

London Assembly Plenary Meeting: Thursday 6 June 2019

Transcript of Item 4 – Question and Answer Session – London Economic Action Partnership (LEAP) and Royal Docks

[Note: The Deputy Chairman, Tony Arbour AM, took the chair at 10.00am.]

Tony Arbour AM (Deputy Chairman): We progress to today's principal business, which is a question and answer session on the London Economic Action Partnership (LEAP) and the Royal Docks. We have with us this morning Rajesh Agrawal, who is the Deputy Mayor for Business, as well as Mayor Rokhsana Fiaz [OBE], who is Co-Chair of the Royal Docks Enterprise Zone Programme Board. I think it is your first time here. Welcome. It is not very arduous. We have Simon Pitkeathley, who is Business Member of LEAP and Champion for Small Business. Welcome. We have Debbie Jackson, Interim Executive Director for Development, Enterprise and Environment and described as "Senior Responsible Owner". Finally, we have Daniel Bridge, who is the Programme Director of the Royal Docks. Welcome.

There will be three lead-off questions but before we have the first of the lead-off questions, Rajesh Agrawal will make an opening statement.

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): Thank you very much. I would like to begin by thanking you for inviting us here today because it is a great opportunity for us to showcase the work of LEAP.

As London's Local Enterprise Partnership (LEP), LEAP is wholly funded by Government grant and it leverages significant match funding by third parties for its projects. Its partnership of business and public sector expertise is tasked by national Government with determining local economic priorities and leading on economic growth and job creation in London, in partnership with the Greater London Authority (GLA) and the Mayor. In addition to our business members, our trade union representatives ensure that the voice of London's workforce is heard in all decision-making.

It is a myth that the economy only happens in shops and offices. It happens everywhere. LEAP is solely focused on investments that will lead to good growth, growth that benefits both businesses and communities. With the continued uncertainty of Brexit having a very negative impact on our economy and local communities, LEAP's work is needed now more than ever before. I am hugely thankful to LEAP's business members, who volunteer large amounts of their time for their love of London and their ambition for it and its and communities to do well.

Assembly Members have previously made comments that LEAP hands out money to businesses, including in the interests of its own members. This is highly inaccurate and I would like to correct that. Our governance arrangements have been rated by Her Majesty's Government as good, with elements of excellence, for two years running, ensuring that value for money and community benefit is scrutinised at every step of the decision-making process. Most of our programmes are open to large-scale application grants and any conflicts of interest are very carefully managed. LEAP is fully committed to transparency and actively publishes a huge range of information on its website, including all LEAP funding decisions.

I am very proud of what LEAP has achieved so far. Over the lifetime of the funding that LEAP is due to receive we will have created 60,000 new jobs and apprenticeships, provided business support to over

15,000 entrepreneurs and businesses, and provided support to over 150,000 learners.

Tony Arbour AM (Deputy Chairman): Thank you very much. We now have the first lead-off question, from Assembly Member Hall. Since we have a panel of five, perhaps you would like to tell us, please, who you would like to answer your question.

Susan Hall AM: Yes, I will. Thank you, Chairman. Obviously, I will go to the Deputy Mayor, please.

2019/11381 - Effectiveness of the LEAP

[Susan Hall AM](#)

How would you rate the effectiveness of the LEAP?

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): LEAP is a very business-led Board. Half of all the members of the LEAP Board are independent business members. We measure our performance very rigorously through various different mechanisms. We have one of our business members of LEAP here with us today, Simon Pitkeathley. It might be best if I ask him to answer that, if I may.

Simon Pitkeathley (Business Member and Champion for Small Business, London Economic Action Partnership): Of course, if that is OK? What we are particularly good at is identifying and delivering investment to support good economic growth in the interests of all Londoners. We measure performance and effectiveness through several mechanisms. There are four main ones. All funding applications are supported by business cases in line with the Government's Green Book, as you would expect, which must include outputs that applicants evidence they can achieve. Secondly, applications are assessed in accordance with set criteria, including value for money and community benefit. We undertake significant due diligence for larger projects, as you would expect. Delivery partners report on delivery at regular intervals and we undertake thorough evaluation of each project, and the Board receives quarterly reports on outputs, performance, risk and spend.

If I can give you some examples, to the end of March 2019, in the last financial year, LEAP's investments funded 112 projects with capital funding and 15 projects with development funding. That totalled £171 million. We have approved 80 Skills for Londoners Capital Fund projects to a total of £128 million and these will assist 111,000 additional learners and allow for the deployment of more than 13,000 apprenticeships. We have also provided business support to over 4,600 people through events, workshops and meetings. To date, Growth Deal funded projects have created 3,000 jobs and apprenticeships and supported 29,000 Londoners, and provided business support to 478 entrepreneurs and small and medium enterprises (SMEs). I can talk more about sector engagement, the Good Growth Fund or --

Susan Hall AM: No, no. If I go through my questions and there is time left over then perhaps you can choose what to talk about. Are you aware, Deputy Mayor, of the longstanding concerns about the transparency of LEAP?

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): LEAP publishes all its documents and the whole Board is fully committed to transparency.

Susan Hall AM: Interestingly, I spent most of yesterday trying to go through your website. It is like ploughing through treacle trying to find out where money is going, how the projects are faring and what they are doing. You will remember that there were recommendations from the Economy Committee that we had in September [2018], some very good recommendations. One of them was a clear and regularly updated list of

funded programmes on the website, including a breakdown of projects that receive funding as well as how much has been spent on each project and the purpose of the spend. That was a recommendation. Has that been implemented?

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): That is being implemented as we speak. The whole website is being redesigned and will be ready in the next few months. There is a huge amount of information on the website and I appreciate that at times, if somebody wants to find -- but also at the Economy Committee meeting I remember there were Members who could not find the website. I do not know where they were looking because if you just search "LEAP London" on Google the website will come up. But I completely take your point, we have taken all of those into consideration and the website is being redesigned as we speak.

Susan Hall AM: You took my point in September [2018] and here we are in June [2019] and the website is still absolutely impossible to navigate.

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): I would not say it is impossible to navigate. It can be improved and we are improving it as we speak.

Susan Hall AM: In the answer to me, from that letter from the Mayor, it said:

"Phase 1 of this work is focusing on improving 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 --"

We were asking about something specific. That should have been completed by the end of 2018.

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): Some of those changes - the quick wins, the ones that could be implemented very quickly - have been made. I am not sure when was the last time we had a chance to look at the website but some of those changes have been made. There are some changes that will take a bit longer and they are happening as we speak.

Susan Hall AM: I have just told you that I was looking on the website for the entire day yesterday, trying to search different projects.

I see that you have published the LEAP annual report, which is - typical for this administration - full of lots of glossy pictures, full of exactly what Simon [Pitkeathley] said earlier - you have done this, you have helped this many people - with absolutely no detail at all. How are we supposed to do our jobs properly when we cannot get hold of information?

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): All the detail is on the website but we are happy to provide you, if there are any specific requests, with any particular information you are looking for.

Susan Hall AM: I think it was Assembly Member [Tom] Copley who suggested that residents or the public could put in their postcode and find out what was going on in their area. We all thought that was an extremely good idea, and that was in the recommendation from the Economy Committee.

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): If I could just add a couple of points to the Deputy Mayor's

response on this one, one of the things that we have developed over the last year is much better performance reporting arrangements with the full LEAP Board and the LEAP Investment Committee.

You will have seen within the papers for the LEAP Board that we have a quarterly update on performance that reports on performance against our programmes at programme level. It does not go into project-level detail. At any given time we have up to 200 or so projects and with two hours with the LEAP Board once a quarter we simply do not have time to go into that level of detail with them. What we do report through to the relevant level of delegation, be it the LEAP Board, the LEAP Investment Committee or the Programme Board -- every project that gets approved at the point of approval is within those papers and those papers are available publicly. There is detail on projects at the point of approval and they are reported on in terms of their performance at programme level rigorously every quarter to both the Investment Committee and to the LEAP Board as well, and all of those papers are available publicly.

The postcode search is something that we are looking at. It takes longer to implement because it is a more involved digital project but it is something that we are looking at.

Susan Hall AM: Yes. You see, this letter from the Mayor that came back to me as Chairman of the Economy Committee at the time said that it would be focusing on improving navigation and adding project and programme-level content. You were copied into that letter, as were Simon [Pitkeathley] and Rajesh [Agrawal].

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): Yes. We have that project-level content at the point of approval and we report on the programme level delivery on a quarterly basis. As part of that, as you will have seen in some of the paperwork, where there are projects that are causing issues or have challenges then they are reported on by an exception basis.

Susan Hall AM: You see, there is millions of pounds of taxpayers' money going into this. We are supposed to be a massive scrutiny board looking at different aspects of the different projects. We are told that there are hundreds or thousands of new jobs being created. None of us can go in there and find exactly where it is because it is just all over the place. Your comments? This is taxpayers' money we are supposed to be looking out for.

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): I am sorry, I am at risk of repeating myself but at the point that the programmes are approved, the projects are all listed in detail in terms of the outputs and outcomes that they are due to be delivering and the detail of the projects that are approved. That goes for all our programmes from Crowdfund London, with the smallest investments, up to the Skills for Londoners Capital Fund with multi-million pound investments. Then we report on progress against those at programme level and, by exception, where there are challenges we report on those as well at a project level.

Susan Hall AM: It is not easy to find. You were told this, Deputy Mayor, in September [2018]. The whole of the Committee agreed that it was just hopeless. TaxPayers' Alliance were there. Even they could not find anything with all their --

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): They could not find the website, if I remember it correctly. I do not understand how they got to that position.

Susan Hall AM: I do not know how we are in this position, spending hours and hours trying to look into and go into depth on some businesses. As an example, I found one business yesterday. I thought, "I will just look

into that and see what has happened to that business". £250,000 of taxpayers' money went into that and within less than three years they have moved their business out of London. It is little things like that that need to be looked at. To me, that is a lot of money. In the big scheme of things it might not be but if there are lots and lots of projects at £250,000 at a time the money adds up.

We cannot do our job properly if we cannot get information. I have all the information on that particular company and that was just one that I managed to find out, but that was going through loads of different bits of the website. Please can we have your assurance that that website will be changed and up and running to make our job easier and to make it possible for our job to be done? This is millions of pounds of taxpayers' money.

Approximately how much do you think, Deputy Mayor, goes through the LEAP every year?

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): There is a huge amount of information available on the website in the interest of transparency, and like I said, the website is being redesigned and improved as we speak. I would very much welcome comments on the new website as and when it is launched.

Susan Hall AM: When will it be launched?

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): In the next few months. We have been working on it.

Susan Hall AM: In the next couple of months?

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): In coming months.

Susan Hall AM: OK, and it will be easy to look into different projects, will it? Because you say --

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): Well, I think there is a huge amount of information on it. It depends on the person's digital skills as well. That is why we have a digital training programme and we are funding that to improve people's digital skills. We have tried to make it as easy as possible but we are further improving it.

Susan Hall AM: You started your address to us with, "We are fully committed to transparency". Quote.

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): Yes.

Susan Hall AM: It is no good just saying, "We have delivered this, we have delivered that", with absolutely no evidence to back it up. It is our job to look at the evidence. If we cannot easily find that evidence it is not good enough, quite frankly. Can you give us a date by which this Assembly will know that the website is up and running and everybody, regardless of whether they have in-depth digital skills or not, can go to it and see when these projects are completed and how much money has been spent on them?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): I just want to add a further point to this discussion. One of the things we are very mindful of, and our LEAP Board are very keen to push us on, is to make sure that as many organisations as possible can engage with our programmes. We also need to be mindful of their finite capacity

and resources to work with our programmes. Historically, if you go back a number of years, we worked exclusively with local authorities. We have managed to broaden our reach and we are very proud of that in that we work with a lot of third sector organisations and community organisations as well.

We need to be really mindful of the burden that we place on them in terms of reporting. We absolutely monitor their performance but not only do we need to be mindful of the time our teams in City Hall are taking in terms of producing information on a super-regular basis, we also need to be mindful of the barriers to participation of other organisations and the burden of administration that we place on them. It is really important that we have that balance right. I am just concerned, in terms of managing expectations across 200 projects, that if we have monthly project-level reporting publicly that will consume more than an entire team's time here at City Hall and it will also put a burden on our delivery partners as well.

Susan Hall AM: Yes, but --

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): We do monitor project performance but we do also need to be mindful of the work involved in producing that.

Susan Hall AM: I accept that, but equally lots of these businesses are taking tens of thousands of pounds of taxpayers' money and therefore I have a duty to make sure that information is there for us to make sure it is being spent properly. I will move on to my next question because we will get nowhere with that.

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): Sorry, do you mind if we just respond on one point there?

Susan Hall AM: Be quick, if you may.

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): It is just that the only activities that LEAP engages in that fund businesses are things like the London Co-Investment Fund. In the main, LEAP does not fund businesses.

Susan Hall AM: Fine. OK. It is nice to know where the money goes, which is the essence of the question.

Out of ten funding streams for LEAP, I was surprised that there was nothing specific whereby businesses or business districts could put in bids for funding for policing. Can you tell me why not?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): I missed the beginning of that question. Did you catch that?

Simon Pitkeathley (Business Member and Champion for Small Business, London Economic Action Partnership): Is it about policing?

Susan Hall AM: Yes. You have ten different funding streams.

Simon Pitkeathley (Business Member and Champion for Small Business, London Economic Action Partnership): And there are none for policing?

Susan Hall AM: No.

Simon Pitkeathley (Business Member and Champion for Small Business, London Economic Action Partnership): Well, I think that is because it is outside of the remit of LEAP to fund that sort of thing, because the Mayor obviously oversees the Metropolitan Police Service, I assume. That is not within the remit of LEAP.

Susan Hall AM: The reason I am asking is that there was some polling done and, to cut to the chase, basically the top priority for businesses in London post-Brexit is tackling knife crime. It was a big poll done by the London Chamber of Commerce, by ComRes, and they said that their biggest issue is knife crime. Given that that is a survey that was done, I was wondering if it had been picked up by any of you. Clearly not.

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): We talk to business networks all the time so we are aware of the top priorities for London's businesses. We would not put LEAP funding into policing directly. What we do support are a range of place-based initiatives that improve local communities. Some of those may improve wayfinding, they may improve the wellbeing of local communities or designing out crime. We will contribute towards broader outcomes but LEAP funding is not designed for or intended for policing or policing budgets.

Susan Hall AM: The London Regeneration Fund has spent £12.9 million to date. What does it have to show for this?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): For the London Regeneration Fund I believe the figure is higher than that. The London Regeneration Fund completed all of its programmes at the end of the last financial year [2018/19] and it spent £16.3 million against 13 projects in total. To date, the projects have created 183 jobs and 4,560 square metres of commercial floorspace. It is worth noting that for all of our programmes, the outcomes and outputs are collected following completion because we want to know that they have been achieved rather than just projected. We will be continuing to collect the outputs and outcomes for the London Regeneration Fund over the coming months.

Susan Hall AM: My figures are not quite the same. How many jobs did you say were created?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): Jobs, 183.

Susan Hall AM: Out of a lifetime of 1,867 required on the latest figures we have, which were 28 March [2019]. The target was 1,867.

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): Yes. As I said, outputs and outcomes are collected following completion of projects. Lots of these projects completed at the end of March [2019] so we are in the process of collecting those outputs and outcomes.

Susan Hall AM: It is way off, is it not?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): I would expect it to be so at this stage.

Susan Hall AM: You will come back to us on that specific one, will you? We have here that there was unspent saving, it only created 10% of the commercial space and delivered 5% of the jobs.

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): I am sorry, I can only repeat myself. We are in the process of collecting outputs and outcomes, having focused on completing the projects by the end of the financial year which it was our commitment to do.

Susan Hall AM: You see the difficulty? We got these out of the minutes somewhere, not that they are published easily for anybody to see, and quite frankly some of the figures on some of these projects are quite appalling. The Growing Places Fund. If you look at the programme status, jobs created: not available. Lifetime: 26,730, supposed to be. How much has been spent on that fund after May 2016?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): The Growing Places Fund to date has spent £95.1 million. The Growing Places Fund was the first funding that Government allocated to LEPs under the previous administration and it went to a range of larger, quite complex infrastructure projects in the main. Lots of those are still in the later stages of delivery and as I said before, outputs and outcomes are collected towards the end of projects.

Susan Hall AM: How many businesses have been helped so far in that one?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): I cannot give you that figure right now but I am happy to follow up.

Susan Hall AM: The figure we have is four businesses out of a target of 557. Only 1,758 jobs have been created from a lifetime target of 26,730. That is only 7% with less than two years to go. Would you call that an underperformance or not?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): I would not make comment on performance until the projects are completed and all of the outcomes and outputs have been collected.

Susan Hall AM: You see, the thing is it could be an absolute disaster in the end. Millions and millions of pounds have gone into this. We have no way of checking through any of this. I assume you must have figures somewhere with proper projections of where you are going to be at the end. Why are they not published? The Deputy Mayor said you are fully committed to transparency.

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): The figures you have in front of you are forecasts for the outcomes and outputs that will be achieved by the end of the programme.

Susan Hall AM: So, 7% at the moment with less than two years to go and you think it is going to be all right?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): Those are the forecast outcomes and outputs towards the end of the programme. Just to reassure Assembly Members, we do rigorously monitor our projects. We get monitoring reports from our projects but we do not just receive them and file them, we meet with our project partners. We pride ourselves on not just churning money out the door. We spend a lot of time working with our project partners. For us spending the money is important but as you are raising, the delivery of the

outputs and the outcomes is paramount. We put a lot of time and effort into doing this. We have both the monitoring mechanisms but also the capacity at City Hall to spend time with the delivery partners to ensure that the projects are delivered to achieve the outcomes that we set out to achieve.

Susan Hall AM: Unfortunately, we have to take your word for it because there is just no way we can find evidence of any of this in so very, very many of these projects. I will leave it there for the moment, Chairman.

Caroline Pidgeon MBE AM: To the Deputy Mayor, in terms of looking at the effectiveness of the LEAP, back in 2017 I asked at a [London Assembly] Plenary [meeting] what steps the LEAP is taking to address barriers to maternal employment in London and whether you would look into providing funding and training for childminders to improve childcare provision. At that time you said to me, "Absolutely". So, what programmes have you put in place to expand the childcare workforce in the capital?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): I am just going to jump in to make a point. One of the things that restricts the LEAP in its ability to support the kind of outcomes that you are referring to is that the money that the Government gives us - setting European funding aside for a moment - is, in the main, capital. We have done a lot of work to look at childcare challenges and how you can support that and we have tried to think about how we could support it through capital funding, and it is actually revenue-funded programmes that we need to support the childcare challenge. We have had many discussions with Government about the necessity for revenue funding in order to address some of the outcomes that you are describing but for as long as Government gives us capital funding it is quite difficult to get to some of these outcomes.

Caroline Pidgeon MBE AM: OK, but London has the lowest maternal employment of any region in the United Kingdom (UK). Women living in London are less likely to be in employment if they have dependent children and many parents cite lack of childcare as one of the key factors preventing them from returning to the workplace. This has huge implications for our economy. What are you doing to address this? I hear what you are saying about capital money but being creative -- you have all these businesspeople around the table. You have told us what a dynamic Board you are. You are good, excellent in areas. You are not excellent in this area. What are you doing to address this? The Deputy Mayor committed to it.

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): Like Debbie mentioned, a lot of this LEAP money comes with strings attached and most of the money goes for capital funding, but increasingly there are business models that are now emerging where there are co-working spaces with childcare in it as well. Those are some of the new business models emerging and we are looking at how we can engage with those sorts of businesses and encourage them to have more childminding and childcare facilities within the co-working spaces.

Caroline Pidgeon MBE AM: What I am really looking at and wanting to hear you aiming for is childcare training, training up the workforce. The number of childminders in London and nursery places is falling. You could invest in the buildings, potentially, with the capital you have, but investing in the training of the workforce would fit perfectly, it seems to me, with some of these pots of money you have. We have mentioned the Growing Places Fund, the Skills for Londoners Fund and so on. It would have this double benefit not only of skilling up a workforce, creating the childcare places and new jobs, but allowing parents to return to work. It is a win-win situation. Will you commit today to seriously considering how you, with all your expertise, can invest and train up this workforce to help London's economy and particularly help women to return to work?

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): Yes, absolutely, and what we are also happy to do is come back to you with the things that we are already doing. Some LEAP money is also going to colleges and so on and they are already offering. We can come back to you specifically on what that --

Caroline Pidgeon MBE AM: You could come back with the detail on this. This needs to be a proper programme so we can really help those parents get back to work and also create those jobs and the skills needed in the sector.

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): We are also fully committed. For example, if you look at the London Co-Investment Fund, which comes from LEAP money, which co-invests in start-ups, we have already invested in over 120 start-ups. The percentage of female founders in those start-ups is more than twice the industry average. We particularly focus on businesses founded by people of black, Asian and minority ethnic (BAME) background and also female founders as well. Those are some of the things. We are quite committed on that, but I am happy to come back to you with more on that.

Caroline Pidgeon MBE AM: I look forward to some detail in writing. Thank you very much.

Tony Arbour AM (Deputy Chairman): Yes, please do that. We now go onto the second lead question, from Assembly Member Cooper.

2019/11382 - Supporting Economic Growth

[Leonie Cooper AM](#)

Since the LEAP was created, what actions have you taken to support economic growth and job creation in the capital?

Leonie Cooper AM: Thank you very much for the opening remark from Rajesh and also the contribution from Simon [Pitkeathley]. I want to ask about actions. I would like to helicopter back up a bit from a long discussion about the website into what actions you have been taking to support economic growth and job creation, and I think I would like to start with Debbie because you talked about the 200 projects. Could you divide those up into groupings so that we can get a feel for the overall thrust of what you have been doing?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): Yes, of course. We are really clear in the work that we do with the LEAP that we need to have some priorities and clarity over our funding. I agree, 200 projects need to have some clear, overriding priorities. There is an overriding priority to the LEAP of progressing inclusive growth. The LEAP have been very clear with us that it is not just about raising productivity, it is about raising productivity in a way that enables all Londoners to participate in the benefits of growth.

The Good Growth Fund is one of the main programmes that we have brought forward under LEAP. The Good Growth Fund is a £70 million programme and it supports a range of place-based, community, cultural and green infrastructure projects to achieve the overriding aim of good growth. What we do with that programme is we take it out to London and we invite London to tell us what their local area would benefit from, because we do not think for one second that sitting here in City Hall we are best placed to understand the challenges and opportunities of some of London's localities. We work with local partners. Time and again we see that programme oversubscribed with brilliant projects. That is the Good Growth Fund.

As part of the Good Growth Fund we have Crowdfund London, which supports smaller projects particularly targeted at community and local groups. We recognise that the Good Growth Fund oversailed some groups and was too much money, frankly, for them to be able to participate in some of our work, so we specifically designed Crowdfund London to target local and community groups with smaller amounts of money and also for projects that really demonstrate engagement and participation of the local community. That has supported a whole range of projects across London, over 100 successful crowdfunding campaigns through that, and engaged over 1,650 Londoners. That has been a really successful programme.

The London Regeneration Fund I spoke about, which has just finished. If you like, that was a forerunner to the Good Growth Fund. We took a lot of learning from the design of the London Regeneration Fund and fed that into the Good Growth Fund. They have similar sorts of aims and outcomes but the Good Growth Fund is the current fund.

Then we have the Skills for Londoners Capital Fund, which supports capital investment in London's further education providers. Again, there are different strands of that to support the large providers but we also have a small projects and equipment fund as well.

Leonie Cooper AM: OK. I am going to stop you there because I am running out of time.

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): Yes. I have more but I can stop.

Leonie Cooper AM: I wanted to bring in Rajesh to see if there is anything you wanted to add to that, but one of the things I also wanted to ask is: what do you perceive to be the challenges that are facing the LEAP with regard to economic growth and job creation? Then I would also like to bring in Rokhsana [Fiaz OBE] and Simon [Pitkeathley] on that as well, actually.

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): Yes, absolutely. This is a hugely exciting area. This is talking about real, actionable programmes that are making a difference. Thank you for the opportunity for me to talk on that. I will give you examples of some of the programmes we are running.

For example, the London Co-Investment Fund, which I just mentioned earlier on. It is the largest in England of its kind, which invests in early-stage businesses. We have invested in well over 120 start-ups but we always co-invest. When we put £1 in, the target was that £3 would come from the private sector but it ended up being a 1:7 ratio, which means we put £1 in and £7 came from private sector money, which is exciting. It means over £140 million went into the start-up ecosystem. We are very delighted we just exited from our first investment of that fund, sold the business to Facebook. It is quite good. Again, the BAME representation and women's representation on --

Leonie Cooper AM: I would like to hear about the challenges you think you face as well. Perhaps I could ask Rokhsana. What do you think are the challenges? I am running out of time as well.

Mayor Rokhsana Fiaz OBE (Member of the London Economic Action Partnership and Co-Chair, Royal Docks Enterprise Zone Programme Board): OK. I will try to be very brief. For the benefit of other Assembly Members, I am not a businessperson. I am an elected representative representing the London Borough of Newham and I co-chair the Royal Docks Enterprise Zone [Programme Board], which is a significant programme of the LEAP with some £314 million already secured or committed through approvals at the LEAP

Board level last July [2018]. The Programme Board that I co-chair has enabled just over £200 million of that money to be directed across four principal areas of activity across the zone.

The one itself is London's only Enterprise Zone. It is scheduled to deliver, over a lifetime of 25 years, 40,000 jobs and around £5 billion of gross development value including value for local residents and residents --

Leonie Cooper AM: We are going to come back to the Zone.

Mayor Rokhsana Fiaz OBE (Member of the London Economic Action Partnership and Co-Chair, Royal Docks Enterprise Zone Programme Board): Yes. In terms of challenges --

Leonie Cooper AM: We are going to come back to that in subsequent questions from my colleagues. Sorry, could I just ask you, Simon? What do you think are the challenges that are facing London in terms of economic growth and jobs? It will have to be a really short answer because I am completely out of time.

Simon Pitkeathley (Business Member and Champion for Small Business, London Economic Action Partnership): For London specifically, different from other LEP regions, I think the biggest challenge looking forward is how we position ourselves in relation to the UK Shared Prosperity Fund that is coming up. If I had one thing I could change, it would be the way London is perceived by the rest of the country and thereby Government in terms of making sure that we get our hands on a fair share of that new fund when the European Union (EU) funding dries up in 2023.

Leonie Cooper AM: OK. Thank you. Thank you, Chair.

[Note: The Chair resumed the chair at 10.36am.]

Jennette Arnold OBE AM (Chair): Good morning, all. Mr Devenish?

Tony Devenish AM: Thank you. Welcome, Chair. Mr Deputy Mayor, will you commit LEAP resources to the Crossrail to Ebbsfleet rail extension, please? If you would like you can write to me, if you need to look into it in more detail.

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): No, LEAP's funds are not for that. LEPs are not supposed to do that. We do not fund transport infrastructure.

Tony Devenish AM: Second question then. What plans do you have to support the Government's commitment to the Thames Estuary announced in March [2019], please?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): I would point to the Local Industrial Strategy here. We are in the process of developing a Local Industrial Strategy with our LEAP Board and one of the chapters - there are not many chapters - is dedicated to that is the relationship between London and its corridors, and London and the rest of the country. We will be working with our LEAP Board members to consider what priorities and what actions they may want to take in future, to Simon's [Pitkeathley] point about London's relation to corridors and the rest of the country.

Tony Devenish AM: Do you think you will be able to come back to me more specifically on that question once you have reflected?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): I am happy to.

Tony Devenish AM: Thank you. In terms of the question from AM Hall about the website, could you write back to the Assembly in terms of what exactly you are doing on the website and what it will do in terms of outputs on that website and clarity compared to what we have at the moment, please?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): Happy to.

Tony Devenish AM: Thank you very much.

Jennette Arnold OBE AM (Chair): Thank you.

Andrew Dismore AM: Picking up what Simon [Pitkeathley] said, but I think it is a question for Rajesh, in your quarterly update reports the uncertainty surrounding Brexit is impacting on your programmes. What are business saying to you about the effects of Brexit so far and what do they want to happen up until the end of October [2019] and thereafter? Basically, how are you preparing London's economy for the impact of Brexit?

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): Brexit is a huge risk to London's economy, potentially. Businesses are very concerned around Brexit and there is still no clarity on how Brexit will land. That is why we are running a number of programmes to help businesses navigate through Brexit through the London Growth Hub, which is funded by LEAP. We have a big section on Brexit - it is called the Brexit Business Resource Hub - where we pool so much information from all different business organisations and so on, because clearly there is a lack of information from the Government for SMEs and also the Government sometimes publishes technical papers that for a small business owner may not make sense. It is an opportunity for us to translate some of that and pool the information from other business organisations on that.

We also recognise that just online information on Brexit is not enough. That is why we are now arranging face-to-face consultations. That started in March this year [2019]. There are workshops and face-to-face advisory meetings between businesses and experts. But clearly if in October [2019] we leave the EU without a deal it is going to be the worst outcome for businesses.

Andrew Dismore AM: Thank you for that. What impact will leaving the EU have on foreign direct investment into London and what impact has the uncertainty caused so far?

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): It has had an impact on the pipeline. A lot of this comes from London & Partners, who are tasked with bringing more foreign investment into London. It has had an impact on the pipeline but because of all the hard work and the additional money that the Mayor has put in, meaning more boots on the ground in some of the cities around the world, we have not seen as much disruption just yet. But it has clearly had an impact on the pipeline.

Andrew Dismore AM: Simon, do you want to comment?

Simon Pitkeathley (Business Member and Champion for Small Business, London Economic Action Partnership): If it is OK, Assembly Member Dismore, I would just like to pick up on the questions about EU funding generally and segue into that because that is a direct impact.

Andrew Dismore AM: That is going to be my next question. Basically, because you oversee the European Structural and Investment Funds (ESIF) programme in London, the current ESIF programme runs until 2020 and London has an indicative allocation of almost €750 million, split between the European Social Fund (ESF), which funds employment and training, and the European Regional Development Fund (ERDF), which supports improvements to economic competitiveness. If you want to answer, that is fine. After Brexit and the expiry of these funds next year [2020], what certainty is there over any replacement funding thereafter?

Simon Pitkeathley (Business Member and Champion for Small Business, London Economic Action Partnership): One of my roles on LEAP is to chair the ESIF Committee. I am actually 25 but this is what it does to me!

Can I just correct a couple of points in yesterday's press release from the Assembly? I think there are some misconceptions in there. One is that the EU money is all capital grants. In fact, it is not. It is mostly revenue, which is nice to have. LEAP money is capital, the EU money is not.

The other is that these grants will not be available from next year [2020]. That is actually not true. Government have committed to continue funding the ESIF, which is the ESF and ERDF programmes that you outlined there, until 2023. I would say - credit where it is due - it is an example of the Government trying to think ahead and plan for that, but when we get to 2023 the UK Shared Prosperity Fund is, as I mentioned earlier, quite a big concern.

Just a quick update on some of the figures you said there. The total fund for ESIF - that is ESF and ERDF - is €748 million. That is £508 million for ESF and £184 million for ERDF. We require a 50% match of that. We think that typically we can talk about programmes being worth nearly £1.4 billion over seven years. That is a measure of the impact that will have if we do not get that right.

Just to hammer home the point, if we on LEAP, the GLA as a whole, the Mayor and the Assembly could agree on something, it is probably that we could all do an awful lot for London to help Government understand the cost to UK plc of not getting the UK Shared Prosperity Fund allocated at least as equitably, in terms of London's share of that fund, as it does now in future. I am certainly up for it and I am sure all LEAP members are up for working with you guys to try to help Government see that because at the moment - I have been to other LEAP areas - they gloat and they use the general negative attitude towards London to help make their case for their investment ahead of ours. We know that the UK does not benefit when London does not do as well as it can.

Andrew Dismore AM: Just a final, very quick question. I take your point about the rest of the country because London and the southeast subsidises the rest of the country by huge amounts from the taxation from London. If we go belly-up, it will really hurt them. Has the Government guaranteed to continue the funding post-2023 - assuming we have left the EU by then, which may not be the case, the way we are going - at the same sort of level?

Simon Pitkeathley (Business Member and Champion for Small Business, London Economic Action Partnership): It is not clear at the moment. I think we are still waiting for a full consultation on this. The indication is that the total quantum for the country will be the same but not how that is divvied up across regions, and London is treated as a region by Europe so it is quite important.

Andrew Dismore AM: OK. Thank you.

Nicky Gavron AM: I want to ask a question about the London Growth Hub, which is a great initiative. How successful has it been so far in supporting London's SMEs and its microbusinesses? Who would like to take that?

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): I am happy to talk about the London Growth Hub. For the benefit of those who are unaware of what the London Growth Hub is, essentially it is a free-to-access programme to help London's business support offer. It is for entrepreneurs, social entrepreneurs, microbusinesses, SMEs and so on. In fact, there was a report produced just last year [2019] by the Assembly around how many businesses in London are aware of the business Growth Hub. That was about one-third but we are constantly trying to raise awareness of Growth Hub.

It has done a number of things since in this programme. It has engaged with 1,722 businesses face-to-face, online plus offline, and then it has provided 474 businesses with medium or high-intensity support. We are constantly engaging with businesses in social media, wider events. There are numerous events that are taking place so far.

Nicky Gavron AM: Thank you. Perhaps I should ask Simon this question. I looked into the website for the London Growth Hub and I think it is very good. There is a map on it which says, "This is the map of where the workspaces are for London". It has flags on it. It has 500 flags on it at the moment and I thought I would look up the Bermondsey area. I did this because the Economy Committee has been told that workspace for businesses is absolutely under tremendous pressure, and we know this because there is a diminishing stock of low-cost business space, affordable workspace, and it is exacerbated by the permitted development rights and it is exacerbated by way above the rest of the country's hikes in rents, business rates and so on, bearing out your point before. There is a real shortage of space so this is a really important website and map, but I looked up Bermondsey and the first thing that came up was the Shard. What I want to ask you is: is this really about affordable workspace or low-cost business space?

Simon Pitkeathley (Business Member and Champion for Small Business, London Economic Action Partnership): If it is the same map that we are talking about, I think it is trying to identify all workspaces. As someone who runs a workspace where we give away almost all our space for free, I am very aware that while that entry-level stuff is very important, we also need a continuum, a chain as well. It is a point well-made about the Shard but I would also say some people do need that kind of office space too.

We have done a lot of work supporting affordable workspace. As I say, it is an area I know quite well. I co-chair the Mayor's Workspace Provider Board so we are constantly looking at this and that map is a constant work in progress because there are new spaces popping up, changing and moving all the time. It is not always easy to keep on top of it. But if you ask me, "Should there be more and should it be more affordable?", absolutely. You are preaching to the converted here.

Nicky Gavron AM: I am very pleased with that answer. So it is a work in progress. You will be putting more. It is obviously an advert, is it not?

Simon Pitkeathley (Business Member and Champion for Small Business, London Economic Action Partnership): Yes.

Nicky Gavron AM: You will be putting more and more workspace on there, because 500 is a beginning but it needs to have more.

I just want to say, on behalf of the Economy and Planning Committees, I put forward at the [London Plan] examination-in-public on low-cost business space and affordable workspace - I do not know if it will be taken up by the inspectors or the planning team but it would be good to get your support for this - that we should have boroughs monitoring how much low-cost and affordable workspace we actually do have. That is submarket. That is a new policy from the Mayor, an excellent policy. Then there are lots of policies to help them protect it. We need your backing from the LEAP to make sure that boroughs are going to do that monitoring.

Simon Pitkeathley (Business Member and Champion for Small Business, London Economic Action Partnership): You certainly have my backing. I think it is an extremely important policy. I do see in my borough, in Camden, that affordable workspace is starting to come up in Section 106 agreements and things like that. There is movement there but I think we could all sign up to that. I think it is a very easy policy to do, understanding that there are also the conflicts and many demands on space from lots of area, including housing and freight consolidation, would you believe, and things like that as well. But if you are asking me, workspace, workspace, workspace.

Nicky Gavron AM: I hope that speaks for the panel.

Mayor Rokhsana Fiaz OBE (Member of the London Economic Action Partnership and Co-Chair, Royal Docks Enterprise Zone Programme Board): If I may, in the context of the Enterprise Zone over in the Royal Docks we already have planning consent for some 8 million square feet of workspace. A significant amount of that is already released under the auspices of the first phase of the ABP development that is coming through and that opened in April [2019]. We are looking at mapping all of the space that we have across the zone, including space that we can use at low cost for meanwhile use for fledging, emerging enterprises and small businesses from across London but also more locally.

Nicky Gavron AM: Excellent. Thank you.

Florence Eshalomi AM: Good morning to you all. To both Debbie and Simon, I recently attended a high street summit in Streatham where a number of the businesses raised concerns around the impact of Brexit, the impact of business rates, the impact of charging, the impact of lack of charging infrastructure for electric vehicles, congestion; a whole range of issues. I just wanted to know how the High Streets Investment Strategy will support high streets to respond to some of these pressures. Some of the other pressures that came up were around high rents, business rates revaluation and big competition from online retailers. We are seeing a lot more people choosing to shop online instead of the high streets. There is also the big impact of Brexit affecting consumer confidence. How is the High Street Strategy going to help with that?

Simon Pitkeathley (Business Member and Champion for Small Business, London Economic Action Partnership): Firstly, the point is very well made that things like increasing rents and business rates are having a huge impact on high streets generally, but I think we would all recognise that we do use online shopping far, far more than we ever used to. High streets are becoming places where we go to do things, to have experiences, not necessarily to go and buy things in the traditional way. I think the idea that the high street is dying is not entirely fair, but the change may well be painful.

What we can do with LEAP is try to spot those painful moments and see how we can help people transition to different business models if they are trying to do that. Areas like Business Improvement Districts or town centre managers can take control of some aspects. Rent and rates, unfortunately, are outside any of our direct control in almost all circumstances. I think there are lots of things that can be done and we are well-placed. Back to the earlier point from Assembly Member Gavron, workspace has to become a really important part of

what the high street becomes. Getting activity, and different activities, but motion and maintaining motion in and around high streets is vital in terms of helping them evolve to what they are going to have to be in the new economy.

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): I would just add a couple of points, if I may, just to underline the points Simon has made. For me there are three forces impacting on high streets. There is the restructuring of the retail market. There is also their importance as locations for growth in terms of addressing the housing crisis as well. Also, fundamentally important to the work that LEAP does, there is the social role that high streets play in terms of being focal points for communities and places that communities identify with. Often our most vulnerable communities identify on the high streets.

As agents of change, as policymakers, they are assets to our work. They are central to our work and have been over many years. The first two rounds of the Good Growth Fund have directed over £25 million worth of funding towards high streets and town centre improvements. There are the programmes and the funded projects. Also, Crowdfund London supports high streets. We also do research around high streets as well. We have completed last year [2018] some research looking at the social role of high streets, the outcome of which informed some of what I am saying about the social role of high streets, and we are underway with another piece of research that will report in the autumn [2019], which looks at strategies for how to consolidate and develop the strategic rationale for investment in high streets so that we and other partners can really value their role in the delivery of London's growth and in supporting London's communities.

Florence Eshalomi AM: That is great. I am really running out of time so quite a quick response from you, Debbie. We have seen the LEAP's Good Growth Fund award a number of high streets, including the Blue in Southwark, in the heart of Bermondsey. Just today the Mayor has announced an additional pot of that Good Growth Fund of £20 million. When will we get some of the results about the projects that were funded last time? When are we going to see some of the results from that?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): We have done two rounds. We are releasing a third round of the Good Growth Fund. Projects complete and finish all the time. One of the challenges for us is that you announce the fund, and then it goes off and delivers and they all finish at different times. It is quite challenging for us to bring that story back to one place. We get great local coverage but we have recently brought in extra communications resource in order that we can tell that story about the successes and achievements of the LEAP, in order that we can bring that cumulative story back together as projects deliver. We are doing some work on that. We acknowledge that we have more to do.

Florence Eshalomi AM: Thank you.

Tom Copley AM: Good morning to you all. My question first of all is to Rajesh but I would welcome any other comments if anyone has any, and it is about construction skills. How will the £7.2 million of LEAP funding for the Mayor of London's Construction Academy help to tackle the capital's housing crisis?

Rajesh Agrawal (Deputy Mayor for Business and LEAP Co-Deputy Chair for Mayor's Office): It is something that is hugely important, especially in light of Brexit because a significant number of our workforce in the construction industry comes from Europe. It will have a big impact. Also, we are facing a challenge where a significant part of the construction industry workforce are very close to retirement age. If you have to solve, as we want to and we are working towards solving the housing challenge in London, it is very important we have the right kind of workforce. That is why we are investing in the Construction Academy.

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): Yes, just a couple of points to make on top of that. The Mayor's Construction Academy is both a capital and a revenue programme. It is funded by LEAP funding but it is also funded by other GLA funding as well. In the first instance, it seeks to recognise London's further education providers that are already doing great work in this space. There are a lot of programmes out there already. But then once that recognition is in place, it invites those providers to participate in and apply for capital funding to improve facilities.

A lot of work went into whether the Mayor's Construction Academy should be one big thing or whether it should be a distributed model. Given the scale and complexity of London, the conclusion was that it should have been a distributed model but with a degree of hub and spoke. The Mayor's Construction Academy programme will have centres of excellence that will support an ecosystem, if you will, of construction skills providers across London's subregions.

Tom Copley AM: Thank you. The GLA is getting the Adult Education Budget from the academic year 2019/20. It has been devolved. Will you be able to provide further funding into the LEAP and the Construction Academy because of this devolution to ensure we continue to skill up the next generation of construction workers?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): The devolution of the Adult Education Budget is not something that technically is under the control of LEAP, if you see what I mean, but of course we talk to our LEAP members about it and report through. There is, if you like, a bridge across to the governance arrangements for devolution. It is early days in terms of devolution. It starts in September [2019] in terms of the implementation of that funding. In terms of sectors, the construction sector is a priority, as has been identified through the creation of the Mayor's Construction Academy. In terms of the application of future funding, I do not want to commit to additional funding going into the Mayor's Construction Academy at this time although it did attract additional funding from the Mayor's Strategic Investment Fund from business rates funding in recognition of the importance of it. I see it continuing to be a priority sector.

Tom Copley AM: We know that in terms of apprenticeships, apprenticeships in construction in London are very low out of the total number. Do you have a target, a benchmark or something like that for the Construction Academy to get more Londoners going into construction apprenticeships?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): I am afraid I do not know the answer to that question as I sit here. Can I come back to you separately on that?

Tom Copley AM: Yes, that is absolutely fine. Just finally, the Government's [Sir Oliver] Letwin review into build out rates said that we would need a flash programme, over five years of on-the-job training for bricklayers in particular, if the country is going to meet the house-building target. Have you had any conversations with Government about greater funding for such a programme in London to ensure that we hit the very ambitious target of 66,000 homes a year?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): Again, I am sorry, I do not have the answer to that question, although I am intrigued by the reference to bricklayers because, generally speaking, when we talk about construction skills the consensus is that actually, with modern construction methods, bricklaying is one of

many skills that need to be developed. In terms of the detailed answer to your question, can I come back to that separately, please?

Tom Copley AM: Yes, absolutely.

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): Thank you.

Tom Copley AM: Thank you.

Jennette Arnold OBE AM (Chair): Thank you.

Dr Onkar Sahota AM: Thank you. My questions are about the LEAP and diversity. How effective has the LEAP been in creating an environment to assist under-represented Londoners wishing to establish new start-ups?

Rajesh Agrawal (Deputy Mayor for Business and London Economic Action Partnership Co-Deputy Chair for Mayor's Office): This is again something that is very close to our hearts because London's big strength is its diversity and we should try to reach out to some of the most deprived communities and also the ones who need the most help, whether it is people from ethnic minorities, whether it is women, whether it is disabled people. Talent is everywhere and we must nurture this talent. That is why we are running some of the programmes.

If you look at the London Co-Investment Fund, our record on investing in businesses founded by women and founded by people from BAME communities is very strong. In fact, women cofounders make up 22% of those businesses compared to only 9%, which is the UK average.

Through the LEAP we have also done a number of roundtables to engage with entrepreneurs from different communities. We had specific roundtables hosted here in City Hall with women entrepreneurs specifically from BAME communities and Middle Eastern communities. We had a particular roundtable - it was absolutely amazing to see the talent in the room - of disabled entrepreneurs and so on. We put diversity at the heart of everything we do.

It is also reflected in the composition of the Board itself. If you look at the LEAP Board, it has entrepreneurs and it has larger business representation, but in terms of the ethnic makeup of the group and the gender makeup of the Board as well. Diversity is at the heart of everything we do.

Dr Onkar Sahota AM: Great. Thank you.

Navin Shah AM: I have questions on regeneration and a planning perspective specific to the Royal Docks development. This is an opening question to the Deputy Mayor.

As the body responsible for providing strategic oversight to the Royal Docks on behalf of the GLA, how does the LEAP ensure delivery of the development brief and accountability?

Rajesh Agrawal (Deputy Mayor for Business and London Economic Action Partnership Co-Deputy Chair for Mayor's Office): Can I ask my colleague to answer that question for me?

Mayor Rokhsana Fiaz OBE (Member of the London Economic Action Partnership and Co-Chair, Royal Docks Enterprise Zone Programme Board): Thank you very much. I sit on the LEAP Board as the Co-Chair of the Royal Docks Enterprise Zone [Programme Board], which, as you will be aware, is a collaboration between the Mayor of London and [the London Borough of] Newham. As previously stated, over a 25-year period a significant number of jobs are intended to be created, including a contribution to London's economy of around £5 billion over that ten-year period.

Issues of governance are very important. As part of the governance arrangements of the Royal Docks Enterprise Zone, particularly in the context of ensuring issues around the work of the Enterprise Zone being efficient and having impact and having social value for the residents and local people in that part of the capital, as well as contributing to London's economy, we have regular reporting mechanisms. The Delivery Programme Board meets every two months. I co-chair with Colette O'Shea [Managing Director of London and Retail Portfolios, Land Securities Group]. There is the presence of the Deputy Mayor for London [Joanne McCartney AM], responsible for housing delivery because of the quantum number of housing that will be delivered across the Zone in addition to jobs and economic growth.

I am also going to be passing on to my colleague Daniel Bridge, who will be able to provide you with some more detail around the specific area of interest that you have from your question.

Daniel Bridge (Programme Director, Royal Docks): Yes, I will just add to what Rokhsana has said. The very interesting thing about the Enterprise Zone and the oversight from the Royal Docks Enterprise Zone Programme Board is that all of the money that is used to fund the delivery plan is generated by business rate income and the business rate income is delivered only if the development is delivered. In addition to them monitoring the outcomes and the outputs in our delivery plan, they pay very close attention to the forecast business rate performance, which is driven by that development.

Navin Shah AM: Can I follow through with another question? How do the governance arrangements for the Royal Docks compare to those at the London Legacy Development Corporation (LLDC) and the Old Oak and Park Royal Development Corporation? Newham Council has a huge stake in it and the GLA is the prime landowner and so this has a very, in a sense, different makeup but, again, has a major challenge as well with opportunities. How does it actually work compared to the other two Mayoral Development Corporations (MDCs)?

Daniel Bridge (Programme Director, Royal Docks): We are doing something very innovative in the Royal Docks. It is the first time in the Docklands redevelopment that there has been a genuine joint working arrangement between the local authority and the regional authority. That creates opportunities as well as challenges, but in the main it is working incredibly well in the Royal Docks. As you will know, in an MDC you have one elected - through the Mayor - oversight of land and planning powers, both plan-making and planning decision powers. In the Royal Docks, the majority of the land is owned by the Mayor of London and so that is the same, but the local authority retains plan-making powers and planning decision powers. That means that it is really important that both organisations are representing the people that they need to represent to make sure that we get really good decisions for both organisations. That is working very well in the Royal Docks.

Mayor Rokhsana Fiaz OBE (Member of the London Economic Action Partnership and Co-Chair, Royal Docks Enterprise Zone Programme Board): If I can add, Debbie [Jackson] made reference to the governance arrangements and the regime as it applies to the LEAP and all the programmes that sit within the context of the LEAP. The LLDC has a completely different governance regime because it is a different type of entity to the Royal Docks Enterprise Zone [Programme] Board. Since I stepped into office last May [2018] and

as part of my role as the Co-Chair of the Royal Docks Enterprise Zone [Programme Board] and in line with my administration's priority around enhancing governance, I have undertaken with colleagues and the other Co-Chair a refresh and a review of our existing governance arrangements as they pertain to the Royal Docks Enterprise Zone.

We have put in additional elements of governance enhancements. At local level that includes the establishment of a local ward councillor board or working group that is kept regularly appraised of what is happening with regards to the Royal Docks Enterprise Zone, ensuring that as the Programme Delivery Board, in my role as Co-Chair alongside my other Co-Chair colleague, we are robustly scrutinising what is being presented to us by the Royal Docks Enterprise Zone Delivery Team in advance of information being provided to the LEAP Board, and ensuring also that we are being as transparent as possible.

I noted some of the concerns in response to some of the earlier questions. The Royal Docks Enterprise Zone has its own website. There is a link from the website to documents pertaining to decisions that are made at the Royal Docks Enterprise Zone Programme Board, which I co-chair. They are contained on the GLA LEAP section of the website, but in addition what we are working through in terms of the localised website for the Royal Docks Enterprise Zone is ensuring that layer of transparency so that local residents can access documents around key decisions that we are making as a Board.

Navin Shah AM: Can I have a very quick response to my last question? The Mayor is planning to publish his own Opportunity Area Planning Framework next year [2020] - I do not know when exactly next year - but, given that the Enterprise Zone was actually established in 2011 and began in 2013, is 2021 not far too late to bring a planning framework forward?

Mayor Rokhsana Fiaz OBE (Member of the London Economic Action Partnership and Co-Chair, Royal Docks Enterprise Zone Programme Board): I cannot comment on the decisions made under previous Mayor of London administrations as to whether or not to designate --

Navin Shah AM: Yes, but the current Mayor is following the --

Mayor Rokhsana Fiaz OBE (Member of the London Economic Action Partnership and Co-Chair, Royal Docks Enterprise Zone Programme Board): -- an Opportunity Area Planning Framework that covers the Royal Docks Enterprise Zone, but clearly, as the Mayor of Newham and as the Co-Chair of the Royal Docks Enterprise Zone [Programme Board], I am really pleased that it is coming forward. The wider area surrounding the Royal Docks Enterprise Zone will greatly benefit from its designation as an Opportunity Area Planning Framework.

Navin Shah AM: Thank you very much.

Joanne McCarthy AM: My question is for Rokhsana and Daniel and it is about culture and social infrastructure on the Royal Docks. If I could start with social infrastructure, the Council's own Infrastructure Delivery Plan highlights the pressures there are on those schools and health facilities you need to go with the extra housing. Are you certain that the Royal Docks will be able to accommodate the needs that you have?

Mayor Rokhsana Fiaz OBE (Member of the London Economic Action Partnership and Co-Chair, Royal Docks Enterprise Zone Programme Board): Certainly, in the context of the social value offer that the Enterprise Zone is presently developing and driving forward. That is in three principal areas - the place piece, the connectivity piece and the economic piece - and then the activation.

In terms of the specifics around the community infrastructure requirement, the hospitals and schools, there has been some really and good effective synergy between the local planning authority - that is Newham - and the GLA under the auspices of the Royal Docks Enterprise Zone Delivery Team to ensure that there is a coherence around the infrastructure need for residents coming into the Zone as the quantum number of housing delivery comes to fruition. Already in the context of the Royal Docks Enterprise Zone and some of the areas that sit just outside of the Zone, we have most recently announced the opening of a health centre and Newham Council has undertaken arrangements with one of the principal developers that is contained within the Royal Docks Enterprise Zone around schooling provision over the next five to ten years. Do you want to add?

Daniel Bridge (Programme Director, Royal Docks): The only thing I would add is that it has worked very well. It is one of the benefits of the local authority retaining control of the planning powers in the area because it is able to plan in line with everything else that it is doing across the borough. The Opportunity Area Planning Framework - and we are discussing this now - gives us an opportunity to think about looking across the Royal Docks area and also the Canning Town and Custom House regeneration areas, which are led purely by Newham. We can think more innovatively about social infrastructure provision and think about whether there may be ways to change locations of some of that infrastructure in ways that might free up land for other activities or uses or deliver collocated social infrastructure facilities.

Joanne McCarthy AM: I am aware that you have a community arts programme that is taking place. Are you confident that similar programmes will last beyond the Royal Docks construction phase? What plans are there to have culture permanently there at the heart of the development?

Mayor Rokhsana Fiaz OBE (Member of the London Economic Action Partnership and Co-Chair, Royal Docks Enterprise Zone Programme Board): Just by way of reassurance, absolutely, at the heart of my administration's commitment is incubating and cultivating a much more sustained strategic approach to the cultural offer and the cultural capital of our borough. It is going to be absolutely critical in the context of the Royal Docks Enterprise Zone's success over the course of the 25-year period and beyond that we embed and incubate that cultural capital within the Zone and also across the borough as an impetus to attracting the investment that we want to be seeing in terms of business and also the investment from people coming to visit that part of capital as a tourist destination.

Daniel Bridge (Programme Director, Royal Docks): The only thing I would add is that we have recently appointed an organisation called the Contemporary Art Society as part of the wider community engagement process on the Opportunity Area Planning Framework to use this year's programme of activity as an engagement platform to understand what people want in the area. Yes, absolutely, it is the whole benefit of looking at the Enterprise Zone as a 25-year business case and to think beyond the business rates that are being generated. What other sources of revenue can be generated to provide a long-term sustainable income stream to provide cultural and arts programmes beyond the initial five years is absolutely at the heart of the thinking about the design of that programme.

Mayor Rokhsana Fiaz OBE (Member of the London Economic Action Partnership and Co-Chair, Royal Docks Enterprise Zone Programme Board): That is already underway. There is a huge amount of collaboration between the team at Newham Council that drives forward some of our current cultural programmes. Last November [2018] for the first time ever, in Newham we run an annual fireworks display and we decided as a part of us wanting to give prominence to the south of the borough and the Royal Docks Enterprise Zone specifically, we would host our fireworks display. We had some 15,000 people not only from Newham but from outside of Newham coming to enjoy that cultural provision.

We are currently working with the Royal Borough of Greenwich relating to an arts programme and we are in detailed discussions around the collaboration between the Royal Docks Enterprise Zone Delivery Team and the Newham team around programmed cultural activities across the summer from next year [2020].

Joanne McCarthy AM: Good. That sounds hopeful. Thank you.

2019/11380 - Underspend in community and environmental projects

[Caroline Russell AM](#)

Could you explain why there are significant underspend in your support for community and environmental projects?

Caroline Russell AM: Could I ask for you to start by looking at the commercial boiler retrofit because that is what I would like to look at in detail.

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): Yes, I am going to take this one, of course. I will come to the commercial boiler retrofit, but just by way of an overview I will just make the point that overall the LEAP spent more than £100 million on our programmes across London between 2017 and 2019, which is almost in line with forecast at just 3% below.

I am conscious of your time and so let me turn to the Cleaner Heat Cashback scheme. This was developed to address carbon dioxide and nitrogen oxide emissions from commercial buildings in support of the Mayor's ambition to make London a zero-carbon city but also in recognition of the increasing risk to the economy of a perception of inaction in tackling environmental issues and also to help businesses address their fuel bills.

You may have noticed that the LEAP Board is due to consider a proposal on this next week at its main meeting because there has been a significant underspend against the budget. An underspend of over £9 million is forecast and, as soon as we became aware that this was the situation, we took swift action to bring a paper to the LEAP Board. The paper to the LEAP Board next week will propose a rescoping of the programme to reduce the budget back quite dramatically to a £500,000 budget. That residual funding will be repurposed into the Business Low Emission Neighbourhoods programme, which has been very successful so far, and into the Good Growth Fund. The Good Growth Fund will specifically target air quality initiatives with some of that funding as well.

Just to conclude, the key question is about why there has been that underspend. There is a lot of learning from this. One of the points that I would want to make is that it is really important we use our money to test things and this is what I would call a pilot project. To summarise, one of the issues we have with this is the lack of a burning platform. For an SME, there is nothing compelling them to replace their boiler. This is a carrot rather than a stick. We know from the Ultra Low Emission Zone, for example, that in order to have impact a combination of both is needed. There are also other complexities in terms of the thresholds in the scheme and we are looking to address some of that with the redesign of the scheme to make it easier for businesses to participate.

I guess one of the messages that I would want you to take away is that on the one hand it is important that we pilot programmes - otherwise, we will just continue to plough the same furrow - but on the other hand, as soon as it became clear that this programme was not going to deliver, we took swift action to repurpose that funding.

Caroline Russell AM: Just be clear, you are repurposing how much of the funding?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): The total programme is a £10 million programme. We are retaining £500,000 within the Cleaner Heat Cashback. The remaining funding is being repurposed to the Business Low Emission Neighbourhoods and the Good Growth Fund.

Caroline Russell AM: That is some of the money that was announced earlier today for the Good Growth Fund. What we have here is a situation where it seems like you had a lot of projects just getting stuck because they could not get through the threshold to actually apply, apart from the ones that did not even know that they wanted to apply for it.

Do you think that if you had simplified that application process, you might have been able to get more people through? Of the 30 projects that are currently stuck in your application process, are those going to be covered by the £500,000 you have left in the programme? Are you going to deliver on those existing projects?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): The funding that we have left in the programme will deliver on all projects that can meet the criteria and the new thresholds. We have retained enough funding to be able to meet the needs of the businesses that can meet the criteria of the fund.

Caroline Russell AM: There are over a million SMEs in London and this programme has dealt with just 32 small businesses. If we are serious about tackling the climate emergency, we need to be reaching thousands or tens of thousands of businesses with their boilers.

Will you also be looking at plans to scale this back up again or are you just giving up on it completely?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): No, we are absolutely not giving up. One of the benefits of the London LEAP is that it is situated within the work of the wider GLA and the Environment team and so this programme is situated within the Environment Strategy and the work of the Environment team. We are absolutely not giving up on it, but part of this is about lobbying the Government for regulation as well. It is that burning platform point.

Caroline Russell AM: I am out of time. It is very disappointing but I am out of time and so I will stop there. Thank you.

Sian Berry AM: These are also questions for Debbie, I am afraid.

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): All right. That is fine.

Sian Berry AM: I wanted to ask about the Small Sites Small Builders programme, which has also seen a very significant underspend so far. £415,000 has been spent of the £3 million budget to date. The total project budget for that is £15 million and that is very slow.

What are you doing to rectify that and have you thought about taking some of the land plots and maybe putting them out to community-led housing, which we know is queuing up for sites? There was a massive

oversubscription of the two Transport for London (TfL) sites that were put forward for that. If you are having trouble with small builders, maybe they could step in?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): Small Sites Small Builders has already been to the LEAP Investment Committee to address the underspend and repurpose that underspend to the Good Growth Fund. The LEAP Investment Committee considered the reasons for that underspend. The programme is targeted at two outcomes. It is targeted at bringing forward housing and affordable housing development on small sites and also at supporting the SME and community builders market. The programme in the pilot stage you are referring to with the TfL sites - you are right - got great interest and we absolutely want to do more of that.

One of the challenges of that programme - and it is a good thing - is that since the programme was first launched, local authorities are doing a huge amount on small sites now. We have had to slightly rethink our target market, if you like, because whereas originally we thought that this programme would provide the unlocked sites in the public sector and particularly in local authorities that were otherwise not being looked at, actually lots of local authorities have really active programmes. Look at Croydon with its Brick By Brick programme that is now bringing forward these sites. The original purpose the programme was intended for has slightly shifted.

It is also a brand-new programme that is quite complex and, if I am perfectly honest with you, there was an overestimation of what could be achieved in the early stages.

Sian Berry AM: Yes. It clearly was going to involve quite a lot of detailed work.

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): It is a first-year underspend. We anticipate a second-year delivery. It is a bit different to the Cleaner Heat Cashback, which is a total scale down of the programme. I would describe Small Sites Small Builders more as a first-year underspend and that money has been repurposed. It has not just been pushed back. We are anticipating second-year delivery against that programme.

Sian Berry AM: I will follow that up. Thank you.

Susan Hall AM: Just a few quick ones if I may, please. I believe that millions of pounds were given to Film London from the Growing Places Fund. Is that correct?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): I am afraid I am having to cast my mind back because that would have been under the last administration. I am sorry. I will have to come back to you separately.

Susan Hall AM: OK, if you could come back to us, please? Also, where would it be? There are projects from the last administration on the website when you look in between everything else, but I could not find anything to do with that.

Can you tell me how many live projects are running at the moment?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): I gave you the figure of about 200 grant agreements that we have live at the moment.

Susan Hall AM: You can send us details of those, can you?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): Yes, we have done so before. We are happy to do it again.

Susan Hall AM: Yes, please. That would be helpful. How many people work in your department checking on these schemes?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): The work of the LEAP is distributed across a number of teams in City Hall in every single department. The team that oversees the work of the LEAP is the Regeneration and Economic Development team, which has about 70 to 80 people, but they are not exclusively working on the LEAP. There are people across the Authority working on the outcomes of the LEAP.

Susan Hall AM: On 8 May 2019 the Royal Docks Summer Festival put out an advert inviting applications for grants. Does that mean that the beach party is going ahead again this year [2019] and will it be GLA funded?

Debbie Jackson (Interim Executive Director for Development, Enterprise and Environment, GLA, and LEAP Senior Responsible Owner): I will let my colleagues respond to that.

Mayor Rokhsana Fiaz OBE (Member of the London Economic Action Partnership and Co-Chair, Royal Docks Enterprise Zone Programme Board): I will make some initial comments in relation to the coverage of the activity at the Royal Docks last summer [2018] as follows.

The Royal Docks Enterprise Zone covers an area that has been neglected for decades. It is in a part of my borough, Newham, which has amongst it the most deep and insidious instances of poverty and social isolation. The activity that was provided last summer [2018] involved numbers of young people from Newham enjoying fun and accessing a space that they had felt was previously impenetrable. This summer [2019] we are intending to continue with a similar type of activity, very much geared again to families, young people and kids, to be able to enjoy the outdoor environment in a very special place that is a really captivating part of London.

Susan Hall AM: That is nice. £400,000 for a beach party and we are in times of austerity. To go back to the question, will it be GLA funded this year [2019]?

Daniel Bridge (Programme Director, Royal Docks): This year [2019] we have changed the format of the event that happened last year. It is going to be for a shorter period of time. It is an event called Kids Summer Splash. It is going to be focused on giving children access to the water and also to a paddling pool. It is funded through the Enterprise Zone and so it is effectively LEAP funded. It is funded through the business rate income that is generated within the Zone and is part of the broader £212 million delivery plan. We see it as a very important and effective way to engage with local young people and families during the summer months and gain access to the docks. Also, we use it as a way to engage with them through a community consultation and engagement exercise and informing them what is happening to their neighbourhoods and how they can put forward their views on what is happening, too.

Susan Hall AM: How much do you think this splash thing will cost this year [2019]?

Daniel Bridge (Programme Director, Royal Docks): The budget this year [2019] is £300,000. Last year [2018] 50,000 people attended over the course of the event. We expect to at least match if not exceed that

this year. Yes, as I say, it is for a shorter period of time. It is not being run this year as Dock Beach. It is a different format.

Susan Hall AM: It is not a beach party. It is a splash party.

Daniel Bridge (Programme Director, Royal Docks): It was not a beach party --

Susan Hall AM: Last year it was £400,000. This year it is £300,000. Do you really think that this is a good use of taxpayers' money or do you think that perhaps some of that money should go into policing so that we can stop these youngsters getting damaged as they are?

Daniel Bridge (Programme Director, Royal Docks): The question earlier was that we cannot use this funding to pay for police. This is funding that is ringfenced as part of a much broader activation programme across the Royal Docks to make this a place that is attractive to occupiers and is engaging the new and surrounding communities. There was a business case for that activity and the Board has judged that it is very good value for money and an important part of a much broader four-month-long activation programme.

Susan Hall AM: You see, some of us would think that £400,000 for a beach party and £300,000 - all taxpayers' money - for a splash party is actually not good use of taxpayers' money. In these days of austerity I am quite surprised to hear you thinking that it is a good idea. I will finish there.

David Kurten AM: Good morning, Deputy Mayor. Deputy Mayor, I was a little bit disappointed that in your opening speech you took the opportunity to do a bit of Brexit bashing and you said that Brexit was having a negative impact on the economy. I would wholly disagree with that statement because, despite Project Fear - which has been going on for four years now with people saying that Brexit is going to lead to 3 million job losses and is going to lead to the financial services industry collapsing and is going to lead to people having to pay inordinate amounts more tax every year - none of those things have happened. Actually, Brexit has been fantastic for the nation and has been really good for the economy, particularly London's economy. We are booming in this city.

Should you not have been more positive about Brexit or even just said nothing at all in your opening statement if you did not agree with it because we are doing very well?

Rajesh Agrawal (Deputy Mayor for Business and London Economic Action Partnership Co-Deputy Chair for Mayor's Office): What can I say? In the last three years I have been speaking to businesses big and small from all different sectors. There are literally thousands of businesses that I have spoken to. Not one business that I have come across is excited about Brexit, not one business.

David Kurten AM: You are talking to different people than I am talking to, obviously.

Rajesh Agrawal (Deputy Mayor for Business and London Economic Action Partnership Co-Deputy Chair for Mayor's Office): Yes, I would love to meet the people you are meeting. I do not know the people you are talking about, but none of the businesses that I speak to - and I speak to businesses of all sizes from all different sectors - is excited about Brexit. On the contrary, they see Brexit as a big risk to business. We have already seen sterling drop significantly. It is a huge cause of concern around attracting and retaining talent. We are fighting because Brexit has caused huge damage to the reputation of this country and of this city. That is why we are fighting that.

David Kurten AM: Deputy Mayor, Brexit has not caused any damage to the reputation of this country. In fact, it has enhanced the reputation of this country because we are going to be walking into freedom and prosperity. We have the opportunity to create and do magnificent trade deals with other countries around the world.

Rajesh Agrawal (Deputy Mayor for Business and London Economic Action Partnership Co-Deputy Chair for Mayor's Office): Last time I checked, we were already a free country.

David Kurten AM: Deputy Mayor, I am sure you are aware of the wonderful visit by President Trump [of the United States (US)] to this country this week and that he has offered us a wonderful trade deal and all we need to do is actually get out of the EU and break our shackles.

Jennette Arnold OBE AM (Chair): Assembly Member Kurten, you are well off your --

David Kurten AM: Then we will have this wonderful opportunity. Do you not think in the LEAP that President Trump's offer of a trade deal is going to be really good for London?

Jennette Arnold OBE AM (Chair): I do not know if anybody heard that question.

David Kurten AM: Obviously some people were not wanting me to speak and put forward the positive case for Brexit, but I can repeat my question.

Jennette Arnold OBE AM (Chair): That is right. Do you want to put your question again?

David Kurten AM: I would be very happy to repeat my question again because Brexit is a fantastic opportunity for the country and particularly as we have seen with President Trump visiting the country this week and offering a trade deal to this country. Do you, representing the LEAP, see the opportunities of a trade deal for London?

Rajesh Agrawal (Deputy Mayor for Business and London Economic Action Partnership Co-Deputy Chair for Mayor's Office): I have not seen any opportunity in the last three years with regard to Brexit. I speak to businesses. Businesses do not see Brexit as an opportunity. They see it as a threat.

David Kurten AM: I was asking you about the potential trade deal between the UK and the US. Do you see that as an opportunity?

Rajesh Agrawal (Deputy Mayor for Business and London Economic Action Partnership Co-Deputy Chair for Mayor's Office): What we are worried about is the risk of coming out of the single market, which we will do as we walk out. We are worried about the risk of leaving the EU without a deal, as we might do in October. That is what businesses are concerned about right now.

David Kurten AM: You are being a little bit too negative, Deputy Mayor, because --

Rajesh Agrawal (Deputy Mayor for Business and London Economic Action Partnership Co-Deputy Chair for Mayor's Office): I am being realistic.

David Kurten AM: -- there are so many good things that have happened in the last three years since the referendum in economic terms. Foreign direct investment is up. Wages for workers are up. Employment is up. There has never been --

Gareth Bacon AM: I am sorry to interrupt my colleague, Chair. On a point of order, Chair, I am struggling very much to hear both him and the Deputy Mayor's answers because of the constant barracking from Labour Members. Could we please tone it down? I know it arouses strong emotions but, seriously, I cannot hear a single word of what is being said because all I can hear is Labour Members barracking the Member in my ear.

Jennette Arnold OBE AM (Chair): I took that on when I just asked the Member to repeat his question.

Gareth Bacon AM: It did not seem to stop them, Chair.

Jennette Arnold OBE AM (Chair): If it does not stop them, we will keep on doing this and then we will stay here all day until the Member can give his question in a way that we can all hear it.

David Kurten AM: Thank you.

Keith Prince AM: Can I make another point of order?

Jennette Arnold OBE AM (Chair): No, can you sit down until I have finished? Can I just ask the Member? Does he feel that he has been able to put his question now sufficiently?

David Kurten AM: Chair, I feel very upset at the barracking and harassment that was coming from across the room.

Jennette Arnold OBE AM (Chair): Do you feel you have been able to put your question appropriately or were you disturbed by the noise coming from other Members?

David Kurten AM: I was disturbed, Chair. I was disturbed and I do thank Assembly Member Bacon for his support.

Jennette Arnold OBE AM (Chair): Thank you. As soon as I have dealt with this new point of order, I am going to go back to you again and I am going to ask Members to treat Assembly Member Kurten with the respect that he treated all of you when you had your moment with the panel. We will do that in a moment. Tell me which section the point of order is.

Keith Prince AM: The point of order is that because of the barracking from the Members opposite, Assembly Member Kurten has had to repeat his question, which I calculated lost him at least a minute of his time. I would plead that we add a minute to his time.

Jennette Arnold OBE AM (Chair): I have just dealt with that. Thank you. Assembly Member Kurten, please put your question to our guest.

David Kurten AM: Thank you, Chair. If I could repeat my question, I started off by saying, Deputy Mayor, that you were a little bit too negative in your last answer about Brexit because in the last three years we have seen some wonderful effects and very positive effects to the economy. Employment is up. There have never been so many jobs in London as there are now. Visitor numbers to London are up. Wages for workers and laborers are up. Foreign direct investment is up. There are more start-ups in London than ever before, even more than in Paris and Berlin combined. All of these things have happened in the last three years.

Do you not acknowledge that there is all this good news and see that when we do actually have Brexit there will be some more wonderful opportunities for our city?

Rajesh Agrawal (Deputy Mayor for Business and London Economic Action Partnership Co-Deputy Chair for Mayor's Office): It is very clear when speaking to businesses, as I have done. I have spoken to thousands of businesses in the last three years and I have not come across a single business that sees Brexit as an opportunity and is excited about it. On the contrary, businesses are really worried about leaving the EU. They are worried. They are already finding it difficult to hire a workforce in some of the key areas. They are worried about the fact that we might leave the EU without a deal in October [2019]. They are worried about the uncertainty that it has caused in the last three years with no clarity whatsoever from the Government.

I joined this job as the Deputy Mayor six days after the referendum. Things were clear as mud then. Things are clear as mud right now for businesses.

David Kurten AM: I do agree with you on [The Rt Hon] Theresa May [MP, Prime Minister] and the way she has dealt with the process. If we had Nigel Farage [Leader, Brexit Party] in charge, the process would be going far better and there would be far more clarity in the process.

You say you have not spoken to any businesses that are positive about Brexit. I spoke to one just two days ago because I went to a pub in Hammersmith that has renamed itself the Trump Arms. I went to speak at a celebration of President Trump's visit to the UK and they were very positive about Brexit. Perhaps you need to speak to some different kinds of businesses to get a different point of view because I assure you. There is a lot of excitement about a Brexit. As you know, 1.5 million people in this city voted to leave the EU, which is more than voted for your boss, Sadiq Khan. There you go, I am afraid. There is a lot of support for Brexit in London.

Jennette Arnold OBE AM (Chair): That was a comment. I did not hear a question there.

David Kurten AM: Do you not agree?

Rajesh Agrawal (Deputy Mayor for Business and London Economic Action Partnership Co-Deputy Chair for Mayor's Office): I do not know if this is the right forum. This is LEAP-related, I thought.

Jennette Arnold OBE AM (Chair): If you bring it into your statement - and you did in your opening statement - then it is a matter for questioning.

David Kurten AM: Thank you.

Jennette Arnold OBE AM (Chair): Let us now move on to Part B. I thank members of the panel for their contributions here this morning.

I would just like to say that many of you were involved in exchanges on some pretty important questions and so I am happy if you want to send in supplementary comments to us as soon as possible. We will then append them to our document. Especially Simon [Pitkeathley], you were giving some really detailed information and made an ask of the Assembly. If that could be formalised in writing, that would be great, and also I know a number of other witnesses were speaking about some quite detailed developments in their areas. Thank you very much.