GREATERLONDONAUTHORITY

**REQUEST FOR MAYORAL DECISION – MD1345**

**Title: LEP investment for the London Co-Investment Fund**

**Executive Summary:**

On 28 March 2014, the Investment and Performance Board (IPB) agreed expenditure of £25m from the Growing Places Fund (GPF) allocation to the London Enterprise Panel (LEP), for a finance fund for London SMEs in line with its Jobs and Growth Plan. This decision sets out how this will be delivered through a London Co-Investment Fund (LCIF) that will leverage equity investments into early stage growth SMEs as they emerge from private accelerators, incubators and support programmes and seeks formal approval to enter into a funding agreement (including repayment terms) with SME Wholesale Finance Limited (SMEWFL) to provide £25m of capital funding in to deliver the LCIF.

**Decision:**

That the Mayor approves expenditure of up to £25m of the Growing Places Fund (GPF) on the provision of funding to SME Wholesale Finance Limited (albeit with repayment terms) to deliver the programme of investments set out in this decision.

**Mayor of London**

I confirm that I do not have any disclosable pecuniary interests in the proposed decision, and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

**Signature:** **Date:** **18 June 2014**

## PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

### Decision required – supporting report

### 1. Introduction and background

1.1 The proposed expenditure seeks to address the LEP Jobs and Growth Plan commitment to assess the scale and nature of any SME Finance gap in London and use up to £25m of GPF to take appropriate measures to help address any gap.

1.2 This intervention aims to addresses potential market failures where SMEs may be denied equity funding from finance providers due to:

- lack of knowledge or skills in SMEs in terms of making their proposal to investors;
- investors failing to understand the propositions from SMEs and/or making their requirements clear; and/or
- overly rigid due diligence methods not truly reflecting the risk/return ratio for small investments.

1.3 Independent research into SME finance in London commissioned by the GLA and published in November 2013 found:

- a worsening SME finance funding gap since 2008;
- a large SME finance gap including an annual equity gap of around £350m rising to around £1.8 Billion by 2016; and
- five suitable areas for SME finance intervention with addressing the £250k-£2m equity gap the highest priority for any London scheme.

1.4 The LEP reserved £25m of its GPF Round 2 allocation for an SME Finance Scheme. Proposals for an SME Finance Scheme were invited as part of a bidding round which were evaluated, ranked against each other in a competitive process and discussed with the LEP. Following evaluation the LCIF project bid from Capital Enterprise and SMEWFL was rated the best proposal and shortlisted for approval by the LEP in November 2013

1.5 It was considered that this project will deliver and be evaluated against its ability to:

- target investment to early stage SMEs requiring £200-£750k, highlighted as a significant structural equity gap by the GLA's research and a critical point when funds are required;
- target finance to 210 growth potential SMEs in high value digital, science and technology sectors as they emerge from private accelerators, incubators and support programmes;
- generate approximately 2,650 jobs and approximately £130m GVA from investments in SMEs.
- leverage at least £2.9 private investment for every £1 of public investment into SMEs; and
- bring to the marketplace an innovative co-investment fund model which complements rather than competes with other public initiatives and learns lessons from previous SME finance funds.

1.6 The delivery model is a Co-Investment Fund model, based upon the Scottish Co-Investment Fund operating since 2003. In summary:

- the GLA will provide SMEWFL with the £25m for investment purposes and certain related overheads;
- a consortium of investment partners from the business angel and venture capital community are sourced;
- the fund (here the SMEWFL fund) will draw down funds to invest in suitable SME opportunities alongside the leveraged private investment they have generated; and
- the fund will operate in a way that is designed to enable repayment of the GLA's £25m back to the organisation.

## 2. Objectives and expected outcomes

**Objective 1**: Provision of equity finance to early stage growth SMEs in London.

**Outcomes**
- 210 early stage growth SMEs in London receiving investment.
- An average of at least £2.9 private sector investment leveraged for every £1 of public sector SME investment.[1]

**Objective 2:** Impact of finance provision to London SMEs in terms of jobs and growth

**Outcomes**
- Approximately 2,650 jobs generated by SMEs receiving finance as a result of the fund.[2]
- Approximately £130m GVA generated from investments in SMEs from the fund.[3]

Also wider benefits in terms of the positive impacts on the SME Finance gap in London, pipeline of viable SMEs seeking finance, inward investment, the science and technology sector, and the early stage SME finance and business support ecosystem.

## 3. Other considerations

### a) Key risks and issues

| Risk | Description | Mitigation/actions |
|---|---|---|
| Investment, jobs & growth outcomes not achieved. | Dependent upon performance of SME invested in. | • Competitive procurement of co-investors with investment pipeline & relevant expertise.<br>• Investment readiness support and pipeline development.<br>• Independent assessment of draft business plan assumptions conducted. |
| Project delivery problems/delays. | Dependent upon GLA/SMEWFL/ Co-Investment Partners management arrangements. | • LCIF draft business plan as basis for contract revised as a result of GLA questioning, assessment and advice.<br>• Operational model to follow many aspects of Scottish Co-Investment Fund which has deployed investments into target SMEs through competitively selected partners in the early stage investments for over ten years.<br>• GLA/LCIF agreement to be drawn up with legal advice which is aligned with specific, measurable, achievable, realistic and time-bound milestones and an agreed profile.<br>• Close monitoring of performance, ongoing risks and issues and internal project review. |
| Projected returns not delivered. | Dependent upon performance & exits of SME invested in. | • Co-investors providing £2.9 private investment for every £1 of public investment into SMEs on same terms as GLA.<br>• Modelling conducted on projected investor performance with sensitivity analysis of the implications of different failure rate/exit scenarios by SMEWFL/Capital Enterprise.<br>• Repayment structured to prioritise the return of the GLA's investment to the organisation as returns are generated from |

[1] Based upon assumptions in *Business Plan for the London Co-Investment Fund*, SMEWFL and Capital Enterprise (March 2014).
[2] Based upon assumptions in *Business Plan for the London Co-Investment Fund*, SMEWFL and Capital Enterprise (March 2014).
[3] Based on the job creation numbers in *Business Plan for the London Co-Investment Fund*, SMEWFL and Capital Enterprise (March 2014) and methodology developed in consultation with GLA Economics.

| | | |
|---|---|---|
| | | SME exits from the portfolio.<br>• Quarterly and annual fund performance reports provided for GLA and LEP with wider independent evaluation of performance and impact after returns start to come back.<br>• Contract management by GLA to continually monitor fund performance and assess and manage risks to ensure best possible return on investment.<br>• Portfolio management by LCIF to maximise returns from exits with oversight from LCIF advisory board. |

The two main variables on which returns and jobs and growth outcomes are based are the failure rate of the SME portfolio and the cash multiple on portfolio exits. Together with sensitivity analysis, the base case sets out projections for these of a 33% failure rate and a Total Value to Paid in Capital (TVPI) of 190%. There is a risk, highlighted by an independent consultant's evaluation of the business plan assumptions, that performance on these variables may be lower than the base case, however the evaluation also indicated that this should still enable at least the original £25m to be repaid to the GLA. The benefits also still outweigh the costs. However the impact on achievement of the jobs target is a risk that will need to be kept under review should the SME failure rate be significantly higher.

### b) Links to Mayoral Strategies and Priorities

Delivers on **LEP's Jobs and Growth Plan** commitment to "assess the need, potential, and possible mechanism for a finance scheme using public funding of up to £25 million to leverage funding to assist London SMEs with potential to grow and that are having difficulties accessing capital".

Also follows Mayoral **Manifesto Commitment** to "Launch a new £35 million revolving fund, through the London Growth Fund, to provide low-cost loans to small and medium-sized businesses" and supports the **Economic Development Strategy** goal of "ensuring that the capital's environment for starting, running and expanding a business is the most competitive in the world".

### c) Impact assessments and consultations

**Impact assessment**
An independent and suitably qualified organisation will be commissioned to carry out an evaluation study as returns begin to be generated at a point agreed which may be as early as Year 3 of the fund. This will:

- Undertake a fund level performance appraisal, including an analysis of outcomes, early returns, management and governance of the funds.
- Assess the firm level impacts, including on turnover, productivity and employment (and whether these are additional/deadweight costs).
- Assess finance market outcomes, in particular the extent to which the creation of these funds has increased the supply of additional finance.
- Consider local economy impacts, including any regeneration impacts.
- Evaluate the position of the LCIF to repay the £25m investment and the potential for reinvestment.

**Evaluation and consultation**

- An independent consultant's evaluation of the Business Plan was commissionedlooking at survival rates of businesses and published performance of relevant funds over different economic cycles. This concludes that the base case performance assumptions are very optimistic but states that they do not consider it unreasonable to assume that less optimistic performance would still enable the GLA to be repaid its original investment.
- *SME Finance in London*, SQW and the Centre for Enterprise and Economic Development Research (November 2013), – GLA commissioned research into London SME funding gap and how this should be addressed.

- *Business Plan for the London Co-Investment Fund*, SMEWFL and Capital Enterprise (March 2014) included notes of consultation process with London's early stage investment community.
- Consistent engagement with the LEP SME Working Group, regular updates to the LEP and presentation to the LEP Digital, Science and Creative Technology Working Group.
- Meetings and discussions with national government, banks and other finance providers and business support organisations, including the Government' Business Bank and the European Investment Bank.

## 4. Financial comments

4.1 The decision requires the GLA to commit £25 million towards overall project costs of £26.6 million with SMEWFL contributing £1.6 million or 6% of the total. Investments of £23 million (£24 million including fees) will be made with £2.6 million required to fund operational costs. The GLA's contribution will be capital grant funding from the Growing Places Fund. Investment fees and the operational costs are integral to the placing of the investments and the GLA's share of these will therefore be funded as capital expenditure.

4.2 Investments are expected to begin to be made by the end of 2014 and through until September 2017. Exit proceeds are assumed to be realised from late in 2019 and on the basis of SMEWFL's base case which assumes a 33 per cent failure rate, these could be sufficient to enable repayment of the full £25 million investment by June 2022. Additional proceeds of £20.8 million are also projected so that total returns of £45.8 million are anticipated by June 2023. This is equivalent to a Total Value to Paid in Capital (TVPI) of 190%. An independent consultant's review of SMEWFL's business plan including survival rates of businesses and published performance of relevant funds over different economic cycles, found that this is a very optimistic assumption. However, it did not consider it unreasonable to assume a TVPI in excess of at least 100% can be achieved i.e. that the GLA can be repaid its initial £25 million investment in full. This level of return would also be consistent with SMEWFL's modelling of returns in a scenario where there are as many as 50 per cent business failures in its investments.

4.3 A key advantage of the co-investment model is that other private investors would be investing alongside SMEWFL and on the same terms. If the private investment leverage of 2.9 times can be delivered and investments made in line with the business plan this does provide further assurance over the level of exit proceeds that could be generated. However, there still remains a risk of a shortfall in exit proceeds, even against the £25 million funding. SMEWFL's business plan assumes that exit proceeds would be sufficient to enable repayments to be made to the GLA over a three year period 2020 to 2022. Repayments are expected to be made as soon as exit proceeds allow and the funding agreement will need to reflect this. The amounts and their timing would need to be agreed at the time as part of the general oversight and monitoring of performance.

4.4 SMEWFL's contribution to the overall cost of the proposal is 6 per cent. The sharing of profits from the original round of investments in proportion to contributions will incentivise SMEWFL, but would reduce the return to the GLA. If it is subsequently agreed that no reinvestments are made the GLA's original investment of £25 million and the SMEWFL original investment will be repaid, surpluses shared proportionately, but any winding up costs to the GLA's account. If there is a shortfall in exit proceeds SMEWFL would be required to meet a proportionate share.

4.5 SMEWFL's business plan assumes an estimated profile in the placing of the investments with co-investors, the funding of fees and operational costs as set out at paragraph 7.7 below. As expenditure will be spread over a number of years, on-going expenditure and amendments in this profile will be subject to the GLA's year-end processes and also to the GLA's decision making process as necessary. Reinvestment of any proceeds will be subject to the GLA's decision making process following consultation with the LEP.

## 5. Legal comments

5.1 The foregoing sections of this report indicate that:

5.1.1 the decisions requested of the Mayor fall within the statutory powers of the Authority to do such things as may be considered facilitative of or conducive or incidental to the promotion of economic development and wealth creation in Greater London; and

5.1.2 in formulating the proposals in respect of which a decision is sought officers have complied with the Authority's related statutory duties to:

(a) pay due regard to the principle that there should be equality of opportunity for all people;
(b) consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
(c) consult with appropriate bodies.

5.2 Officers have indicated that:

5.2.1 the provision of funding to SMEWFL will amount to the provision of funding and not a payment for services rendered;

5.2.2 a fair, transparent and competitive process was followed to identify the proposed recipients of funding in way which is considered to afford value for money; and

5.2.3 the fund in respect of which it is proposed the funding will be provided to SMEWFL will be managed in a manner which corresponds with the provisions of the Treaty of the Functioning of the European Union.

5.2.4 Officers must take care to ensure, and work with the Authority's finance team, TfL legal and any external advisors (as appropriate) to include corresponding provisions in the funding agreement with SMEWFL to ensure that:

(a) the fund is administered and managed in a manner which complies with the Treaty of the Functioning of the European Union in particular ensuring that one end borrower SME will not receive in excess of the relevant General Block Exemption Regulation de minimis thresholds;

(b) the respective Authority and private sector funds are applied to investments in proportions which correspond with the relevant General Block Exemption Regulation allowable compatible State aid intensities;

(c) all services and supplies required by SMEWFL for its administration of the fund are procured in an open, fair and transparent manner which accords with pubic sector procurement obligations;

(d) investment partners are sourced competitively by SMEWFL;

(e) Authority funding is not used for any activities or overheads incurred in respect of activities for which SMEWFL charge, a clear limit is placed on their use of funds to meet administration costs of the fund and the reimbursement of such costs and/or any other SMEWFL remuneration is performance based;

(f) SMEWFL are required to have a separate account for the receipt and use of Authority funding, or if this is not possible, that they show the funding and related expenditure as a restricted fund in their accounts under a clear identifier, e.g. "GPF Funding";

(g) wherever possible SMEWFL are required to share part of the investment risks by co-investing its own resources; and

(h) agreed triggers and processes for, and terms of any repayment of the funding by SMEWFL to the Authority are expressed in a clear and unambiguous manner.

5.2.5 Officers must also ensure that a funding agreement is put in place and executed by each of SMEWFL and the Authority before any commitment is made to the grant of funding.

5.2.6 The proposed arrangements should be considered in light of the principle that the discretion of a future administration should not be unreasonably fettered. As the proposed arrangements will endure beyond the 2016 London elections, the need potentially for break options and structuring of draw down milestones should be considered carefully.

## 6. Investment & Performance Board Minutes

**IPB 20 February 2014 - London Co-Investment Fund (SME Finance) – Stage 1**
That the Stage 1 investment proposal of £25m from the Growing Places Fund in the London Co-Investment Fund be agreed; and that the subsequent Stage 2 Investment Decision be presented to the Board alongside a wider SME Wholesale Finance Ltd (SMEWFL) paper.

**IPB 28 March 2014 – London Co-Investment Fund (SME Finance) – Stage 2**
That the Stage 2 (Investment Case) for the London Co-Investment Fund be approved in principle.

## 7. Planned delivery approach and next steps

### Planned delivery approach

7.1 The planned delivery model is a Co-Investment Fund model, based upon the Scottish Co-Investment Fund operating since 2003. In summary:

- the GLA will provide SMEWFL with the £25m for investment purposes and certain related overheads and will be delivered in line with the legal advice set out above;
- a consortium of investment partners from the business angel and venture capital community are sourced;
- the fund draws down funds to invest in suitable SME opportunities alongside the leveraged private investment they have generated; and
- The fund operates in a way that is designed to enable repayment of the GLA's £25m back to the organisation.

7.2 Under this model, SMEWFL will competitively select and contract with co-investors with the strongest track record of investing, market knowledge and return on capital (using a competitive procurement process and evaluation criteria and weightings designed to identify the optimum investment bids and conducted on a pan-EU basis). This process will be overseen by the LCIF Advisory Board. Capital Enterprise will act to promote and market the scheme and will Chair the Advisory Board.

7.3 Co-investments will be made by the fund alongside the contracted private investors on a deal by deal basis where they meet the established investment criteria and are successfully evaluated by the fund. LCIF investments will be evaluated on the basis of how far they support a combination of high growth sectors in London, job creation, size of investment per SME, amount of private sector leverage, and increase in the level of funding received by SME. The investment criteria to be applied will include investment amounts and terms, due diligence requirements, material change information, investment allocation considerations, availability of information, availability of due diligence reports and alignment with market practice.

7.4 Investments will be made when co-investment partners notify the LCIF of an investment opportunity that meets the LCIF's criteria. This will be reviewed by the LCIF investment managers before due diligence is completed and the terms and structure of the deal agreed. Provided all is in order and the LCIF's requirements are met the investments will proceed. Partner allocations will be made on the basis of each partner's ability to deploy investments through an agreed investment plan, which will be regularly reviewed to determine whether allocations are being deployed accordingly, with funds being able to be reallocated where this is not the case.

7.5 The GLA will put in place governance arrangements to ensure effective oversight of SMEWFL's management of the LCIF fund, including regular updates to the LEP and the LEP SME Working Group. GLA officers will manage SMEWFL's performance in its management of the LCIF, the funding agreement will include supporting provisions in this regard to assist in ensuring that SMEWFL acts to meet agreed outcomes of the project to the agreed timescales, and taking action to address any performance issues. In addition performance will be evaluated through regular performance review management meetings and provision of quarterly and annual performance data. This will include provision for payment to be withheld should milestones for the delivery of investments be delayed or not delivered to the required standard.

7.5 The internal governance of the fund will be carried out by an LCIF Advisory Board, Chaired by Capital Enterprise, and consisting of people with investment market experience that will meet on a regular basis to oversee and hold to account the activities and performance of SMEWFL and the LCIF co-investors. The remit of the board will be to:

- Oversee the delivery and development of, and review the impact of, the LCIF;
- Give guidance on the evolution of exiting products and or process on the basis of market research, market experience and market feedback;
- Scrutinise applications by private partners to become co-investment partners of LCIF;
- Where appropriate, recommend conditions to be attached to any partnership agreements with private sector funds wishing to become LCIF partners;
- Advise on performance milestones and scrutinise fund performance and the underlying portfolio of investments, against these milestones on a regular basis; and
- Review annual performance of LCIF and underlying investments and make comments as appropriate on the performance of LCIF against milestones in the year covered by an annual report.

The LCIF will also put in place a dedicated team of two full time investment managers to safeguard the fund's investments and overseeing the investments during the portfolio stage, an executive in charge of marketing and promotions and an administrative assistant to encourage a pipeline of SMEs with strong investment potential for the fund.

7.6 The LCIF's strategy is to invest the GPF allocation (less costs) within the first three years of the fund. Thereafter, the LCIF team will focus on monitoring the performance of investee companies and ensuring all issues are resolved by the partners in compliance with the contractual requirements set out in the partner agreements. It is estimated that the portfolio will begin generating proceeds from exits as early as year five of the fund (five years after investment). Assuming first investments are made towards the end of 2014, first exits would be expected at the end of 2019. On this basis, the portfolio phase of the LCIF will continue until approx. mid to late 2023.

7.7 SMEWFL will draw down GPF funding on the basis of a forecast of proposed investments and costs per quarter, to be reconciled at the end of each quarter based on evidence of investments delivered and costs incurred. The annual drawdown of funds is currently estimated to be as follows:
GPF Projected Outflows (£ millions)

| Financial Year | 2014/15 | 2015/16 | 2016/17 | 2017/18 | Future Years | TOTAL |
|---|---|---|---|---|---|---|
| **Total GPF outflows** | **3.97** | **7.77** | **7.82** | **3.99** | **1.45** | **25** |

SMEWFL will also co-invest an additional £1.64m from their existing resources, increasing the total size of the fund to £26.64m. This combined fund will cover costs of running and delivering the investments which will be shared on a basis proportionate to the respective levels of investment e.g. 94% by the GLA and 6% by SMEWFL. Including the co-investment of SMEWFL's resources the estimated breakdown of fund SME investments and costs is indicated below:

Total LCIF Projected Outflows (£ millions)

| Financial Year | 2014/15 | 2015/16 | 2016/17 | 2017/18 | Future Years | TOTAL |
|---|---|---|---|---|---|---|
| Annual investment amount | 3.88 | 7.65 | 7.65 | 3.77 | | 22.95 |
| Investment fees paid to partners | 0.1 | 0.19 | 0.19 | 0.09 | | 0.57 |
| Legal costs | 0.09 | 0.17 | 0.16 | 0.07 | | 0.49 |
| Operational costs | 0.17 | 0.27 | 0.33 | 0.32 | 1.54 | 2.63 |
| **Total LCIF Outflows** | **4.24** | **8.28** | **8.33** | **4.25** | **1.54** | **26.64** |

7.8 The fund will operate in a way that is designed to enable repayment of the GLA's £25m back to the organisation. SMEWFL will use GLA funds alongside its own resources to make equity investments in SMEs (and cover associated costs) proportionate to each party's investment through the LCIF alongside private co-investors with returns coming back to the LCIF based upon company exits. Funds will be used to provide investments into SMEs over the first three years (2014-2017) with the estimated returns from exits to be received from year five to year nine (2019 -2023) and repayment of the £25m to the GLA in full by approximately 2022. The timing and extent of returns will be dependent upon the performance of the SMEs receiving investment but the GLA will have clear commitment of repayment from the fund as returns are generated.

7.9 Provisions concerning SMEWFL's repayment to the GLA of the original £25m and provision for any surpluses will be set out in the funding agreement. The distribution of the original investment and any surpluses will be in proportion to the share of investment being committed to the fund by GLA and SMEWFL e.g. 94% of the surplus would go to the GLA and 6% to SMEWFL. Any overall losses would therefore be shared proportionately by both parties. Costs associated with winding up the fund will be deducted from the GLA's share.

7.10 There is an option for the GLA to consent to a round of reinvestment by SMEWFL during the lifespan of the fund using any returns generated in excess of the £25m repayment. The fund will commission an independent and suitably qualified organisation to carry out an evaluation study of performance, impact and extent of funds to be generated as exit proceeds begin to be received by the LCIF at a point agreed from Year 3 of the fund onwards. This evaluation will help to inform the GLA's decision as to whether it would wish to consider this option in relation to the LCIF, and a decision can be made in consideration of a proposal made by SMEWFL at an annual review point. Should it not choose to do so then the GLA would be paid its proportionate share of these surpluses to the GLA's account.

7.11 SMEWFL and Capital Enterprise have set out in the business plan a statement setting out how they will ensure that the provision of finance and the fund is accessible to all business ownership groups. This will be monitored through quarterly reporting.

7.12 The terms of the funding agreement will oblige the scheme to be delivered in line with the new General Block Exemption Regulations (GBER), which comes into effect on 1st July 2014.

**Outline timetable**

| | Activity | Timeline |
|---|---|---|
| **1** | Mayoral Decision | **June 2014** |
| **2** | Agreement of Contract | **June 2014** |
| **3** | Procurement of Co-Investors by LCIF | **Jun – Sep/Oct** |
| **4** | Announcement: | **Sep/Oct** |
| **5** | First investments | **Late Autumn** |
| **6** | Repayment begins (approximately) | **2020** |
| **7** | Repayment ends (approximately) | **2022** |
| **8** | Delivery End Date | **2023** |
| **9** | Project Closure (without reinvestment): | **2023** |

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| **Public access to information**<br>Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.<br><br>If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note**: This form (Part 1) will either be published within one working day after approval <u>or</u> on the defer date. |
| **Part 1 Deferral**:<br>**Is the publication of Part 1 of this approval to be deferred? NO**<br>If YES, for what reason:<br><br>Until what date: (a date is required if deferring) |
| **Part 2 Confidentiality**: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.<br><br>**Is there a part 2 form – NO** |

| **ORIGINATING OFFICER DECLARATION:** | Drafting officer to confirm the following (✓) |
|---|---|
| **Drafting officer:**<br><u>Kevin Hoctor</u> has drafted this report in accordance with GLA procedures and confirms the following have been consulted on the final decision. | ✓ |
| **Assistant Director/Head of Service:**<br><u>Debbie Jackson</u> has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval. | ✓ |
| **Sponsoring Director:**<br><u>Fiona Fletcher-Smith</u> has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities. | ✓ |
| **Mayoral Adviser:**<br><u>Kit Malthouse</u> has been consulted about the proposal and agrees the recommendations. | ✓ |
| **Advice:**<br>The Finance and Legal teams have commented on this proposal. | ✓ |

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| **EXECUTIVE DIRECTOR, RESOURCES:**<br>I confirm that financial and legal implications have been appropriately considered in the preparation of this report. | |
| **Signature** | **Date** |

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| **CHIEF OF STAFF:**<br>I am satisfied that this is an appropriate request to be submitted to the Mayor | |
| **Signature** | **Date** |