.

6.3 Officers must ensure that no reliance should be placed upon the third party funding sort until binding legal commitments are in place for the same.

6.4 The services required must be procured by Transport for London Commercial who will determine the detail of the procurement strategy to be adopted in accordance with the GLA's Contracts and Funding Code. Officers must ensure that the relevant contract documentation is put in place and executed by the successful bidder(s) and the GLA before the commencement of the services.

Planned delivery approach and next steps

Activity	Timeline
Announcement	13 th December (soft launch)
Procurement of contract:	January 2018 (tbc)
Delivery Start Date	February 2018 (tbc)
Delivery End Date:	Tbc

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? YES**

If YES, for what reason: Deferred until launch (13th December 2017)

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:

Nick Swanson has drafted this report in accordance with GLA procedures and confirms that:

✓

Assistant Director/Head of Service:

Mark Kleinman 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.

✓

Corporate Investment Board:

The Corporate Investment Board reviewed this proposal on 4 December 2017.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

M. D. Bell

Date

5.12.17

