

PART 2 – CONFIDENTIAL FACTS AND ADVICE

MD2055

Title: London Growth Hub

Information may have to be disclosed in the event of a request under the Freedom of Information Act 2000. In the event of a request for confidential facts and advice, please consult the Information Governance team for advice.

This information is not for publication until the stated date, because:

The information included below is commercially sensitive as its release would be detrimental to the GLA's ability to secure best value from the proposed forthcoming procurement activity, as the information details funding allocations for specific procurement processes. Release of this information would also allow bidders who had viewed this information to gain a commercial advantage over those who had not.

Date at which Part 2 will cease to be confidential or when confidentiality should be reviewed:
31 December 2017 (review date).

Legal recommendation on the grounds of keeping the information confidential:

In the event of any request for access to the information contained in this document under section 1 of the Freedom of Information Act 2000 ("the Act"), it is considered that access can be denied on the basis that the disclosure of such information would prejudice the GLA's and prospective bidders commercial interests and therefore, is covered by the exemption under section 43 of the Act.

Section 1 of the Act creates the general right of access, which provides that any person making a request for information to a public authority is entitled:

- to be informed in writing by the public authority whether it holds information of the description specified in the request; and
- if that is the case, to have that information communicated to him/her.

Part II of the Act contains a number of exemptions from disclosure for certain classes of information. In particular, section 43 of the Act provides that information is exempt information if disclosure under the Act would, or would be likely to prejudice the commercial interests of any person (including the public authority holding it). The paragraph above states that the information is considered commercially sensitive as its release could affect the GLA's ability to negotiate commercial details with potential bidders.

The section 43 exemptions are qualified exemptions and its use is therefore, subject to a public interest assessment.

Public Interest Assessment

At present, on balance, it is considered that the public interest is best served if the information is not

disclosed at this point. Disclosure by the GLA would be likely to have a detrimental effect on the:

- GLA's, and potential bidders' commercial interests and the delivery of the proposed project; and
- GLA's delivery of a project which promotes economic development and wealth creation in Greater London.

The eligibility of these exemptions should be reassessed in the event of an FOI request for this information as the level of sensitivity will change over time and different circumstances may alter the arguments in favour of non-disclosure.

Legal Adviser - I make the above recommendations that this information should be considered confidential at this time

Name: Emovon Ero

Date: 29 November 2016

Once this form is fully authorised, it should be circulated with Part 1.

Confidential decision and/or advice:

Funding summary

The table in below provides for an indicative expenditure budget over the two financial-years (and as described in the main body of this report):

	2016-17	2017-18	Total
	£000	£000	£000
Expenditure			
Growth Hub Project Officer	31	43	74
Content Maintenance Contract	26	24	50
Growth Hun Portal - Phase 2 Development	103	0	103
Growth Hub Portal - additional design work	1	0	1
Business Support Events Programme	12	12	24
Growth Hub Portal Marketing	53	29	82
Growth Hub Portal Content Production	20	0	20
Growth Hub Portal - Phase 3 Development	75	175	250
Funding to support triage & advice services	150	238	388
SME Panel	50	0	50
Total	521	521	1,042

Project proposals

Three projects have been identified to complement the Growth Hub portal. The projects will be funded through the BEIS Growth Hub funding. Below is a summary of what each projects aim to achieve.

Project 1: Co-working together

The number of Open workspaces (OW) in London has grown significantly during the last 5 years. Currently the LEP's workspace map has registered over 330 spaces with more spaces being registered every month. Open workspaces allow small and micro-businesses to share space and resources on a flexible basis. They offer spaces that are suitable for the needs of micro- and growing businesses, alongside business support and a collaborative environment for peer-to-peer collaboration. OW have also become hub centres for innovation for a range of sectors from technology to food or environmental enterprises. OW also encourages SMEs to network organically, implement new ideas, and develop alternative ways of doing businesses.

There are many models of open workspaces run by a variety of providers from non-for profit to large corporates. Some of the open workspaces provide business support to their organisations while others just limit themselves to provide a space for the SMEs to function.

Co-working spaces are ideal places to reach large number of SMEs based at one location and provide them with relevant business advice and support. The 'Co working together' business support project will test new ways for open workspaces to provide a more integrated, high quality business support to their members as well as entrepreneurs from local communities.

How will the project be implemented?

We will identify ten open workspaces across London (based in inner and outer London) that don't deliver business support.

The programme will support two target groups: 1) Established SMEs wanting to grow/expand 2) Start-up businesses, particularly from underrepresented groups such as women and BAME wanting to start their businesses. The support will be tailored to the two groups and will be delivered using relevant approaches and methodologies.

The project will provide a range of masterclasses as well as 1-2-1 sessions.

Masterclasses could include topics like: growing my business; leadership skills; exporting; preparing my business for Brexit; how to recruit staff for the first time; access to finance to grow my business, how to find the right accountant, what is the best type of company to set up if I am just starting up, etc.

The aim of the scheme is that masterclasses are delivered by experienced business people from high profile companies and will provide the support pro-bono.

Masterclasses will be followed by the opportunity of having up to two hours, free, 1-2-1 sessions with business support experts. These will be delivered by registered business support advisors.

The 1-2-1 sessions will be accessed by tenants of participant open workspaces (and will be free for them) or by local entrepreneurs (who will have to pay a nominal fee to demonstrate commitment).

Participant workspaces will also have to use the 'Impact metrics' document developed by the IPPR and GLA as part of the *Start me up* research report to follow up of the entrepreneurs/SMEs that participate in the programme.

Potential delivery partners

The contract will be procured through open and competitive process; however, we will seek to work with a range of public and private sector organisations that will provide speakers for the Masterclasses at no cost. This could include: UKTI; Google; Microsoft; Nominet; Intel; ICAEW; Santander, etc.

Conversations with some of these partners are already taking place and we will initiate them with the others once the project has been approved.

The project will be coordinated by an external organisation that will be procured during December and finalised in early January. We envisage they will have 2 ½ members of staff engaged in running the project.

Outcomes and Outputs

- Number of workspaces participating: 10 (a mix of inner and outer London)
- Number of Master classes: 24 (two per month). This could be at no cost to the programme if we identify speakers from private sector industry.
- Number of SMEs attending the Master classes: (20 for each event x 24 events = 480)
- SMEs based at the participating workspaces supported with 1-2-1 sessions following the master classes: (8 companies x 24 events = 192). Each 1-2-1 lasting 2 hours.
- Start ups and SMEs supported with 1-2-1 from the local area and not based in a workspace:

Costs and timeframes

The first phase of the project will be a pilot and will last three months. If the project is successful a second part to the project will be procured. Procurement for the first phase will start in December. The total budget allocation for the project is £200,000, but will be split for the different phases of the project.

Costs associated with the masterclasses will be minimised through partnership working and event sponsorship. The main costs of the programme will be the one-to-one support and the managing and running of the programme.

Project 2: SME engagement panel

We will explore the possibility of establishing an SME engagement panel that can be consulted on regular basis on the challenges they face and potential solutions that can be used to address their problems. The panel could be incorporated within the online Growth Hub and could be an additional tool to attract more SMEs. The Panel would aim to engage with around 500 businesses. This activity has been identified as a key priority for the Deputy Mayor for Business.

Outcomes and costs for the project will be identified after having defined the proposal.