

## REQUEST FOR DIRECTOR DECISION – DD1407

**Title:** To extend Mayor's Export Programme delivery until 31 December 2015.

### Executive Summary:

The current approval for the Mayor's Export Programme delivery ends on 30 September 2015 due to the requirement to invest all ERDF project delivery by that date (details set out in DD1067 & MD1426). An opportunity has arisen to deliver an additional two trade missions aligning with the Mayoral trips this autumn. It is proposed therefore, that the GLA extends the delivery phase of the current Mayor's Export Programme activities until the end of the year and utilises up to £70,000 of the approved but unspent GPF revenue to meet the costs of the SME elements of the export missions. A paper was put to the LEP on the 14 August 2015 who approved the principle to carry out export activities to the end of December. It has been decided the activities are most efficiently and cost effectively delivered in-house by the GLA given the tight timescales.

The activity will comprise delivering two trade missions to Japan (October) and Israel (November) including pre mission briefing in London and trade mission activities in market for around 35 companies. The outcome of the activity will be to raise the profile of exporting through the Mayor's missions and increase sales and jobs in London companies.

HMG has agreed to provide £50,000 'in-kind' support towards the trade mission to Japan.

### Decision:

The Executive Director approves the extension of the Mayor's Export Programme to deliver two export missions and additional project activities until 31 December 2015, with associated expenditure of up to £70,000.

### AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

**Name:** Fiona Fletcher-Smith

**Position:** Executive Director, Development Enterprise and Environment

**Signature:**



**Date:**

14 Oct 2015.

## **PART I – NON-CONFIDENTIAL FACTS AND ADVICE**

### **Decision required – supporting report**

#### **1. Introduction and background**

The Mayor's Export Programme was approved through DD1067 and MD1426.

Delivery was planned to end on 30 September 2015 in line with ERDF grant agreement signed 10 October 2013. Whilst ERDF has now ended, the opportunity has arisen to deliver an additional two SME focused export missions to Japan in October and Israel in November aligning with the Mayoral trips this autumn.

It is proposed that the GLA extends the delivery phase of the Mayor's Export Programme to 31<sup>st</sup> December 2015 and utilises up to £70,000 of the approved unused GPF revenue funds to meet the costs of SME support activity. Due to tight timeframes and taking into account value for money these activities will be delivered in-house.

The funding will cover costs of pre mission briefing in London, a contribution to SME's costs and trade mission activities in market for around 35 companies. The outcome of the activity will be to raise the profile of exporting through the Mayor's missions and increase sales and jobs in London companies.

The GLA's contribution will be part matched by £50,000 'in-kind' contribution from HMG to cover the costs of a group stand and film to be used at the Bio Japan Conference in October 2015.

#### **2. Objectives and expected outcomes**

See DD1067 & MD1426 for full detail as this remains unchanged with the exception below:

The additional project delivery will allow the GLA to:

- Support up to 35 additional London small and medium sized enterprises in science and technology sectors to internationalise through marketing events, workshops and participation in trade missions.
- It is estimated that these companies will generate in excess of £1m in new sales and create in excess of 10 new jobs in London, as a result of this intervention.

This work will:

- Maximise London's economic competitiveness and prosperity through increased global engagement by SME's in line with the Mayor's ambitions as set out in the Economic Development Strategy (EDS), in particular Objective 1 which concerns London as a 'World Capital of Business' and Objective 2 'Improving London's Competitiveness'.
- Seek to reach high growth and high growth potential companies which account for about 1.5% of job creating firms but contribute 25% to 30% of jobs created. Eighty five percent of exporters receiving export support have said it has led to levels of growth not otherwise achievable (UKTI, 2013) and exporting leads to innovation as businesses are exposed to international competition.

### 3. Equality comments

From the 250 businesses that have been supported through the Mayor's Export Programme to date 43 were BAME owned businesses (17.2%), 22 female owned businesses (8.8%) and 1 disabled owned business (0.4%). This was below the targets set for the programme.

We will continue to promote equalities for the MEP extension phase as we have previously done throughout the programme. We have recently commissioned an external evaluation of the programme which will assess the challenges the programme has faced in engaging these groups. The findings from the evaluation will help understand these challenges better when developing future programmes of this nature.

### 4. Other considerations

	Risk description	Mitigation / Risk response	Current probability (1-4)	Current impact (1-4)	RAG	GLA risk owner
1	Delivery risk The tight time frames compromise ability to deliver.	The procurement will be conducted in house. The GLA will use partners to provide in kind time support.	2	2		Jenny Holmes
2	Reputational risk	The GLA will ensure all activity under Mayor of London banner and branding is appropriately monitored.	2	2		Jenny Holmes
3	Performance risk The programme struggles to recruit the required businesses.	The GLA will use the networks and contacts developed via the current programme and work with partners to market the missions.	1	2		Jenny Holmes

### 5. Financial comments

- 5.1 Approval is being sought to extend the current Mayor's Export Programme from 1 October 2015 to 31 December 2015 at a cost of up to £70,000.
- 5.2 DD1067 approved the use of £721,250 Growing Places Fund (GPF) for the Mayor's Export Programme, as match of an equivalent amount from the ERDF programme. At quarter 1, the forecast of lifetime GPF spend on this project was £481,189. An underspend of £64,500 has been notionally allocated for other purposes by the LEP, leaving an unallocated balance in excess of £175,000.
- 5.3 It is proposed to fund the extension cost of £70,000 from the existing GPF approval, unmatched by ERDF.
- 5.4 The GLA's contribution will be part matched by £50,000 'in-kind' contribution from HMG.

## **6. Legal comments**

6.1 The foregoing sections this report indicate that:

6.1.1 the decisions requested of the director fall within the GLA's statutory powers to do such things considered to promote or which may be considered facilitative of or conducive to the promotion of the economic development and wealth creation in Greater London; and

6.1.2 officers have considered the need 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.

6.2 Should the director be minded to make the decisions sought officers must ensure:

6.2.1 that they do not act in reliance of HMG's offer of in kind support until a clear and binding commitment is received in this regard; and

6.2.2 if any services or supplies are required for delivery of the trade missions, that they are procured by Transport for London Procurement who will determine the detail of the procurement strategy to be adopted in accordance with the GLA's Contracts and Funding Code and appropriate contract documentation is put in place and executed by the successful bidder(s) and the GLA before the commencement of such services or supplies.

## **7. Planned delivery approach and next steps**

<b>Activity</b>	<b>Timeline</b>
Marketing of Trade Missions	September 2015
Delivery of Japan Trade Mission	October 2015
Delivery of Israel Trade Mission	November 2015
Project end date	December 2015

### **Appendices and supporting papers:**

**Public access to information**

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.

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.

**Part 1 Deferral:**

**Is the publication of Part 1 of this approval to be deferred? NO**

If YES, for what reason:

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.

**Is there a part 2 form –NO**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to  
confirm the  
following (✓)

**Drafting officer:**

Jennefer Holmes has drafted this report in accordance with GLA procedures and confirms that:

✓

**Assistant Director/Head of Service:**

Mark Kleinman has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

**Financial and Legal advice:**

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

**EXECUTIVE DIRECTOR, RESOURCES:**

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

**Signature**

*M. J. Allen*

**Date**

*12.10.15*

