

# MINUTES

**Meeting: LEAP Investment Committee**

**Date: Tuesday 21 May 2019**

**Time: 3.30 pm**

**Place: Committee Room 2, City Hall,  
The Queen's Walk, London, SE1  
2AA**

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**Present:**

**Members:**

Jules Pipe CBE (Chair)  
Natalie Campbell  
Celia Caulcott  
Alexandra Depledge MBE  
Cllr Peter John OBE

**Observer:**

Matthew Kaye, Policy Advisor, London,  
Cities and Local Growth Unit

**GLA officers:**

Luke Bruce, Interim Assistant Director -  
Environment  
Jamie Dean, Area Manager – North East  
Team

Patrick Dubeck, Head of Regeneration  
Louise Duggan, North West Area  
Manager  
Olivia Dronfield, LEAP Coordinator  
Amy Gelsthorpe-Hill, Board Secretary  
Laura Gilbert, Senior Policy Officer – Life  
Sciences, Regeneration and Economic  
Development  
James Hardy, Energy Efficiency Team  
Manager  
Jamie Izzard, LEAP Senior Manager  
Nabeel Khan, Head of Economic  
Development  
Sarah Lau, Senior Communications  
Officer  
Ray Smith, Senior Finance Manager

## **1 Apologies for Absence and Chair's announcements (Item 1)**

- 1.1 The Chair welcomed Members and attendees to the meeting, in particular Matthew Kaye, Policy Advisor at the London, Cities and Local Growth Unit, who was attending as an observer. There were no apologies for absence.

## **2 Declarations of Interests (Item 2)**

- 1.1 There were no declarations of interest in items set out on the agenda.

## **3 Minutes of Previous Meeting (Item 3)**

### **3.1 DECISION:**

**That the minutes of the meeting held on 27 March 2019 be agreed.**

## **4 Actions Arising from Previous Meetings (Item 4)**

### **4.1 DECISION:**

**That the update on actions arising from previous meetings be noted.**

## **5 Cleaner Heat Cashback Update (Item 5)**

- 5.1 Members received a paper outlining proposals for the future of the Cleaner Heat Cashback (CHC) programme. The programme had a significant underspend, with a commitment of £168,000 against a £9.45million capital budget due to lower than expected take up. It was proposed to reduce the overall programme budget to £500,000 and transfer the remaining £8.95million to the Good Growth Fund (GGF) and Business Low Emissions Neighbourhood (BLEN) schemes. The Committee's views were sought prior to the presentation of a final proposal to the LEAP Board on 12 June 2019.

*[Note: Cllr Peter John joined the meeting at this point]*

- 5.2 Members discussed whether the programme should continue to operate with the proposed £500,000 capital budget and discussed the possibility of transferring these funds to GGF and/or BLEN to ensure spend. Members heard that the £500,000 was based on supporting approximately 45 businesses over the following 12 months and that the boiler size threshold would be lowered to target to micro-businesses.
- 5.3 Members discussed the proportion of funds that should be transferred to GGF and BLEN and highlighted the need to ensure some of the funding was spent on

projects that benefited the environment.

#### 5.4 DECISIONS:

- a) That a full project profile outlining how any funding transferred to GGF and/or BLEN would be spent be presented to the LEAP Board; and
- b) That a full discussion between officers working on CHC and GGF take place prior to the drafting of the LEAP Board paper.

*[Note: Luke Bruce, Interim Assistant Director – Environment and James Hardy, Energy Efficiency Team Manager left the meeting at this point]*

## 6 MedCity Funding Proposal (Item 6)

- 6.1 Members received a paper outlining proposals for LEAP investment in MedCity. The proposed £100k investment over two years fell below the threshold of investment that the Committee would normally consider, but LEAP Co-Deputy Chair Angus Knowles-Cutler and Dr Celia Caulcott had been consulted on the proposal over several months and had asked for the Committee's consideration.
- 6.2 Dr Celia Caulcott shared her hesitations regarding the additionality that the £100k funding would achieve when LEAP had previously invested a significant amount. She also believed that the funding would solely benefit the high-end knowledge sector and would not contribute to LEAP's commitment to good growth.
- 6.3 Members considered MedCity's achievements to date and the options that would be available to investors should it cease to exist. Whilst officers were clear that an organisation of its kind was required, Members discussed whether such an organisation should be funded by the life sciences sector and not public money.
- 6.4 Members raised concerns that the outputs proposed in the paper were not quantifiable and that commitments to improving diversity did not go far enough.

#### 6.5 DECISION:

**That a further paper be presented to the Committee in September 2019, outlining MedCity's purpose, outputs to date for LEAP and GLA funding, quantifiable outputs for the proposed additional LEAP investment and a strong commitment to improving diversity.**

**[Action: Board Secretary; Senior Policy Officer – Life Sciences, Regeneration and Economic Development]**

*Note: The Senior Policy Officer – Life Sciences, Regeneration and Economic Development left the meeting at this point]*

## 7 LEAP Communications Strategy Proposal (Item 10)

*[Note: It was agreed that Item 10 be taken at this stage of the agenda]*

- 7.1 Members received a PowerPoint presentation<sup>1</sup> outlining proposals for the development of a new LEAP Communications Strategy. The presentation sought Member views prior to a formal paper being presented to the LEAP Board on 12 June 2019.
- 7.2 Members were very positive about the proposals presented and thanked officers for their work. In discussing the proposals, Members suggested that officers develop avatar profiles to improve LEAP's understanding of its stakeholders and then build a framework of ways in which it can engage with them.

*[Note: Having given apologies in advance, Natalie Campbell left the meeting at this point]*

### 7.3 DECISIONS:

- a) That the presentation be noted; and
- b) That the draft proposals for presentation to the LEAP Board on 12 June 2019 be supported.

## 8 Good Growth Fund Update (Item 7)

- 8.1 Members received a paper on the Good Growth Fund, which included an update on development funded projects, in replacement of the separate standing item. Officers were working towards all Round 2 projects being in grant agreement by end of Quarter 1 and there were 41 pipeline projects in receipt of development funding.
- 8.2 Members discussed the proposed Round 3 communications plan at Appendix A and asked that use of videos to evidence community benefit in applications be made optional, to be recorded using mobile phones, so to not become a barrier for applicants.

**Action: North West Area Manager**

### 8.3 DECISIONS:

- a) That progress to date on the Good Growth Fund be noted; and
- b) That the proposed Good Growth Fund Round 3 Communications Plan at Appendix A be endorsed.

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<sup>1</sup> The PowerPoint presentation is attached at Appendix A.

## 9 Good Growth Fund Capital Request (Item 8)

9.1 Members received a reserved report seeking an additional £80k LEAP funding from the Good Growth Fund contingency fund, as set out in DD2222 Part 2, to be made available to a project. The contingency fund enabled projects to apply for additional funding of up to 10% of the individual project value if cost increases became a barrier to delivery. The additional funding would be drawn on as required to ensure the sustainability of the significant regeneration project.

### 9.2 DECISIONS:

**That the recommendations outlined in the reserved report be endorsed, in line with the process set out in DD2222 Part 2 that is associated with the Good Growth Fund contingency process.**

*[Note: The Area Manager – North East Team left the meeting at this point]*

## 10 Use of funds returned from London Co-Investment Fund (Item 9)

10.1 Members received a PowerPoint presentation<sup>2</sup> outlining proposals for use of funds returned from the London Co-Investment Fund, which closed for new applications in March 2019. The presentation sought Member views prior to a formal paper being presented to the LEAP Board on 12 June 2019.

10.2 Members heard that the programme had been hugely successful in unlocking investment into SMEs; achieving more than double the target investment at 7:1 and creating almost three times the jobs expected to date at 1,760. The latest carrying value was 1.27x. Members also heard about the Fund's successful targeting of disadvantaged groups, in particular BAME and female entrepreneurs; to date 22% of LCIF founders had been female, compared to an industry average of 8%.

10.3 In considering proposals for the reinvestment of exits to 2023, Members discussed the financing gap shifting to businesses needing to scale up and the likelihood of a recession.

### 10.4 DECISIONS:

- a) **That the presentation be noted; and**
- b) **That it be proposed to the LEAP Board that the returns from exits to 2023 be reinvested into follow-on investments in companies supported to date; and**
- c) **That a further review of the list of sectors to be targeted be conducted to ensure that funding was directed at the sectors most required in the**

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<sup>2</sup> The PowerPoint presentation is attached at Appendix B.

market and whom found investment most difficult to reach (such as health and education).

## **11 LEAP Funding Decisions (Item 11)**

### **11.1 DECISION:**

**That the update be noted.**

## **12 Date of Next Meeting (Item 12)**

12.1 The next meeting of the Committee was confirmed for 10:00am on Thursday 18 July at City Hall, The Queen's Walk, London, SE1 2AA.

## **13 Any Other Business (Item 13)**

13.1 There was no other business.

## **14 Close of Meeting (Item 14)**

14.1 The meeting closed at 5:13pm.

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London SE1 2AA

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# LONDON ECONOMIC ACTION PARTNERSHIP

LEAP INVESTMENT COMMITTEE

COMMUNICATIONS STRATEGY  
DISCUSSION

Page 1  
21 MAY 2019



**MAYOR OF LONDON**

# Overview

- Current LEAP objectives and communication objectives
- Review existing approach
  - Current communication activities
  - Stakeholders
  - Research insights
- Future directions
  - Communication objectives
  - Priority stakeholders
  - Suggested directions
  - Communication activities



# Current communication challenges

- Communication is generally shaped on a programme basis
- LEAP voice tends to be quite formal
- We tend to use similar formats for our communication activities

TWEET HIGHLIGHTS

**Top Tweet** earned 21.5K impressions

In March we hosted the Diverse Entrepreneurs Summit at City Hall, and were able to network with entrepreneurs from around London and celebrate diversity in business – catch the highlights of the day here [bit.ly/2JZJSUF](https://bit.ly/2JZJSUF) #LondonIsOpen @LDNGrowthHub @LondonLEP

Retweets: 3, Likes: 2

View Tweet activity

View all Tweet activity

**Top Follower** followed by 68.7K people



**Battersea Arts Centre** @batterseaarts

Where independent artists create new theatre and people come together to be creative, see a show, explore local heritage, play or relax.

View profile

View followers dashboard

**Top mention** earned 295 engagements

**Mayor of London** @MayorofLondon

Do you want to help shape a vibrant, diverse and successful London?

We're looking for four new board members from the business, voluntary or community sectors to join the @LondonLEP and help create jobs and economic growth. Apply by 7 April: [bit.ly/2HI0WHs](https://bit.ly/2HI0WHs) [pic.twitter.com/9rbGsUbpzL](https://pic.twitter.com/9rbGsUbpzL)



Retweets: 20, Likes: 16

View Tweet

**Top media Tweet** earned 2,179 impressions

Last chance to get your project page ready for #CrowdfundLondon! We are supporting ideas that benefit local communities, with up to £50k per project available. To be in the running for a funding pledge, your pledge page must be set up by 1 May. Visit [spacehive.com/movement/mayor...](https://spacehive.com/movement/mayor...) [pic.twitter.com/bgJSPixit5](https://pic.twitter.com/bgJSPixit5)



Retweets: 3, Likes: 4

View Tweet activity

View all Tweet activity

APR 2019 SUMMARY

Tweets	11	Tweet impressions	51.9K
Profile visits	744	Mentions	89
New followers	36		

**LEAP**  
The Local Economic Partnership  
Partnership for London

[Our projects and partners](#)
[Funding Opportunities](#)
[Business support](#)
[About](#)
[Contact Us](#)

Driving jobs and growth

London Growth Hub

European Funding

**What we do**

The London Economic Action Partnership (LEAP) is the local enterprise partnership for London. The LEAP brings entrepreneurs and business together with the Mayor and London Councils to identify strategic actions to support and lead economic growth and job creation in the capital.

[Learn more about how the LEAP operates](#)

**Latest news**

- MAR New EDPA/LEAP investment to support skills and training in London
- APR FES Celebrating Small Business Awards - 30 Greater London
- APR SHE digital skills needs – we want to hear from you
- MAR LEAP's Annual Public Meeting 2019

**Upcoming Events**

- MAR Navigating Grants for SMEs - Lambeth - 20 May 2019 [View Event](#)
- MAY Navigating Grants for SMEs - Southwark - 20 May 2019 [View Event](#)

**Twitter**

@LondonLEP 12 May

Share stories from @communities that make the choice with the power of social funding to protect and create jobs. [View on Twitter](#)

@LondonLEP 12 May

Deputy Mayor and LEAP Co-Chair, Cllr. Cassam Khoo, has announced the winners of the 'most local' awards. [View on Twitter](#)

**Latest Publications**

- MAR LEAP's Annual Public Meeting 2019
- MAR LEAP Annual Report 2017-18

**Sign up for our newsletter**

You'll receive news on the latest funding opportunities, news of events in your area, upcoming seminars, workshops plus so much more.

Your name (required)

Email address (required)

# GOOD GROWTH FUND

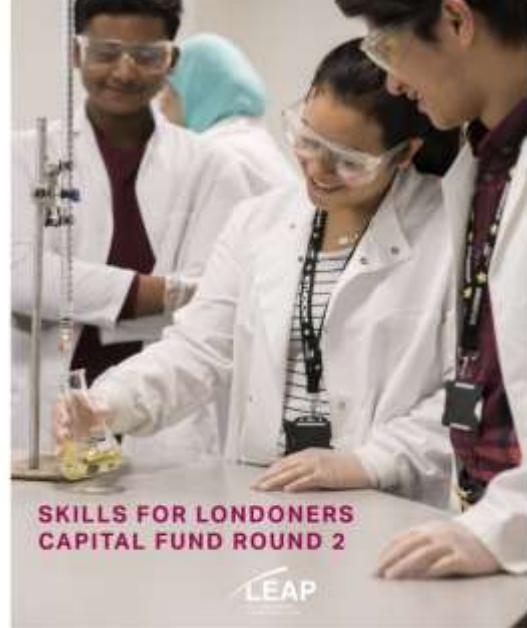


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## SKILLS FOR LONDONERS CAPITAL FUND ROUND 2



# LEAP ANNUAL REPORT 2017/2018

## LEADING GOOD GROWTH IN THE CAPITAL





# Wider stakeholder groups

- Business Improvement Districts
- Business Representatives Organisations (BROs)
- Employee Representative Bodies
- Developers
- Professional associations
- Professional networks with a diversity focus
- Emerging small and medium-sized enterprises
- Established small and medium-sized enterprises
- Social enterprises
- Entrepreneur networks and associations
- Incubators, seed funders and angel investors
- Charity and social equality groups
- Civil society organisations, community, volunteering and 'friends' groups
- Diversity and cultural groups
- Creative, co-working and workspace providers
- Arts and culture groups
- STEM and 'hacker' groups
- Training, vocational education and further/higher education providers
- Government departments, agencies and policy makers
- Local government and authorities
- 'General public' – London residents, workers and visitors

# Research insights

## SMEs

- Don't use Twitter
- Aren't engaged in SME business networks, but are connected through industry channels
- Value 'trusted voices', industry representatives

## Young Londoners – under 25s

- Use social media as primary news source (especially Instagram and Snapchat)
- Rarely use traditional media

# Potential communication objectives

- Improve the accessibility of LEAP programmes
- Tell the 'LEAP story' effectively and engagingly
- Ensure LEAP is recognised as delivering against a broad 'good growth' agenda

# Proposed priority stakeholders

Stakeholder	Member-level engagement	Sub-objective
Community and business influencers	People who are passionate about growth and opportunities within their networks and are influential voices	Improve engagement with LEAP activities
HM Government	<p>Senior influencers in Government at political and officer level</p> <p>Government representatives interested in LEAP's performance and accountability</p>	<p>Gain buy-in and influence policy/funding allocations</p> <p>Highlight connection with overall aims for Growth Deal funding</p> <p>Evidence compliance and delivery</p>
Existing and potential recipients of LEAP funding or support	<p>London's business community, with a focus on pre-start through to scaling small and medium enterprises</p> <p>People or groups that have received LEAP funding from existing programmes or activities</p>	<p>Improve engagement with LEAP activities and support local economic growth through business success</p> <p>Harness their voices for better storytelling and broader reach with more stakeholders</p>
London local authorities	London Councils and the 33 local authorities with a focus on staff working in local economic development, business support and regeneration	<p>Harness their voices for better storytelling</p> <p>Broader reach with more stakeholders and use of existing networks</p>



# Evolving communications – priority directions

- Energetic, enthusiastic ‘brand personality’
- Improve the consistency and visibility of LEAP references
- Choose tools that connect with target audiences
- Equip and empower a wider range of voices to tell the LEAP story
- Adopt a multi-layered and complementary approach to comms planning

# Delivery tools and channels

Channels	Purpose
Audience listening exercise	Engage with stakeholders and consult existing research to determine preferences and opportunities around communication
Brand definition Standard messaging and 'voice' and visual profile	Define a LEAP voice for 'everyday communication' and better engagement with stakeholders
Updated LEAP website	Highlight LEAP's purpose and achievements Open opportunities for engagement with LEAP funds and activities
LEAP marketing and communication guidelines	Standardise the references and acknowledgements we expect grant recipients
Social media channels	Review and refine the use of social media for LEAP, based on stakeholder expectations and opportunities Share relevant, interesting and timely information
Showcase videos	Promote LEAP success stories through visual storytelling that highlights a person or organisation's experiences benefiting from LEAP support
Explainer videos and infographics	Develop alternative communication approaches to explain application requirements, programme outputs etc.
Updated media strategy	Review opportunities for op eds and trade, local and special interest press

# Questions for the Board

- How does a successful communications strategy support LEAP's strategic objectives?
- How should we engage with the right stakeholders?
- How do we define our brand identity/personality?
- How do we best use Board members' strengths, time and networks?

# Next steps

- Incorporate feedback
- Finalise strategy for review and endorsement
  - 12 June LEAP meeting



# MAYOR OF LONDON



# LONDON CO-INVESTMENT FUND



## Core Objectives



Invest £22.95m in London based Science, Digital and Technology businesses



Achieve a co-investment multiple of £2.9



Generate 2,653 jobs over the lifetime of the fund



Maximise returns from exits to enable further Fund investment in later years



CAPITAL ENTERPRISE

MAYOR OF LONDON

# Investment model

- Based on the Scottish enterprise model
- Co-investment model investing alongside pre-selected private investors, angel syndicates and venture capital funds

➤ LCIF invests in businesses looking to raise between £250k - £1.5m

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## Achievements

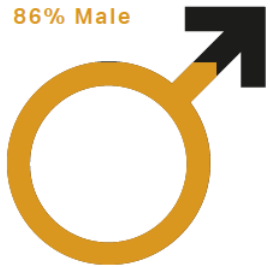
Funds invested	Co-investment multiple	Jobs Created	Maximising Return
<p>Page 18</p> <ul style="list-style-type: none"> <li>• Target – £22.95M</li> <li>• Actual - £22.95</li> </ul>	<ul style="list-style-type: none"> <li>• Target - £2.9 : £1</li> <li>• Actual - £7- £1</li> </ul>	<ul style="list-style-type: none"> <li>• Overall Target – 2,653</li> <li>• Target at this stage - 591</li> <li>• Actual 1,760</li> </ul>	<ul style="list-style-type: none"> <li>• Portfolio valuation at Sep 2018 shows a carrying value of 1.27x</li> </ul>

- 2nd largest co-investment fund in the UK, one of the most active
- Higher than average industry standard for BAME lead businesses



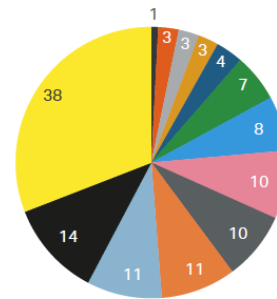
## CEO Founders of Portfolio Companies Gender Split

86% Male

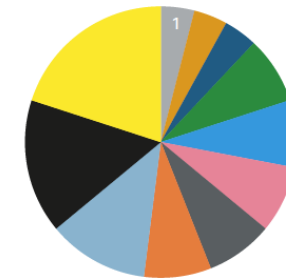


22% Female

## Sector split

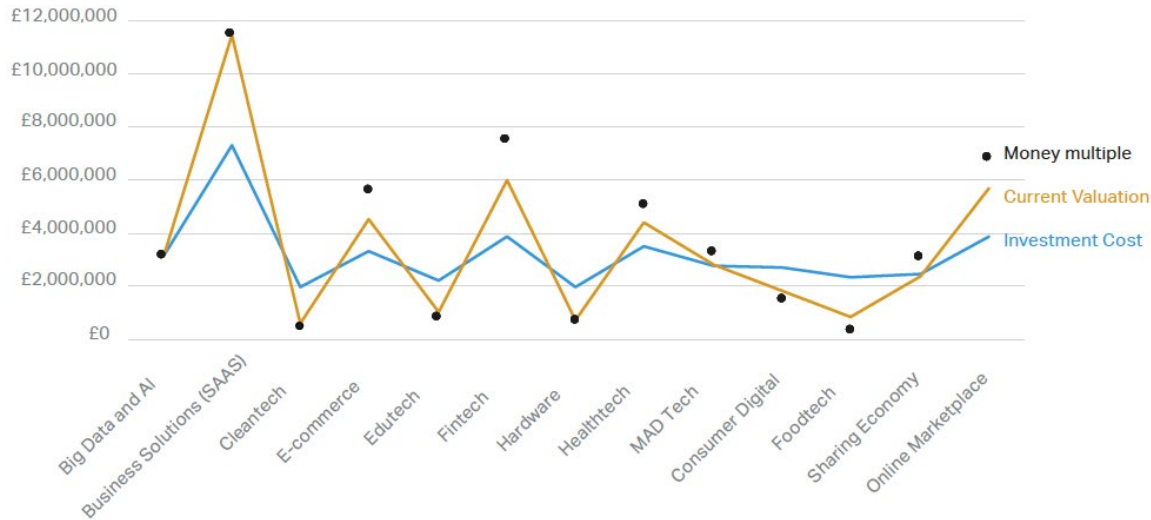


## Outperforming sectors



- Big Data and AI
- Business solutions (SAAS)
- Cleantech
- Consumer Digital
- E-commerce
- Edutech
- Fintech
- Foodtech
- Hardware
- Healthtech
- MAD Tech
- Online Marketplace
- Sharing Economy

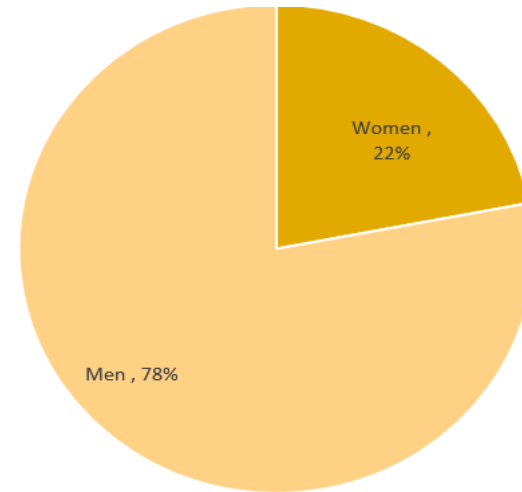
## Valuation



## Portfolio Diversity

- Over 20% of LCIF portfolio companies are BAME
- 22% of all portfolio companies have a women co-founder

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## Looking Forward

- Awareness building
- Promote minority founders/Led businesses to the co-investment partners
- Co-investment partner who targets minority led founders
- Portfolio activities
- Tracking and development of initiatives to seek suitable businesses

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## Portfolio Companies

Company – **Adia Health**

CEO and Co-Founder – Lina Chan

Sector- Health Tech



“LCIF has been part of funding our pre-seed round and they’ve enabled us to grow our team, launch our new marketing site and new product.

We have access to invaluable workshop, events and mentorship in areas that are key to our next phase of growth.”

## Portfolio Companies

Company – **Learnerbly**

CEO and Founder – **Rajeeb Dey MBE**

Sector- Business Solution SAAS

“LCIF have been very proactive with inviting me to speak at events; invitations to workshops as well as introductions with fellow LCIF portfolio companies from a collaboration/business development perspective which is always appreciated!”



## Portfolio Companies

Company – **WinningMinds.ai**

CEO and Co-Founder – **Maria Kolitsida**

Sector- B2B - Big Data

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“Discussions with the LCIF team on what unforeseen challenges might come and be prepared, and attending relevant and valuable events on key topics for early stage startups.”



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# Seeking views on the proposal for the next phase of LCIF

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- Re-investment of exits until 2023
- In the future a bridging loan and the creation of an evergreen fund could be considered.

## Infographics

Size of companies

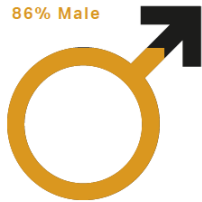
Over 10 employees



Under 10 employees

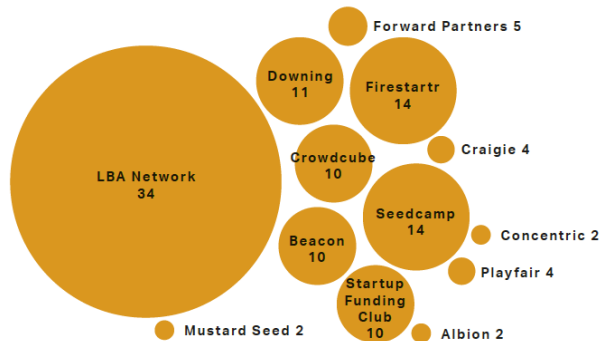
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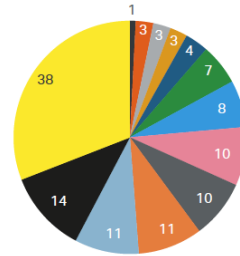


22% Female

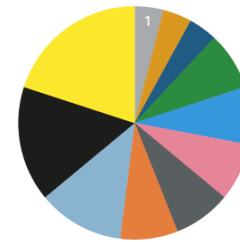
Top investors by deal numbers



Sector split

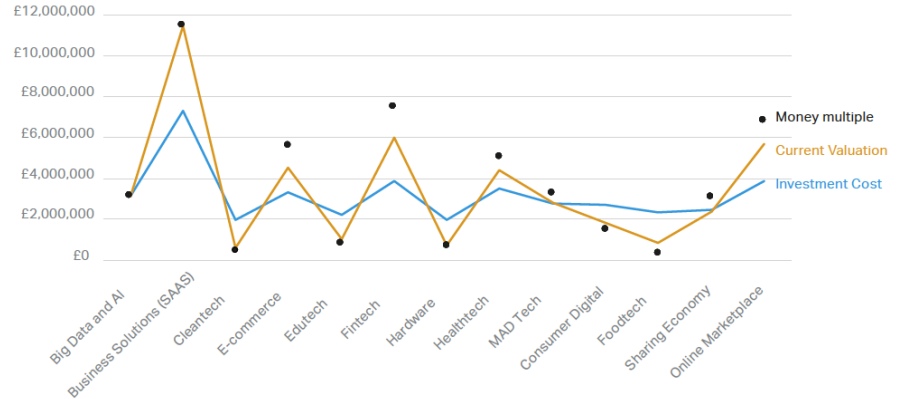


Outperforming sectors

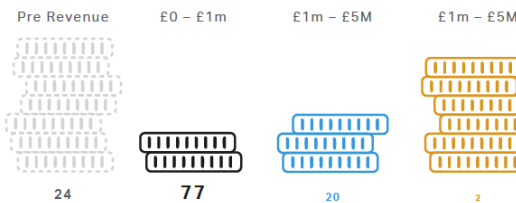


- Big Data and AI
- Business solutions (SAAS)
- Cleantech
- Consumer Digital
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- Hardware
- Healthtech
- MAD Tech
- Online Marketplace
- Sharing Economy

Valuation



Revenue Generation by number of companies



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