

Economic Development Plan Working Group

Date of meeting: **17 March 2014**

Title of report: **Delivery of an Economic Development Plan for London**

To be presented by: **Jamie Izzard, GLA Board Secretary**

Cleared by: (Director) **Mark Kleinman, GLA Assistant Director - Economic and Business Policy**

Classification: **Public**

1 Executive Summary

- 1.1 This report updates Members on the appointment of a consultant to deliver an Economic Development Plan (EDP) for London and proposes a timeline of activity and the establishment of an Advisory Group to support this work.

2 Recommendations

That the Working Group:

- 2.1 Notes that the London Enterprise Panel (LEP) has renamed the Group as the 'Economic Development Plan Working Group' to better reflect its remit;
- 2.2 Notes the appointment of McKinsey & Company to deliver an Economic Development Plan (EDP) for London;
- 2.3 Notes the update on additional project funding to a value of £100k (£50k from the London Enterprise Panel (LEP) and £50k from the GLA);
- 2.4 Notes the project timeline and future meeting dates; and
- 2.5 Establishes an Advisory Group and agrees its Terms of Reference and Membership.

3 Introduction and Background

- 3.1 This Group was formally established by the London Enterprise Panel (LEP) on 7 January 2014 to oversee the development of an Economic Development Plan for London on their behalf. It has been agreed that London First will project manage the delivery of the EDP and provide the core funding.

4 Appointment of consultants to deliver an Economic Development Plan (EDP) for London

- 4.1 Since the Group considered presentations from the top-scoring bidders at its meeting on 7 February 2014, London First have appointed McKinsey & Company to deliver the EDP. This was based on the assessment and advice of the Group at the meeting.
- 4.2 McKinsey will be present at the meeting to initiate the 'Kick-off' stage at Item 5 below.

5 Project funding

- 5.1 It was originally proposed that the cost of delivering the EDP for the LEP would be fully financed by London First (up to a value of £200,000) and other external sources. Since then, the London First Board asked that the LEP demonstrates its commitment to this work through the provision of some further resources.
- 5.2 To demonstrate this commitment, the LEP will be considering a contribution of £50k funding at its meeting on 13 March 2014 and the GLA has nominally allocated a £50k contribution which is now subject to the GLA's budget approvals process.
- 5.3 The GLA also continues to provide significant staffing resource particularly from its Economic and Business Policy Unit, GLA Economics and Secretariat teams.
- 5.4 Subject to approval of additional funding there will be £300k available to undertake this work which exactly matches the amount set out in London First's 'Request for Proposals' document which invited bids for undertaking the delivery of the EDP.

6 Project timeline and future meeting dates

- 6.1 This Group will meet as part of McKinsey's six "Major Steerco sessions" as follows:

Phase 1 (March – May 2014)

- Session 1: Kick-off (17 March 2014)
- Session 2: Early insights (10 April 2014)
- Session 3: Share factbase (29 April 2014)
- Session 4: Draft themes (20 May 2014)

Phase 2 (September – October 2014)

- Session 5: Revised themes (25 September 2014)
- Session 6: Plan & metrics (28 October 2014)

- 6.2 A detailed timeline will also be presented at the meeting under Item 5 below.

7 Establishment of an Economic Development Plan (EDP) Advisory Group

- 7.1 The Group had previously agreed to establish an Advisory Group to support this work and it was subsequently agreed by the Group that the appointed consultant should inform the membership of the Group so this should be established after their appointment.
- 7.2 In order to move this work forward, invitation letters have been sent out to everyone listed at Appendix B. This list includes suggestions from McKinsey as part of their stakeholder mapping work.
- 7.3 The proposed Terms of Reference for this Advisory Group and the proposed membership are set out at Appendix A for the Group's approval.

8 Risks arising / mitigation

- 8.1 The risks are being managed by London First as part of their agreement to project manage this activity. However, GLA officers are working very closely with London First counterparts to mitigate any risks.

9 Financial comments of the Executive Director Resources

- 9.1 £50k funding has been allocated from the GLA's central programme budget (pending formal approval) and approval for an additional £50k LEP funding will be considered at the meeting on 13 March 2014. A verbal update will be given at the meeting.

10 Next steps

- 10.1 Next steps are outlined in the project timeline and future meeting dates at section 6 above.

Appendices:

- Appendix A – Economic Development Plan (EDP) Advisory Group Terms of Reference and Membership
- Appendix B – Economic Development Plan (EDP) Advisory Group – List of people invited to join the Advisory Group [Reserved from publication]