

Report and letter Impact Review**What Works for Microbusiness**

Released in Autumn 2018

Feedback

Sue Terpilowski OBE, London Policy Chair, Federation of Small Businesses said: *"We welcome this report as it addresses some of the major concerns of members of FSB in London. Whilst London micro businesses remains dogged and determined, the high cost of doing business is putting additional pressure on wages and inflation for London businesses. (...)"*

Krissie Nicolson, Director, East End Trades Guild said: *"The East End Trades Guild is pleased to have made representations to this concerted enquiry into the challenges of London's fastest growing business constituency. The report paints an accurate picture of the barriers imposed on micro businesses and the lack of relevant provision for them. (...)"*

**Media coverage & stakeholder engagement**

The Chairman was interviewed about the report on LBC Radio. The report received coverage in HR Director. The video created to launch report has been watched around 100 times.

The Economy Committee site visit to the East End Trades Guild received press coverage from London Live, Business Advice and East End Advertiser.

The survey for microbusiness owners was promoted by many stakeholders via their website, twitter or newsletters, including Wandsworth Council, ISPE, ISBE, FSB, London Councils, LEAP, EETG, Capital Enterprise, North London Chamber of Commerce, and many others.

Mayoral response and recommendation implementation

The Mayor's response to the letter was received on 21 November 2018.

The response overall was very positive. The Mayor was positive about most of the recommendations and highlighted how a number of his strands of work would cover the recommendations.

The majority of the recommendations will be carried out or considered in a variety of the LEAP's future work. The LEAP will publish an annual report and hold an AGM in public to showcase its stakeholder engagement work; it is re-designing the website to increase transparency on funded projects; is strengthening its project oversight; will increase its work with grassroot businesses; and will launch a programme next year to help small and microbusinesses adapt to new technologies.

See below for a full breakdown of the recommendations and the Mayor's response.

	Recommendation summary	Progress	Response summary
1	<p>Transport-related spend</p> <p>We heard from the Deputy Mayor for Business that the LEAP's short-term priority is to support enterprise and entrepreneurs, and in the longer term, to develop skills and 'the right kind of infrastructure' for London. (...) Can you clarify the situation around transport-related spend? To assess the proportion of spending going on transport-related projects, we would also be grateful if you could send the committee a breakdown of the funding allocated by the LEAP each year since 2012 and what the money was spent on.</p>		<p>The LEAP has inherited a number of transport-related projects from the previous administration. GLA officers working on behalf of the LEAP manage the overall delivery of this work, and together with the LEAP Board ensure the robust delivery of large infrastructure projects that are transforming local communities.</p> <p>A breakdown of funding allocated by LEAP in this Mayoralty will be shared in due course.</p>
2	<p>Stakeholder engagement</p> <p>We recognise the significant challenges the LEAP faces to engage widely with London's diverse business landscape. However, we recommend a more active strategy of engagement to promote and develop awareness of how businesses and communities can connect with the LEAP's programme of work. This will give businesses better access to available funding and support. Can you outline what plan, with timelines, the LEAP has to boost its engagement activities?</p>		<p>It is fair to say that LEAP already has a significant programme of engagement with stakeholders.</p> <p>A list of past engagement activities is provided.</p> <p>We will soon be publishing LEAP's first Annual Report, further increasing clarity, transparency and awareness of our work. From 2019, we will be holding an Annual General Meeting in public and using this as further opportunity to showcase our work and engage with stakeholders.</p> <p>The LEAP delivery team is recruiting a dedicated engagement and communications officer who will manage our stakeholder engagement strategy going forward.</p>
3	<p>Website update</p> <p>We welcome the Board's commitment to upgrade the LEAP</p>		<p>LEAP is committed to making significant improvements to the Growth Hub website. Phase one of this work is focussing on improving</p>

	<p>website, and to make it more navigable. As the LEAP's main means of communication, it is vital that the information on the website is readily accessible, not merely available. (...)</p> <p>a) a clear and regularly updated list of funded programmes on the website.</p> <p>b) that the LEAP develops a postcode search functionality to enable businesses and the public to see what projects have received funding in their local area.</p> <p>c) that the LEAP provides for the London Co-Investment Fund, and wherever applicable for other funds, the rate of return on investments made by LEAP funds.</p> <p>d) an improved Growth Hub on-site search functionality to make it easier for users to navigate the website and find relevant content.</p>		<p>navigation and adding project and programme-level content on the current site and will be completed before the end of 2018. This will include key outputs and outcomes from programmes, which will address your request regarding the London Co-Investment Fund.</p> <p>Phase two involves a complete redesign of the website, for which we are undertaking user research to inform our understanding of how the website is currently used, barriers to use and key areas for improvement. We would very much welcome involvement from the London Assembly during this process, which will provide an opportunity to feed in ideas such as the proposed postcode search functionality.</p>
4	<p>Project oversight</p> <p>We welcome the LEAP's commitment to step up oversight of ongoing projects. It was disconcerting to learn that there have been instances where LEAP funds, though committed through grant agreements, have not been spent to planned profiles. We would recommend that the LEAP now publish information on the improvements it has or intends to make to its monitoring process.</p>		<p>The LEAP Board closely monitors and scrutinises performance data and risk at each quarterly meeting. LEAP's Investment Committee and Programme Board focus on detail relating to individual projects at their delegation levels. In addition, the LEAP Board has established an informal process for Members to review granular data and provide specific advice as required outside of the formal meeting cycle.</p> <p>LEAP is focussed on ensuring that its spend forecasting is accurate and spend pace is sufficient to increase economic growth across the capital. We are working closely with delivery partners to deliver this and will add a</p>

			<p>statement in the governance web pages of our new website to explain how we manage project performance.</p> <p>Any slippage to spend profiles is taken very seriously and highlighted in the published quarterly performance report, that we will signpost to more clearly on the new website. Senior officers supporting the LEAP and individual delivery teams meet with Government monthly to, amongst other things, discuss performance and spend, which further increases accountability.</p>
<p>5</p>	<p>Small business engagement</p> <p>We welcome both online and offline strategies to increase awareness of the Growth Hub among micro and small businesses in London. (...) To this end, we want to see you connect and work more closely with local, grassroots business organisations, such as the East End Trades Guild and Sohost, or council programmes such as Wandsworth Enterprise Week 2018. You should organise a set of workshops across London to meet with those local business groups to promote the Growth Hub and LEAP funded programmes.</p>		<p>We are continually exploring ways to maximise engagement with LEAP programmes and have exciting plans for raising the profile of the London Growth Hub, which include working more closely with grass roots business bodies across London's sub-regions. We would be happy to discuss these plans with the Assembly in the new year.</p>
<p>6</p>	<p>Established business</p> <p>Microbusinesses and other stakeholders felt that a lot of government, council and GLA programmes were great for start-ups but irrelevant for established businesses who struggle to survive. (...) We welcome the information from the Deputy</p>		<p>LEAP is continually looking at better ways to reach the harder to reach businesses through a wider face-to-face business support offer that will be delivered across London, focussing on areas of higher deprivation and businesses that lack the social capital possessed by others. Thank you for your helpful suggestions about support that we should focus on</p>

	<p>Mayor for Business that the LEAP is considering launching a new fund in the new year that will provide working capital loans to micro and small businesses.</p> <p>But we would like to see more tailored and practical support and advice to established businesses.</p>		<p>providing; we shall certainly build this into our future programme of support, which will be led by the needs of businesses.</p> <p>No information was provided whether there would be a new fund that will provide working capital loans to micro and small businesses.</p>
7	<p>Help small businesses adapt to new technologies</p> <p>During our meeting, the Deputy Mayor for Business agreed that “upskilling to equip entrepreneurs and small business owners to adapt and take advantage of new technologies” was essential.⁶ We would like to see the Growth Hub provide practical information on how small and microbusinesses owners can best adopt new technologies to support their livelihoods.</p>		<p>I agree that upskilling to equip entrepreneurs and small business owners to adapt and take advantage of new technologies is essential to success. The London Growth Hub is already in the process of developing proposals for a 'Technology Adoption Service' that will help every-day businesses adopt existing and emerging technologies. The programme has been considered by the LEAP Programme Board and will be launched in 2019; again we would be happy to share details with the Assembly.</p>
8	<p>Signposting local initiatives</p> <p>Finally, we heard from experts and business owners that it was difficult for microbusiness to know what London’s councils are doing to support access to affordable workspace, including pop-up initiatives. We would like the Growth Hub to play this role of signposting local initiatives. This could take the format of an "in my area" feature, similarly to the one on London.gov.uk.</p>		<p>LEAP's Growth Hub already includes a directory of borough-level support across the capital, including private and public sector support, and we are looking at how we can better promote this on the new website. By way of example, the following link shows results for business support in the London Borough of Croydon: www.growthhub.london/support/?location%5B%5D=croydon.</p> <p>In addition, we have developed the London Workspace Map a part of the Growth Hub, which provides a unique London-wide search tool for co-working space, artist studios, incubators/ accelerators, maker spaces and shared kitchens.</p>

			<p>Finally, we continue to deliver a pan-London property Advice Service, which provides start-ups and existing SMEs looking to take on or renegotiate an existing lease with free property advice from property experts. This support is easily accessible at: www.growthhub.london.</p>
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