An aerial, grayscale photograph of a city, likely London, showing a dense urban landscape with numerous buildings and streets. In the lower center, a large, modern stadium with a distinctive, ribbed roof structure is prominent. The text is overlaid on a semi-transparent white rectangular area on the left side of the image.

# Mayor's International Business Programme Summative Assessment

London & Partners

HATCH

# Mayor's International Business Programme Summative Assessment

July 2022

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A stack of several books is shown on the right side of the image, with their spines and pages visible. The books are arranged vertically, and the stack is partially obscured by a semi-transparent white rectangular box on the left. The text '01: INTRODUCTION' is centered within this box in a bold, dark font. The background is a solid, light gray color.

# **01: INTRODUCTION**

# 01 Introduction

**Hatch was commissioned by London & Partners (L&P) to undertake a final evaluation of the Mayor's International Business Programme (MIBP), which aims to support the global growth ambition of London small and medium sized enterprises (SMEs) to assist them to overcome their barriers to growth.**

MIBP is a tailored programme to support 700 scale up companies from the Financial, Business Services, Technology, Innovation and Life Science, Urban and Creative sectors in London to assist them to expand internationally. Scale ups join the programme for 12 months and receive access to mentors (in London and in overseas markets), access to Corporates, access to workshops and access to Trade Missions. After the 12 months, the CEOs remain on the programme as mentors to other entrepreneurs who are at an earlier stage of their scale up journey. The programme now has over 150 mentors who are based in the UK and internationally.

The programme secured £3,946,913 of ERDF funding (total programme value £7,893,826) to deliver activity under Priority Axis 3 (Enhancing the Competitiveness of small and medium enterprises).

## Evaluation Approach

### Addressing ERDF Evaluation Questions

The purpose of conducting a summative assessment is to gain an understanding of the practical experience from implementing the MIBP programme, its value add, and the impact achieved at the SME and programme level. It assesses whether the programme has delivered against its output targets and pinpoints the most pertinent lessons learned from on-the-ground delivery.

Every summative assessment must cover the below five themes, in line with Ministry of Housing, Communities and Local Government (MHCLG) Summative Assessment guidance, but be tailored to the programme in question. In the case of the MIBP programme, this entails an evaluation of its:

- **Relevance and Consistency** – in light of changing policies and economic circumstances, since programme inception, to test through consultation and desk-based work the continued relevance of and need for the programme;
- **Progress Against Contractual Targets** – measuring performance and understanding progress to date against contracted ERDF outputs and associated spend profiles using the latest available programme data;
- **Experience of Delivering and Managing the Programme** – tested through consultation, capturing strategic partners' experiences and lessons learned from implementing and managing the programme;
- **Economic Impact Attributable to the Programme** – providing a summary of programme impacts, harnessing qualitative insights from SME beneficiaries and setting out the extent to which additionality is being achieved; and
- **Cost Effectiveness and Value for Money** – modelled using self-reported data from the beneficiary survey to gauge the programme's economic contribution against inputs.

## Approach to the Summative Assessment

To inform the summative assessment, information was triangulated from a range of sources, including data and qualitative insights from the programme team, their beneficiaries and strategic partners, as well as desk-based research. In particular, this included analysis of:

- **The Logic Model** – aside from reviewing L&P’s background documentation, an assessment and update of the logic model, which underpins the programme’s intervention logic, was undertaken;
- **Theory of Change** – Analysis of the logic model from the ERDF application to conclude whether the project objectives and outcomes are still relevant.
- **Programme Performance Data** – detailed analysis of the programme’s monitoring data to assess performance against contracted ERDF output and financial commitments;
- **Programme Delivery Review** – stakeholder consultations with delivery team and strategic partners to obtain feedback on the programme’s processes, from delivery to management and governance;
- **Beneficiary Consultation** – an online survey to collect beneficiaries’ perspectives, exploring business sentiments, satisfaction, impact and views on the overall programme. This was complemented by several one-to-one business case studies;
- **Value for Money Assessment** – quantitative impact modelling to estimate the impact of the programme as a whole in terms of jobs and gross value added (GVA) created; and
- **Benchmarking** – a review of previous business support programme’s value for money and primary research into concurrent programme, to benchmark MIBP’s performance.

## Structure of this Report

The report has been drafted to provide an overview of the important messages which have emerged from the analysis. As such, the report is structured around the following chapters:

- **Section 2. Programme Context** – considers the programme’s logic model alongside the economic and policy context in which it was designed, including the nature of the market failure, the programme’s objectives and rationale for the delivery approach;
- **Section 3. Changes to Delivery Context** – considers the changes in the economic and political environment which may have impacted the programme’s continued relevance and delivery;
- **Section 4. Financial and Output Performance** – considers progress with programme implementation, drawing on annual and lifetime performance against expenditure, activity and output targets;
- **Section 5. Programme Delivery Performance** – provides a more qualitative analysis of the implementation of the programme’s delivery performance and considers the elements of delivery which have gone well and less well;
- **Section 6. Outcomes and Impacts** – sets out the progress that the programme has made towards the outcomes and impacts set out in the programme’s logic model and gross and net additional economic impact. An assessment of the programme’s value for money, drawing on the impact analysis, against benchmarked programmes is also presented; and
- **Section 7. Conclusions and Recommendations** – outlines the conclusions which can be drawn from the evaluation and the lessons which have emerged for L&P, as well as for policy makers and those designing and implementing similar programmes.



# **02: PROGRAMME CONTEXT**

# Programme Context

# 02

**This section considers the need and rationale for the MIBP programme, exploring how the programme has been designed to address existing market failures, meet its objectives, and deliver intended outputs and outcomes to beneficiaries and the wider economy.**

**The assessment will be based on the programme’s logic model, which lays out the intervention logic for MIBP, and analyses the appropriateness of the programme’s design given its objectives.**

**The analysis in this section has been primarily informed by a review of the programme’s background documents, including the programme’s original application form and other internal programme management and delivery documents.**

## Programme Logic Model

The intervention logic underpinning the need for the MIBP programme is presented in a diagram below. The model traces the programme’s rationale to its intended outcomes in a step-by-step manner.

## Programme Need and Rationale

The MIBP Programme aims to support scale up companies from the Financial, Business Services, Technology, Innovation and Life Science, Urban and Creative sectors gain international growth. MIBP addresses priority axis 3: Enhancing the Competitiveness of Small and Medium Enterprises by providing companies with advice / support when entering international markets. The project particularly focuses on Investment Priority 3D to support the capacity of small medium sized enterprises to grow in regional, national and international markets and to engage in innovation processes.

## Statistical Evidence of Need

The programme further aims to address London’s economic needs:

- **Employment:** Although employment rates in London match the UK average (76%), the unemployment rate (5.2%) is 1.1 pp higher than the UK overall (4.1%)<sup>1</sup>. Time-series data shows that the rate of unemployment in London has consistently been higher than the UK average. Additional jobs created as a result of the programme could help reduce this gap.
- **International competitiveness:** In 2021, London was the second largest regional exporter contributing to 12% (£34.5bn) of total UK exports (South-East =13%)<sup>2</sup>. Latest available data from

<sup>1</sup> ONS Labour force survey (2022)

<sup>2</sup> ONS UK Regional Trade in Goods statistics (2021)



2020 shows that 28,528 businesses in London exported goods, 64% of which was with EU countries<sup>3</sup>. The programme’s emphasis on selling into international markets will consolidate and improve London’s trade position and encourage exposure to new markets. This aligns with regional policies including the London Industrial Strategy, the Mayor’s statutory Economic Development Strategy and London Enterprise Panel’s Economic Development Plans focus on maintaining London’s international competitiveness.

- **Productivity growth:** Although London has some of the highest productivity rates nationally (generating £46.40 of output per hour worked in 2019), real growth in productivity (adjusted for inflation), which underpins improvements in living standards, has been nearly non-existent since 2010<sup>4</sup>. This contrasts sharply to trends prior to 2010<sup>5</sup>. There is a plethora of research, including from the ONS<sup>6</sup>, that shows firms engaged in international markets have higher productivity.

## National and Regional Policy

The MIBP programme operates within several key local and national policy positions. The diagram below highlights some of these although this is not an exhaustive list of all relevant policies.

Figure 2.1 Key policy documents surrounding the MIBP Programme



Source; Hatch 2022

The aim of the **National Industrial Strategy** is to boost productivity by backing businesses to create good jobs and increase the earning power of people throughout the UK with investment in skills,

<sup>3</sup> ONS UK Regional Trade in Goods statistics (2021)

<sup>4</sup> ONS Regional GVA (2021)

<sup>5</sup> ONS Subregional Productivity, July 2021

<sup>6</sup> See, for example, UK trade in goods and productivity, ONS, July 2018

industries, and infrastructure. The three pillars of the strategy include infrastructure improvements, skills development and innovation improvements. The businesses eligible for the MIBP programme are aligned to these three pillars. The National Industrial Strategy aims to support the vision for Global Britain. Directly expanding trading opportunities for UK businesses by using preferential agreements / bilateral trade relationships. MIBP directly contributes to the main aims of the strategy: supporting inclusive innovation in London and maximising London's contribution to its local economies, its neighbouring regions and nationwide prosperity.

The GLA's **Economic Development Strategy** 2017 sets out plans for a fairer more inclusive economy that works for all Londoners and businesses. The strategy has three main goals; opening up opportunities so everyone can benefit from all London has to offer, building economic growth and making London a world leader in innovation and technology.

The MIBP programme also aligns with the interim **London Industrial Strategy 2019** and evidence base. Key investments in London include; £10 million to develop the cell and gene therapy manufacturing centre at Guy's Hospital and £8.5 million to provide digital connectivity via full fibre broadband. The MIBP's focus on digital businesses and sub-category of bio-tech companies aligns with the local industrial strategy.

The **GLA Recovery Strategy** October 2020, is split into a total of nine recovery missions including Mental Health and Wellbeing, Healthy Food & Healthy Weight, A Green New Deal and Digital Access for all. The beneficiary companies joining the MIBP are in the very sectors working to overcome these recovery missions. The programme also helps to achieve two key outcomes of the London Recovery Programme; reverse the pattern of rising unemployment and lost economic growth caused by the economic scarring of Covid-19 and accelerate delivery of a cleaner greener London. The growth in carbon reduction / environmental companies on the MIBP programme helps to accelerate delivery of net zero and a cleaner greener London. The growth of beneficiary companies from all sectors will eventually lead to an increase in jobs, potentially helping to reverse unemployment trends.

**London & Partners Strategy 2021 / 22** sets out its mission to create economic growth that is resilient, sustainable, and inclusive. The strategy includes a sector focus, taking a targeted approach to deliver growth through business in Financial, Business Services, Technology, Innovation and Life Science, Urban and Creative. These sectors play to London's competitive advantage and capitalise on expected global market conditions to support a resilient future for London's economy.

The MIBP programme aligns with a number of missions within the **Levelling up White Paper** including Research & Development Investment, Skills Development and Closing the Pay, Productivity and Employment Gap. As a result of the levelling up guidance London & Partners has developed a closer working relationship with Manchester-based The Growth Company. Working together to develop innovative seminar topics and deliver the strongest possible trade missions.

London & Partners and the wider project team are committed to a number of cross-cutting themes;

- **Environmental** – London & Partners are committed to environmental sustainability issues through both operations of the project management team, using sustainable travel where possible on trade missions, cutting the use of paper materials within corporate events / day-to-day activities and trying to source local suppliers. The programme is run in line with the London

Mayor's Green procurement code. The many urban sector companies taking part in the scheme are working to implement new technologies that help private and public companies with their net zero targets.

- **Equality** – London & Partners promotes equal opportunities in line with the GLA policies, ensuring there is a focus on female led and Black & Ethnic Minority companies. There has been a continued focus on both female and Black & Ethnic Minority companies joining trade missions. In 2021, London & Partners delivered a Race, Ethnic and Cultural Heritage (REACH) themed virtual trade mission to North America with the Manchester-based The Growth Company. A second, but physical, REACH trade mission will be delivered in Q3 2022 to North America, again in partnership with The Growth Company.

## Wider Related Programmes

The MIBP programme also supports the **Mayor's sector growth ambitions** for digital tech, life sciences and Green technologies. The Mayor works with MedCity, London Boroughs and Universities along with the NHS to grow Life Science developments (i.e. Francis Crick Institute) and promotes the 'Golden Triangle' with Cambridge and Oxford.

In 2021 more than a third of all Europe's tech giants were based in London and contributed over £56 billion to the London economy. London is the digital capital of Europe and the Mayor, Sadiq Khan, wants to see the benefits of new technology shared by all Londoners in their everyday lives. The **Mayor's TechInvest programme** compliments MIBP by providing investment for ground-breaking tech companies that can then enter international markets.

The Mayor, with the assistance of EU funding, has launched the **Better Futures programme** worth £1.6 million to support over 100 small Clean Tech businesses in London. The companies gain access to co-working space, marketing, supply chain and product development advice. This programme grows clean tech businesses that could then enter onto the MIBP programme.

The MIBP programme also compliments the work of **Department of International Trade** and aligns with current and emerging **National trade** deals including;

- UK and Singapore innovation trade deal signed in February 2022
- Second phase accession to join the £8.4 trillion CPTPP free trade area
- the 5-year free trade deal with India currently being negotiated

## Market Failure

Market failures are situations where, if left to their own devices, the individual players in the market (in this business) make decisions that do not result in the most socially optimum outcomes. With regards to SMEs and international markets, there are several market failures that underpin the rationale for public sector investment. These are:

- **Asymmetric information:** SMEs may have limited knowledge of export markets including regulatory issues in overseas territories. Consequently, the numbers exporting are sub-optimal. Such market failures and barriers to growth may be more acute for small/ young firms.

- **Myopic behaviour:** business, and in particular SMEs, can take a short-term view with regards to investments and decision making. This results in the outcomes not being socially optimum in the long term, with an under-investment of time and financial resource to pursue export markets which would deliver greater returns in the longer term.
- **Information failures and risk:** the nature of export activities means SMEs are often unwilling to invest time and financial resources significantly to target export markets due to the risk of failure. For example, there may be concerns relating to whether their products meet overseas standards, the level of market demand in overseas territories, whether any indigenous businesses in overseas markets provide a similar product. Public sector intervention can help to reduce the risk of failure to companies.
- **Positive externalities:** when firms decide to invest in any activity, they do so based only on the expected return to their organisation. They do not recognise that others also benefit for example suppliers, customers, competitors, even other companies in other sectors and society in general. The outside organisations will not contribute to the original investment and the original company will not take external benefits into account in their decisions. Consequently there is an under-production of the activity/output from a socially desirable perspective. The MIBP aims to address several of these positive externalities:
  - improving the image of London as a business and technological centre – the programme has the potential to showcase the quality of products and services provided by London’s businesses in overseas markets.
  - enhancing the reputation of the UK’s businesses – by providing opportunities for businesses to showcase their products and services, the programme has the potential to enhance the UK’s reputation;
  - driving productivity growth – companies that are engaged in international markets have been shown to also have higher productivity.

The **‘Scale Up’ report** found several factors are holding back companies from growing in the UK including finding skilled employees, building their leadership capability, accessing customers in other markets / home market, accessing the right combination of finance and navigating infrastructure. As there is no ‘one size fits all’ approach to international growth MIBP provides each company a bespoke support service.

In considering the need for the scheme and the market failures MIBP seeks to address, the evidence demonstrates a sound programme rationale. The project aims to overcome these market failures through:

- Delivering bespoke support to companies looking to grow in international markets;
- Giving advice on cultural nuances, tax structure, HR legislation etc;
- Providing introductions to potential partner companies or clients.

## Programme Objectives

The MIBP is designed to support SME business working in Financial, Business Services, Technology, Innovation and Life Science, Urban and Creative sectors expand into international markets. In addition to the output targets discussed in the Outputs, Outcomes and Impacts section the project aims to:

- Maximise London’s economic competitiveness and prosperity through increased global engagement for SME’s in line with the Mayor’s ambitions as set out in the Economic Development Strategy.
- Support the capacity of small and medium sized enterprises to grow in regional, national and international markets through increasing their capability.
- Assist SMEs overcome their barriers which restrict their abilities to reach their growth ambitions.
- Assist SMEs to prepare for international complexities, guiding companies to develop in market business plans.
- Provide SMEs with expertise and support to start and/or increase trading, connecting local companies, clusters and networks to their international counterparts and championing internationalisation at a local level.

## **Theory of Change**

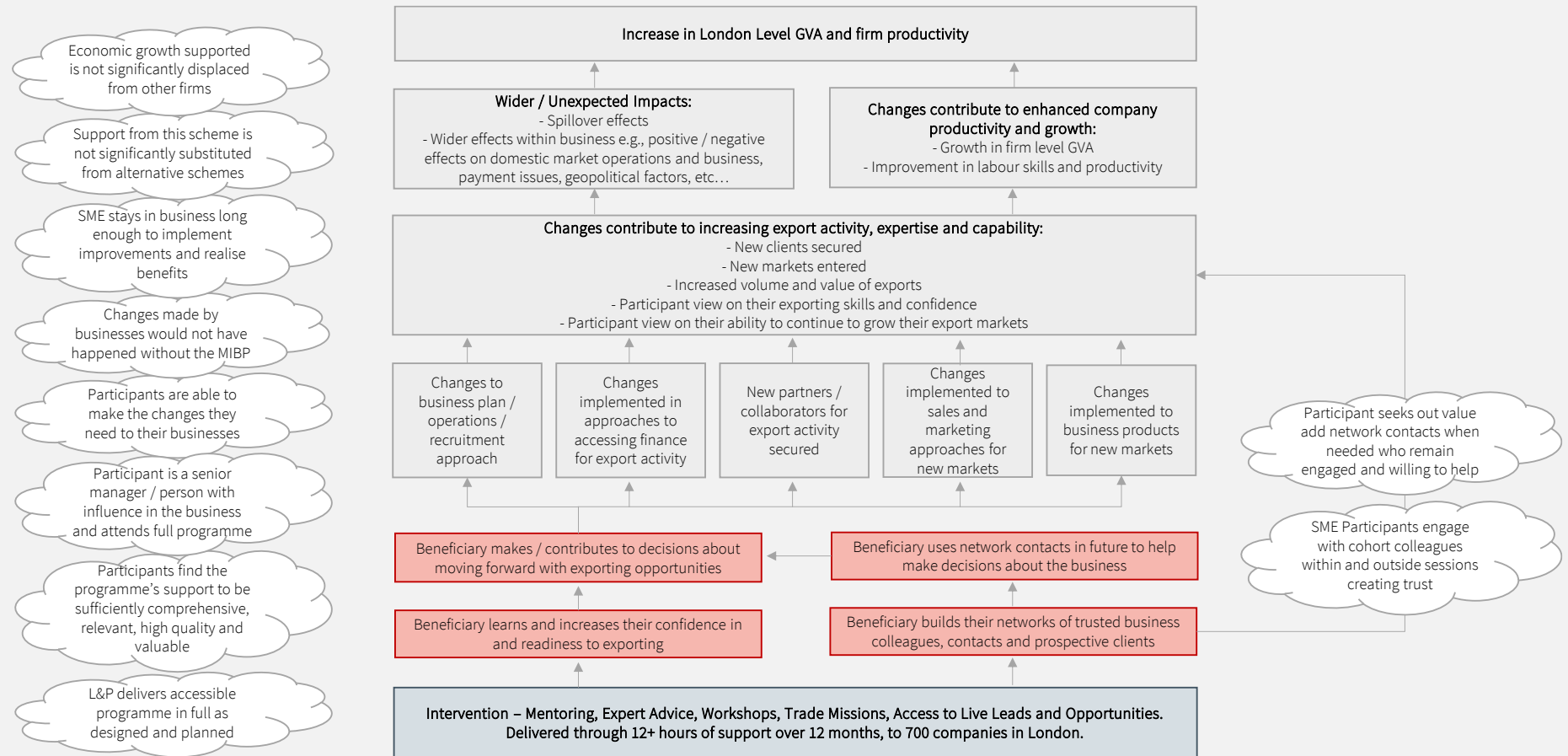
The page below highlights the Theory of Change for the MIBP Programme. This details the step-by-step project rationale, assumptions and outlines the logic flow, illustrating how MIBP proposed to:

- Target and attract beneficiaries
- Deliver bespoke support, and ultimately
- Enable longer term economic impacts and the increase in exports to international markets

## **Logic Model**

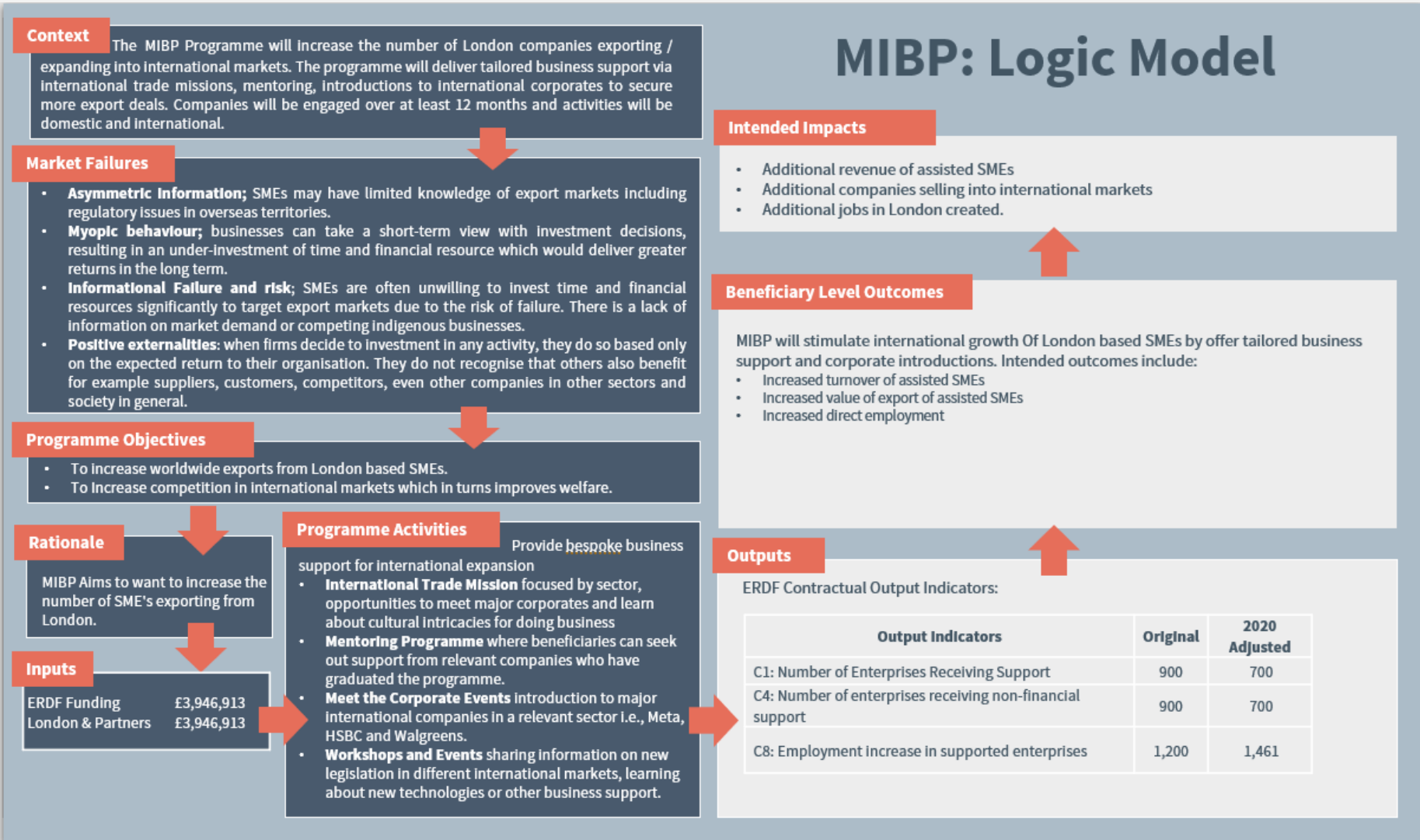
The intervention Logic Model underpinning the need for the MIBP Programme is presented on the page following the Theory of Change. The model traces the project’s rationale to its intended outcomes in a sequential manner. This has been developed by Hatch drawing together information on the programme’s original intentions and aims.

# Project Theory of Change



Source: London and Partners

# Project Logic Model



Source: Hatch

## Inputs

The total project value as outlined in the ERDF funding agreement is £7,893,826, of which 50% is ERDF funded and the remainder is matched by London & Partners as set out below;

- ERDF Grant: £3,946,913
- Private sector match: £3,946,913

The breakdown of expenditure is outlined in the ERDF Application Form and set out below:

	<b>Spend</b>
<p><b>Salaries</b>            Staff costs for 10 UK members of staff over three years to deliver the programme.            Staff cost for the compliance team – 3 members of staff part-time.            Staff cost for the marketing team – 3 members of staff at 50% .            Staff cost for 12 international members of staff to support the trade mission            All the above costs have been calculated to include tax, national insurance and pension contributions per annum.</p>	£3,387,632
<p><b>Flat rate indirect costs</b>            ERDF methodology of 15% applied</p>	£508,145
<p><b>Marketing</b>            Marketing, promotion and campaigning to ensure the required audience is reached in addition to providing high quality materials to the companies participating in the programme.</p>	£200,000
<p><b>Trade Missions</b>            Covering spend for overseas activities and mission programmes. Staff resourced on a 10:1 ratio and one or two members of staff accompanying trade missions. Costs include flights, accommodation and travel.</p>	£497,000
<p><b>Local Events</b>            Venue hire, catering, speakers for coaching sessions, mentoring workshops, training events and CEO summits.</p>	£105,571
<p><b>Consultancy</b>            1% of the total budget for external evaluation</p>	£46,159

Source: ERDF Application form dated 2017

## Programme Activities

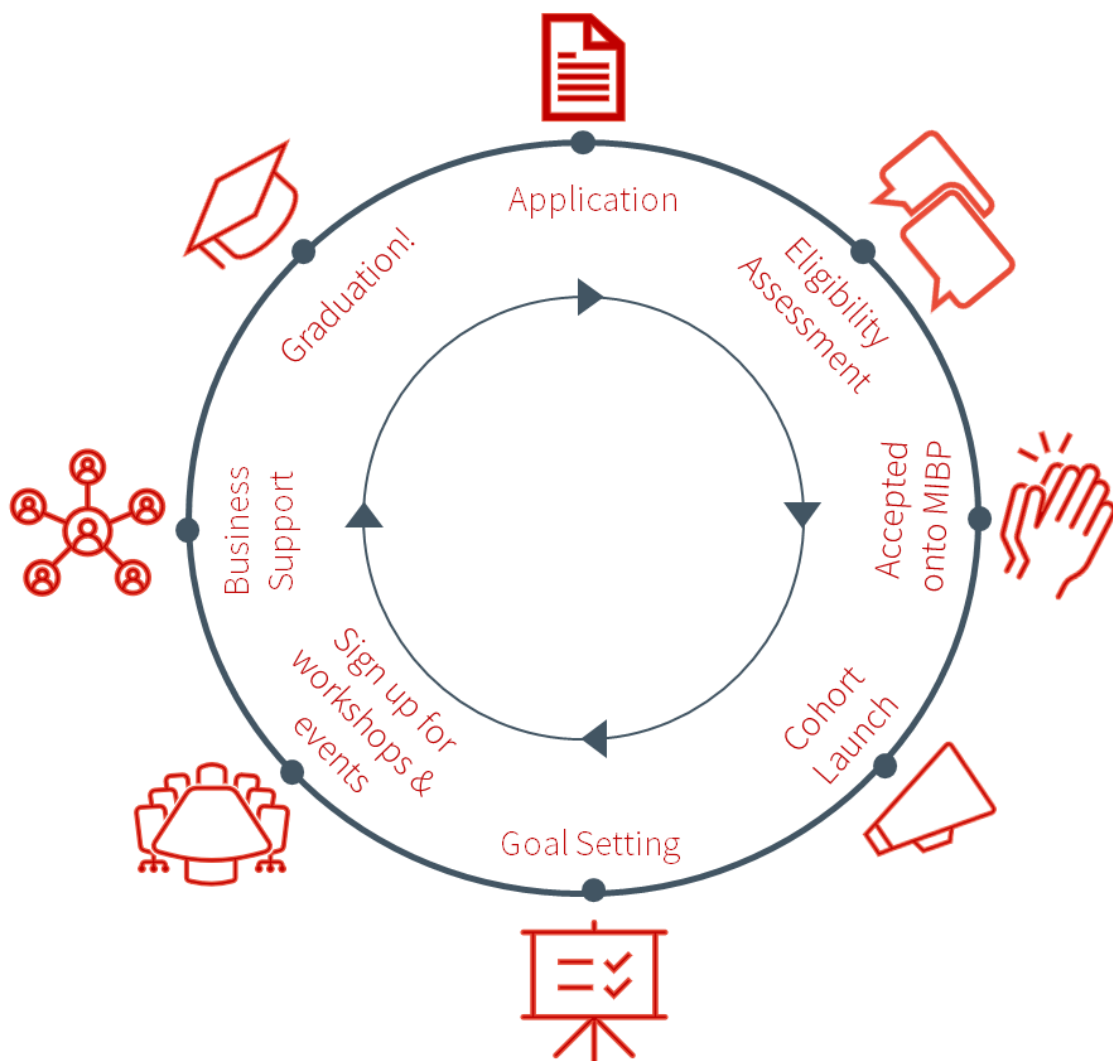
MIBP was designed to be delivered over a five-year period between 2016 – 2021. The project was delivered by lead partner London & Partners in collaboration with the Greater London Authority. The



project spend was impacted by the pandemic, therefore following a successful change request, the programme timeline was extended until 2022.

MIBP is a tailored programme to support 700 scale up companies from the Financial, Business Services, Technology, Innovation and Life Science, Urban and Creative sectors in London to assist them to expand internationally. Scale ups join the programme for 12 months and receive access to mentors (in London and in overseas markets), access to Corporates, access to workshops and access to Trade Missions. After the 12 months, the CEOs remain on the programme as mentors to other entrepreneurs who are at an earlier stage of their scale up journey. The programme has over 100 mentors who are based in the UK and internationally.

Figure 2.2 Customer Journey



Source; Hatch 2022

## Governance

The MIBP is run by London & Partners, the senior team had previously delivered an 18-month pilot programme to medium sized London based businesses looking to expand internationally. London & Partners used the experience gained from the pilot project when designing the team. The London delivery lead is supported by three London based sector specialists, 18 in market specialists (working in foreign direct investment in US, Europe, India and China), three ERDF compliance specialist, three marketing and communication officers and two project managers.

The central team is supported by several delivery partners including:

- Taylor Wessing
- Wilson Sonsini
- Moore Kingston Smith
- Microsoft
- Grant Tree
- Globalization Partners
- CIKLUM

The role of the different delivery partners is set out in further detail in Section 5.

## Service Offer

Central to the programmes activities have been the international **Trade Missions**. These connect high-growth cohort companies with potential customers and partners across the world. Examples include; New York, Amsterdam, India and the Middle East. The trade missions have led to many beneficiaries gaining new partner companies or clients.

Home activities focus on equipping companies with the skills they need to enter international markets. Each month, a **Mentoring** roundtable provides expert advice and guidance on immediate, relevant and practical topics – from branding to IP to raising finance.

In addition, a series of monthly **‘Meet the Corporates’** sessions offer bespoke events to help business increase their customer base. To date, these sessions have been held by Universal, IBM, AstraZeneca, Microsoft, John Lewis, Cicso, and WPP. Corporates deliver outline specific opportunities within their own supply chains, identify high growth companies that have solutions to such problems and highlight what they look for in partner companies. The meet the corporates give beneficiaries an introduction to global scale companies, which in the past has led to partnership contracts with the corporates.

**Workshops** are also delivered. These span a range of topics and are tailored to the needs of each cohort.



*“We would recommend the MIBP to any company who is London based and looking to scale their company internationally. Through a combination of sessions and corporate introductions you’ll find routes to grow your company and impact globally”*  
**Ocean Bottle**

*“It has been great to be in a room with other businesses growing internationally. It has inspired us to take steps to move forwards”*

*Accura Cast*

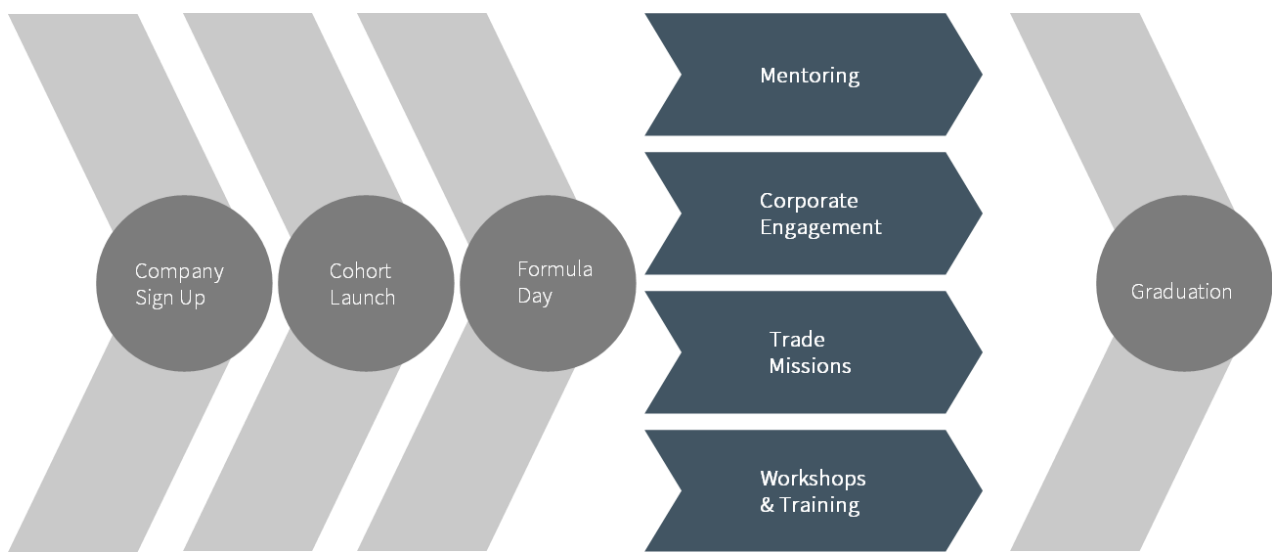
Beneficiaries have the added benefit of peer to-peer learning from their cohort. At the launch event each individual beneficiary company is encouraged to share key connections they are seeking to aid their growth. The rest of the cohort and wider partner companies can then share key contacts that may aid the beneficiary. Each cohort is added to a dedicated LinkedIn group where further informal advice / contacts can be shared. The MIBP programme delivers a bespoke offer to beneficiary companies focused on closing knowledge gaps as well as providing key contacts.

## Delivery Model

The intended target beneficiaries were London based small to medium enterprises seeking to enter into international markets. The beneficiary journey was designed to begin with an initial diagnostic, in which an interview would be carried out to assess the SME eligibility to receive the support i.e. less than 250 employees and valued at less than 49 million euros.

The bespoke support offered as part of the programme is summarised in the diagram below:

Figure 2.3 Bespoke Support Offer



Source; Hatch 2022

The project aims to tailor a bespoke offer to every company joining the programme, based on their sector and the initial diagnostic needs assessment. The company will only join trade missions relevant to their specific sector and will be offered seminars based on their specific goals i.e. if the companies goal is to grow in North America they will be offered seminars about the North American tax system etc.

## Outputs, Outcomes and Impacts

Estimated demand for the project was based on a pilot project run by London & Partners before applying for ESIF funding. The contractual **output targets** for the project included the following:

- C1: Number of enterprises receiving support – 900
- C4: Number of enterprises receiving non-financial support – 900
- C8: Employment increase in supported enterprises – 1,200

However, due to unforeseen circumstances experienced during the COVID-19 pandemic it was agreed that the output targets could be changed and the time extended until end of 2022:

- C1: Number of enterprises receiving support – 700
- C4: Number of enterprises receiving non-financial support – 700
- C8: Employment increase in supported enterprises – 1,461

Performance against the output targets is discussed in Section 4 of this report.

The **outcomes** outlined in the logic model include:

- Increased turnover of assisted SMEs
- Increased value of export of assisted SMEs
- Increased direct employment

The **impacts** outlined in logic model include:

- Additional revenue of assisted SMEs
- Additional companies selling into international markets
- Additional jobs in London created.

# **03: CHANGES TO DELIVERY CONTEXT**

# Changes to Delivery Context

## 03

**This chapter of the report assesses changes in the economic and political environment which have affected MIBP, particularly on whether such changes have affected the programme's original rationale or delivery, and ultimately its continued relevance.**

### Key Strategic Contextual Factors

#### National Level

- **COVID 19 Pandemic** – the worldwide pandemic has completely changed the way the MIBP programme was delivered. The entire programme including the trade missions was delivered online within approximately six weeks of the UK being moved into lockdown due to the COVID 19 pandemic. The MIBP programme offered specific seminars on how to navigate a now virtual business world. The programme also helped companies make online connections directly with large potential clients outside of trade missions. The MIBP Programme has continued to remain relevant both during and, now moving, into a post pandemic world. The programme is now run online and in person echoing the new norm in the working world. The programme will continue to guide companies on how to make the most out of digital connections for example using Teams / Zoom for initial client calls before face-to-face pitch meetings. It has also been found that trade missions are able to bring more key players to the table when run at least partially online.
- **Brexit** - the withdrawal of the UK from the European Union in 2020 impacted the delivery of the scheme from 2017 – 2021. In the lead up to the decision to leave the EU there was a large demand for seminars / webinars looking at potential impacts and new legislation that would come into force. Following the departure of the UK from the EU on 31<sup>st</sup> January 2020 companies generally wanted to focus on growing in American, Indian and Asian markets more than EU countries. The MIBP programme is arguably even more relevant to companies now entering international markets as there will be more legislation as trade becomes more spread between a number of key blocs.
- **Industrial Strategy** – powering a national response to the Five Foundations of Productivity (Ideas, People, Infrastructure, Business environment, Places) and Four Grand Challenges (AI and the Data Economy, Ageing Society, Clean Growth, Future of Mobility) which are the thrust of UK policy, underlies the importance of securing greater competitive advantage, with a heavy emphasis on technology and environmental sustainability.
- **Levelling up agenda** – the levelling up agenda has changed the way the MIBP approach the delivery of the scheme. As a result, the London team are now working more closely with the Manchester Growth Company to deliver joint trade missions and sharing learnings on new levelling up legislation and other related aspects.

## Local Level

- **London Recovery Programme** – in response to the impact of the pandemic, the Mayor of London delivered a recovery programme to deliver the grand challenge of restoring confidence in the city and minimising the impact on London’s communities to build back better the city’s economy and society. The MIBP programme plays an increasingly important role in this context as it is aimed at supporting employment, growth and productivity – which are key outcomes of the recovery programme.
- **London Local Industrial Strategy**- in London, a partnership of business and civic leaders, alongside other local partners, are working with the government to build on existing strengths, help business to flourish, and grow skills and opportunities for workers across the area. MIBP directly contributes to the main aims of the strategy: supporting inclusive innovation in London and maximising London’s contribution to its local economies, its neighbouring regions and nationwide prosperity.
- **New Mayoral Strategy** – Sadiq Khan became London Mayor in May 2016 just as the MIBP programme was being developed and was re-elected in May 2021. Over this time the MIBP programme has remained in lockstep with the Mayor’s advancing policies. For example, pushing to ensure beneficiary companies were more and more representative. As Outlined in the Cross Cutting Themes section in Chapter 2 the REACH Trade mission focused on promoting companies with female founders or founders of Black and Ethnic Minorities.
- **Pathways to Net Zero Carbon by 2050** – the London mayor has an ambition to become the leading city globally for the green agenda. MIBP has always sought out beneficiary companies working with the sustainability sector, they are now further responding to the Net Zero agenda by changing the working practices of the team i.e., procuring locally where possible and trying to promote sustainable travel. The MIBP team continues to work closely with the head of sustainability for London & Partners for example linking into the company wide sustainability campaign run in 2021 to promote beneficiaries working within the carbon reduction sector.

## Key Socio-economic Contextual Factors

To gauge the current and continued socio-economic need and relevance of the MIBP programme, the table below outlines and assesses the baseline position of several key socio-economic indicators. Where possible, we have used 2017 as the baseline year, as this was the year the application began. Where this is not possible, the latest available data has been used.

## Key Socio-Economic Contextual Factors

Themes	Current Position	Programme Impact
<b>National SME R&amp;D and Innovation Levels</b>	<ul style="list-style-type: none"> <li>Between 2016-18, 18.3% of small businesses (those employing 10-49 employees) in the UK were conducting research and development, up from 16.1% between 2014-16<sup>7</sup>.</li> <li>The proportion of innovation active businesses in the UK between 2016-18, 38%, is the lowest it has been since 2008-10, and has fallen by 11 percentage points since 2014-16.</li> <li>Large businesses were more likely to innovate, with 49% considered innovation active whilst only 38% of SMEs were.</li> </ul>	<ul style="list-style-type: none"> <li>The data suggests mixed messages around SME engagement with innovation and R&amp;D. Government is keen to see greater levels of engagement to realise greater productivity and growth in SMEs. This aspiration continues to demonstrate the need for programmes such as MIBP.</li> </ul>
<b>Business Performance in London</b>	<ul style="list-style-type: none"> <li>As of 2021, there were just under 533,000 SMEs operating in London. Growth since 2020 in the region (0.6%) has matched that seen across England (0.6%)<sup>8</sup>.</li> <li>Start-up formation in London remains far ahead of any other English region, growing at a rate of 22% from 2019 to 2020.<sup>9</sup> The proportion of business births as a share of active businesses in London has fluctuated around 15% since 2017.</li> <li>Since 2015, London has consistently had the lowest one year-survival rate for newly born enterprises. Latest data shows that newly born enterprises created in London in 2019 have a survival rate of 84.1%, 4.1 pp less than the England rate (88.2%)<sup>10</sup>.</li> </ul>	<ul style="list-style-type: none"> <li>Though there are now more SMEs to support than at the time MIBP Phase 2 began, the proportionate share of start-ups has reduced. Early-stage business support programmes, like MIBP, are critical in nurturing growth in small/new businesses.</li> </ul>
<b>Trade</b>	<ul style="list-style-type: none"> <li>In 2021, London was the second largest regional exporter contributing to 12% of total UK exports (12%) (South East =13%)<sup>11</sup>.</li> <li>Latest available data from 2020 shows that 28,528 businesses in London exported goods, 64% of which was with EU countries.</li> <li>45% of exports relate to manufactured goods or miscellaneous Manufactures.</li> </ul>	<ul style="list-style-type: none"> <li>London is a large contributor to the UK's total exports.</li> <li>One of the major risks from BREXIT is a reduction in trade with Europe, but there is growing opportunity to enhance trade with non-EU nations. This shift in market opportunities makes MIBP arguably more important.</li> </ul>

<sup>7</sup> BEIS (2022) – UK Innovation Survey 2019

<sup>8</sup> ONS UK Business counts (2021) – Inter Departmental Business Register

<sup>9</sup> Centre for entrepreneurs (2020) – 2020 Business Startup Index

<sup>10</sup> ONS Business births, deaths and survival rates (2019)

<sup>11</sup> ONS UK Regional Trade in Goods statistics (2021)



<p><b>Employment and Productivity in London</b></p>	<ul style="list-style-type: none"> <li>• In 2019, GVA in London was £468.2bn, which was 4.4% higher than the previous year (higher than the growth in England (3.7%))<sup>12</sup>.</li> <li>• Total employment in London decreased by 2% between 2019 and 2020.</li> <li>• Real GVA per hour worked (productivity adjusted for national inflation rates) in London grew by 1.2% between 2018 and 2019. This is below historic growth rates. Nationally there was no growth. But this masks differences across London where real productivity growth ranged from -5.7% in Redbridge and Waltham Forest to +12.6% in Croydon. It is worth noting that although these estimates adjust for inflation, they use national inflation rates only so do not account for varying inflation across regions<sup>13</sup>.</li> <li>• Annual median pay (nominal) in London increased from £34,439 in 2020 to £35,439 in 2021<sup>14</sup>.</li> </ul>	<ul style="list-style-type: none"> <li>• Since MIBP was created, London's aggregate contribution to the national economy has grown as reflected in wage and productivity increases. Employment, however, has fallen.</li> <li>• Successfully commercialised goods and services will both boost productivity and wealth and create businesses and jobs.</li> <li>• Investing in innovation, developing sustainable technology and encouraging international trade will only serve to improve / maintain the region's contribution to national economy.</li> </ul>
<p><b>Brexit – end of the European Structural Infrastructure Fund, replaced with the Shared Prosperity Fund</b></p>	<ul style="list-style-type: none"> <li>• Though the UK formally left the European Union in January 2020, the transition agreement granted both parties a year to negotiate a new trade deal. During the transition year, the UK continued to follow EU regulations and policies and operate within the single market, which concluded with the UK and EU signing the Trade and Cooperation Agreement on the 31st December 2020</li> <li>• The deal does not allow the UK the same liberties as it did when it was a member state and will have ramifications on UK businesses including on trade (i.e. non-tariff barriers) and recruitment (end of freedom of movement) the full impacts of which will tell with time.</li> </ul>	<ul style="list-style-type: none"> <li>• Early consultations found Brexit will increase need for additional support, funding and guidance The tailored legal, regulatory and tax advice supplied by MIBP is even more important.</li> <li>• This is further emphasised by the fact that the region has typically been reliant of significant funding support in recent history, especially from the EU.</li> <li>• As a project part-funded by EU funds (ERDF), MIBP will need to consider alternative sources to support its continuation (for example, the Shared Prosperity Fund).</li> </ul>
<p><b>COVID-19</b></p>	<ul style="list-style-type: none"> <li>• Since the COVID-19 pandemic, the Government has enacted several measures, which have restricted economic and social activity, to curb the spread of the coronavirus.</li> <li>• These measures included, but were not limited to, three separate national lockdowns, a tiered</li> </ul>	<ul style="list-style-type: none"> <li>• The impact of COVID on the economy has been significant, creating instability and uncertainty for businesses and employers, and in some cases forced all operations to cease and businesses to close. The</li> </ul>

<sup>12</sup> ONS (2019), GVA - <https://www.ons.gov.uk/economy/grossvalueaddedgva/datasets/regionalgrossvalueaddedincomeapproach>

<sup>13</sup> ONS Subregional Productivity, July 2021

<sup>14</sup> ONS (2021), ASHE

	<p>regional lockdown approach, and restrictions to certain sectors and business' operations.</p> <ul style="list-style-type: none"> <li>• To support the economy, throughout the pandemic, the Government introduced several support schemes such as the job retention scheme, bounce bank loans scheme and specific sector funding to support vulnerable individuals and businesses which restricted them from operating normally. The removal of all restrictions and funding following March 2022 will further impact businesses and test resilience.</li> </ul>	<p>pandemic has impacted business decisions from supply chain management to employment to investment.</p> <ul style="list-style-type: none"> <li>• Business support schemes are now even more important to support business recovery. Investment will be crucial to secure and enable the future recovery and growth needed to rebuild the economy.</li> <li>• Consultations revealed that there was an initial drop in demand during the first few months of the pandemic, as companies focused on core activities. However, this was short lived as MIBP moved online very quickly.</li> <li>• Consultations also reveal a resounding positive opinion of the support offered during the pandemic. Especially the virtual trade missions and specific seminars of COVID-19 support.</li> </ul>
<p><b>Business Support Landscape</b></p>	<ul style="list-style-type: none"> <li>• There are a wide range of ERDF programmes operating in London, under various priority axes and sector focuses. Several have an R&amp;D focus such as London ERDF Practitioners Network.</li> <li>• Beyond ERDF programmes, there are several UK R&amp;D funding programmes such as London Growth Hub and Innovate UK</li> </ul>	<ul style="list-style-type: none"> <li>• It could be argued that there are many competing business support programmes, but consultations have revealed increased partnership to promote knowledge sharing and cross referrals. Furthermore, MIBP is seen as unique to the others due to depth of support it provides as well as sector and supply chain focus.</li> <li>• Although some other schemes such as DIT programmes also focus on international trade, consultations report that the MIBP offer is more bespoke. It focuses on upskilling and sharing knowledge with companies as well as making connections.</li> </ul>

The background of the slide is a blurred photograph. On the left, a portion of a black calculator is visible, showing several buttons with white numbers and symbols. On the right, there is a stack of several silver coins, with the top one clearly showing a portrait. The overall image is in a light, desaturated color palette.

# **04: FINANCIAL AND OUTPUT PERFORMANCE**

# 04 Financial and Output Performance

This section provides a summary of MIBP’s performance against ERDF contracted financial and output targets, analyses performance to date and assesses expectations for the future. The analysis draws on a variety of data sources including fund performance data and quarterly monitoring reports. The analysis looks at performance to the end of Q3 2021.

## Performance Against Contractual ERDF Targets

An overview of MIBP contracted output targets and performance, as of September 2021, is displayed in the table below. This is followed by a detailed analysis of financial and output performance.

## Spend and Output Performance

	Targets		Performance at Date of Latest Available Quarterly Claim*		Expected Performance at Programme Completion	
	Original	Adjusted	No.	% of Target	No.	% of Target
Revenue Expenditure	£7,893,826	-	£6,722,183	85%	£7,893,826	100%
ERDF	£3,946,913	-	£3,361,092	85%	£3,946,913	100%
Private Match	£3,946,913	-	£3,361,092	85%	£3,946,913	100%
C1: Number of Enterprises Receiving Support	900	700	586	84%	700	100%
C4: Number of enterprises receiving non-financial support	900	700	586	84%	700	100%
C8: Employment increase in supported enterprises	1,200	1,461	1,470	101%	1,461	100%

Source: MIBP Monitoring Claim Form Q3 2021

## Financial Performance

The project is performing well in terms of actual expenditure against the current profiled targets. There is a slight underspend of approximately £50,000 due to staff changes. A review of the budget is ongoing to assess the underspend and resulting action.

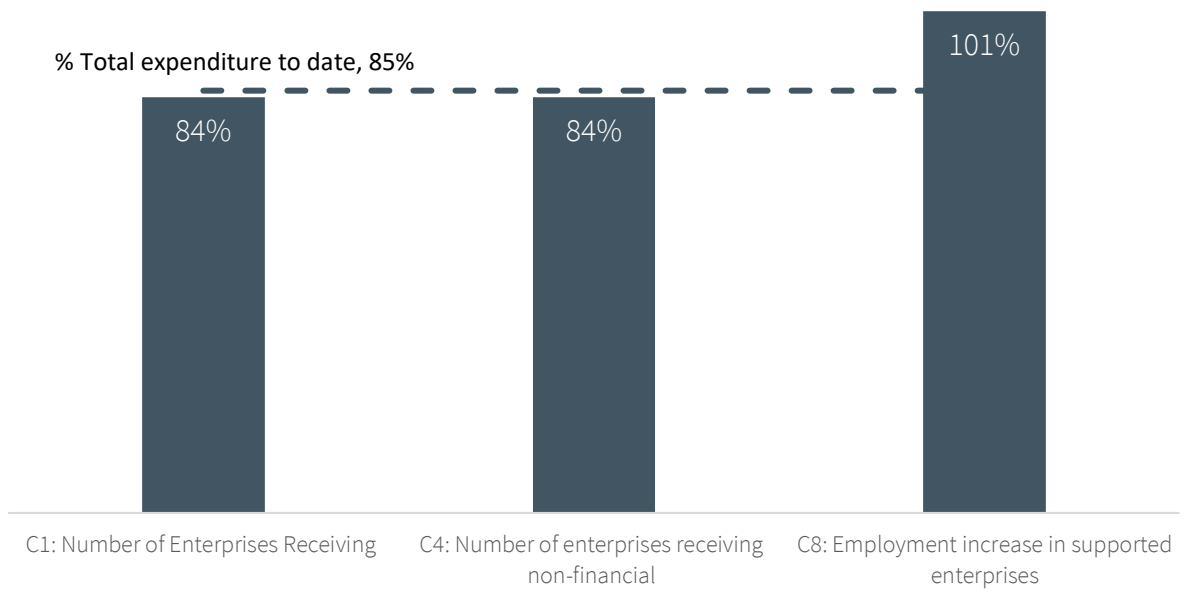
## Output Performance

The business environment in the UK and internationally continued to be challenging in the second quarter of 2021/22 due to the pandemic and the resulting impact on the economy. More headwinds are expected but the programme has been hugely encouraged by beneficiaries’ resilience and positive signs of business picking up.

As reported throughout the lockdown period, the number of companies signing up to the programme has held strong: 56 for Cohort 18; 47 for Cohort 19; 51 for Cohort 20 - including the next intake (57 for Cohort 21). Moreover, they have an even spread across the programmes' key sectors: financial and business services, creative, urban (smart cities) and digital-health.

Given that output targets have been adjusted, C1 and C4 output performance have not varied drastically since the interim report in 2018. In 2018, MIBP had delivered 85% of its C1 and C4 targets and 84% of its C8 targets. The latest output monitoring claim form shows that C8 outputs are now exceeding targets (101%).

Figure 4.2 Progress Against Headline Output and Outcome Indicators



Source London & Partners, 2022



# 05: PROJECT DELIVERY PERFORMANCE

# Programme Delivery Performance

## 05

**This section assesses the key lessons learned, effectiveness of and messages from MIBP, both in terms of implementation and delivery. It draws on evidence, information and insights from a range of sources, including:**

- programme performance data and background information collected by the L&P for and throughout its delivery;
- nine in-depth consultations with the programme delivery team and management and strategic partners (see appendix B for a list of consultees);
- eight in-depth consultations with beneficiary companies;
- a web-survey of project beneficiaries (44 interviewed out of 323).

### Management and Governance

London & Partners are the lead for the delivery of the MIBP Programme. There are several wider delivery partners who help to deliver key seminars and conferences.

Wider Delivery Partners	Role
Greater London Authority	Help with the day-to-day running of the project including managing beneficiary companies, project budgets and key decisions.
CIKLUM	Is an international software development and IT outsourcing company founded in Kyiv, Ukraine in 2002. It is headquartered in London, United Kingdom. The team help to support beneficiaries with software development and run seminars for the programme.
Globalization Partners	Global expansion partners, help companies to run day to day services when opening in international markets. Offer such services to beneficiary companies.
Grant Tree	Help companies to raise innovation funding. Run seminars on raising funds in different ways.
Microsoft	Help with the digital services of the programme and run seminars on cloud computing / the art of the possible.
Taylor Wessing	Taylor Wessing LLP is an international law firm with 28 offices internationally. The firm has over 300 partners and over 1000 lawyers worldwide. Run seminars on various legal topics.

Wilson Sonsini	Wilson Sonsini Goodrich & Rosati is a law firm in the United States that specializes in business, securities, and intellectual property law. Run seminars on various legal topics.
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The programme is managed by the programme steering group at London & Partners. The programme steering group (known as the EDRF Projects Approval Group) meets once a month to review the delivery of the project and is made up of the members below.

- Allen Simpson – Managing Director Strategy & Operations
- Janet Coyle – Managing Director Business Growth
- Sara French – Director Trade & Growth
- Nayan Rughani – Finance Director
- Dhaval Gore – Head of MIBP
- Rob Palmer – Head of Compliance

*“Management and governance is clear and any observations raised are listened to and implemented”.*  
Microsoft

*“Governance is clear and roles in wider delivery group are well defined. As well as the steering group meeting once a month the partner group meets roughly every few months to check how things are going”.*  
Taylor Wessing

At a strategic level, the project steering group that was responsible for the direction of the project, procurement, advising partners on progress, sustainability and legacy.

Consultations with delivery partners indicated that the overarching project management and governance was felt to be effective and that the partners worked well together. There were no major issues to report. Delivery partners felt comfortable to raise observations or learnings.

As the project approaches financial completion, delivery and operational staff report that there are no major project risks.

### Marketing and Engagement with Beneficiaries

The project was marketed through several channels including in industry specific magazines, on London Partners Linked In website and similar industry websites, via marketing / social media of delivery partners and via complimentary innovation hubs.

Beneficiaries were also put forward to the MIBP Team in several ways. Many consultees reported coming through the Mayor’s Business Growth Programme first and then being put forward to the MIBP scheme. The Department of Trade also put forward beneficiary companies once they had completed their initial schemes. Partner companies such as Taylor Wessing, Microsoft, Grant Tree also use their own wider networks to nominate potential beneficiaries each year.

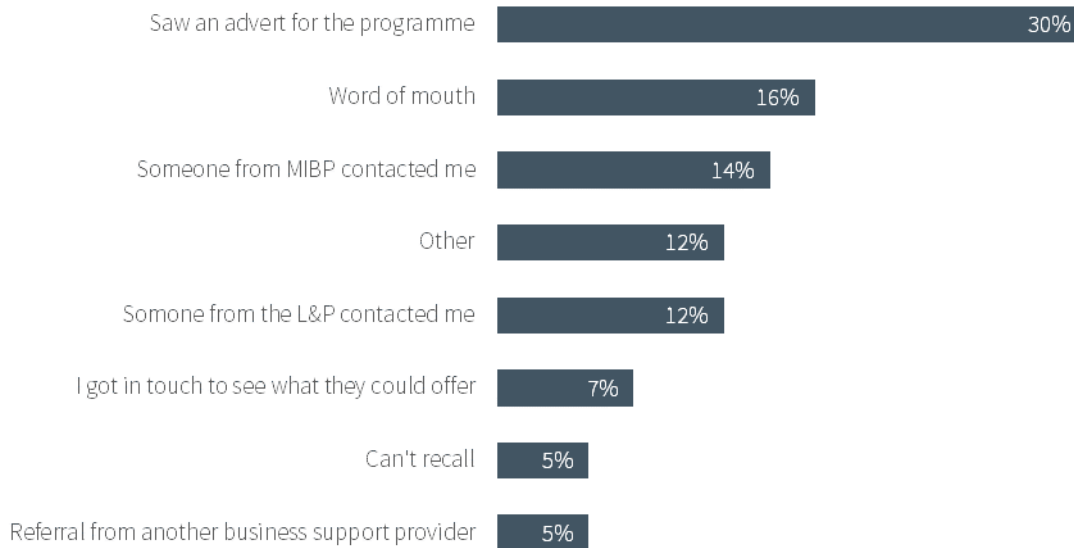
*“Attracted to the programme as it was a London based programme backed by the Mayor”.*  
Up Skill Digital

Marketing and networking are shown to be an important route into the MIBP programme. Almost a third of survey beneficiaries accessed the programme after seeing an advert for the programme (30%) and 16% reported that their source of referral was through word of



mouth as shown in Figure 5.1. Consultation with beneficiaries found that the MIBP brand and relationship to the Mayor of London drew them into the programme.

Figure 5.1 Beneficiaries Reported Source of Referral into the Programme



Source Hatch, Beneficiary Survey (N=44)

## Take-up and Prioritisation

### Application

Before a company becomes a beneficiary of the scheme, they must complete a short application form. All case study consultees reported the form to be easy to fill out and even less bureaucratic than application forms for similar schemes. For example, one company reported that they had previously been put off applying for a business support scheme run by another government department due to the unnecessary detail and complexity of the scheme. The application form tests basic criteria for accessing the programme such as whether the company has less than 250 employees and is generating revenues of more than £1m per annum.

The delivery team review the forms and hold an application review meeting weekly to check if the beneficiary companies being nominated for the next scheme quarter are truly eligible for the scheme. If any beneficiary companies potentially fall just below the thresholds but are in a relevant sector that could make use of the team then further discussions will take place to see if eligibility can be evidenced in any other way.

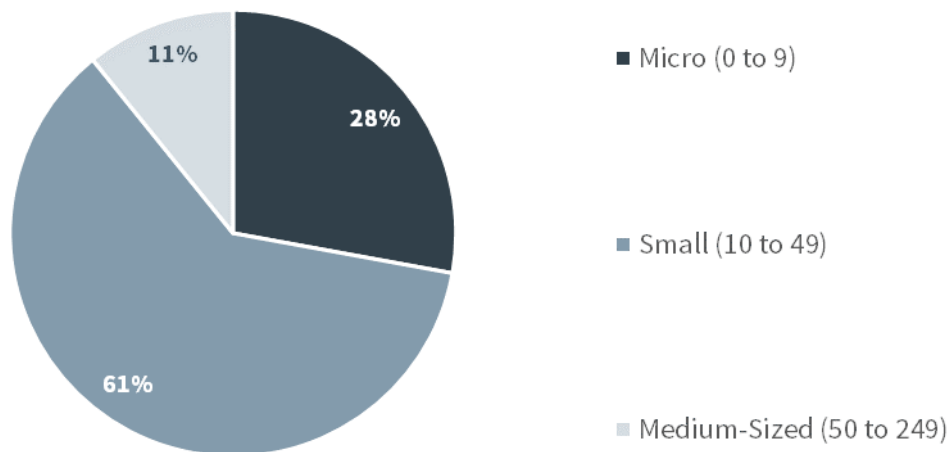
Following an initial application, the MIBP team undertakes a diagnostic assessment interview with the company. The team looks over the company accounts, investment structure, team structure, governance, and monitoring procedures to confirm that the company is worth less than £49 million and has fewer than 250 employees. MIBP also verify the business details from external sources i.e. Companies House and One Source.

The gateway criteria worked well throughout the scheme, the beneficiaries are more established than other London & Partners schemes such as the Business Growth Programme. They are more mature, typically medium sized and in a strong position to enter international markets. The beneficiaries can directly implement advice, connections and support in their international growth plans.

### Beneficiary Characteristics

In total, 323 beneficiaries received at least 12 hours of support within cohorts 12-20. A substantial proportion of beneficiaries that received C1 support were classed as small businesses accounting for 61% of the beneficiary population. Micro-businesses made up the second largest proportion (28%) of businesses receiving support, followed by medium-sized businesses (11%).

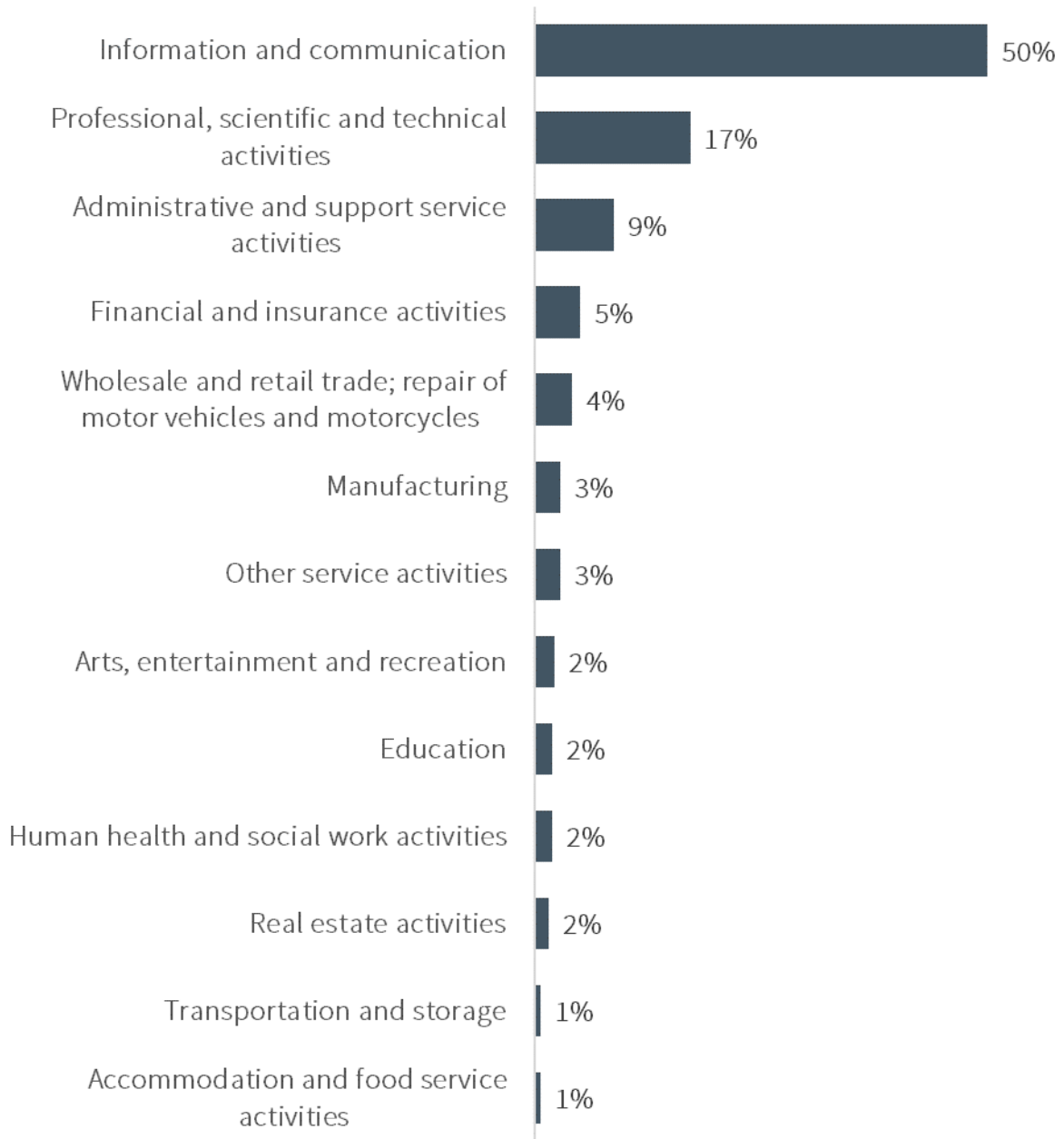
Figure 5.2 Beneficiaries by business size (FTE Employees)



Source Beneficiary monitoring data (N=323)

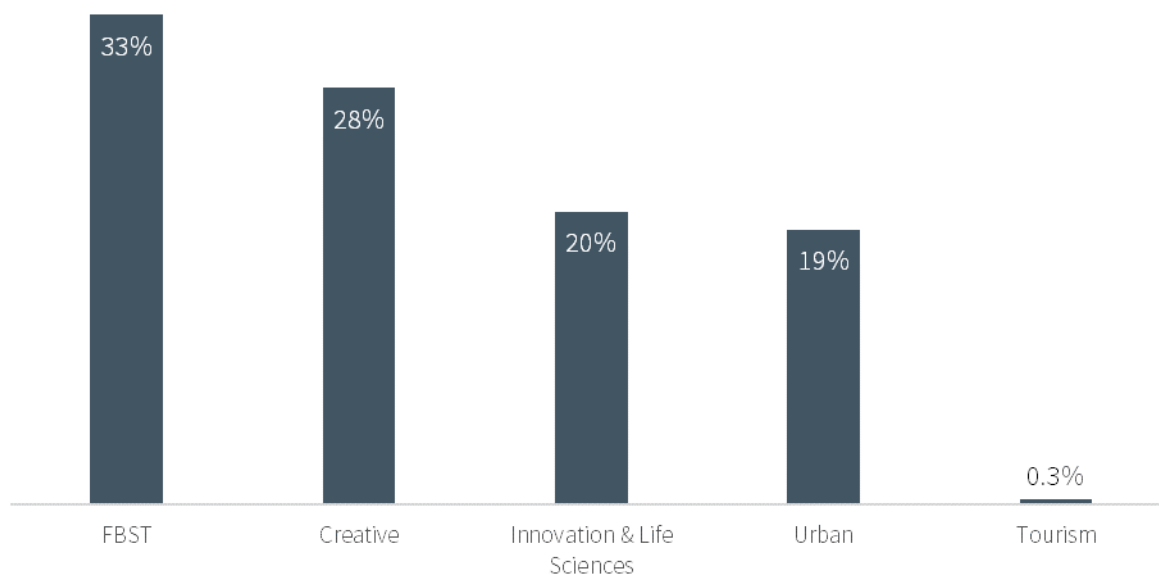
Beneficiary monitoring data indicates that 50% of beneficiaries that have received MIBP support are accounted for by the Information and communication sector. A large proportion of beneficiaries also operate in professional, scientific and technical sectors with 17% of MIBP C1 beneficiaries coming from this sector. Figure 5.3 displays the full sector breakdown of the beneficiary population by ONS Classification. The breakdown of beneficiaries by MIBP sector is shown within Figure 5.4.

Figure 5.3 Beneficiaries by business sector, ONS Standard Industrial Classifications



Source Beneficiary monitoring data (N=323)

Figure 5.4 Beneficiaries by business sector, MIBP Sectors



Source Beneficiary monitoring data (N=323)

## Identification of Support Needs

If the beneficiary passes the initial application and diagnostic test then the MIBP team sets up an identification of support assessment. The company works with a member of the team to set goals they want to achieve as part of the 12-month programme. Examples could include;

- Set up a new office in an international market
- Set up a new sales team in an international market
- Set up an international e-commerce platform
- Gain major clients in one or more international markets e.g. large bank or pharmaceutical distributor

The project team then helps the company set out a road map to achieve their goals. The road map outlines potential connections the programme could offer based on the experience with previous beneficiaries. The roadmap also outlines further information needed i.e., understanding the tax system in a certain market, understanding how they can find employees in another country and the standard HR policies of a country. The team uses this information to develop the seminars and trade missions that will be on offer that year.

Companies interviewed found this system to be helpful, but a few companies said that a more quantified goal setting

*“The programme is really impressive and understands the range of key sector markets in London. There is a good screening process that curates a good set of companies on the programme.”*

*Microsoft*

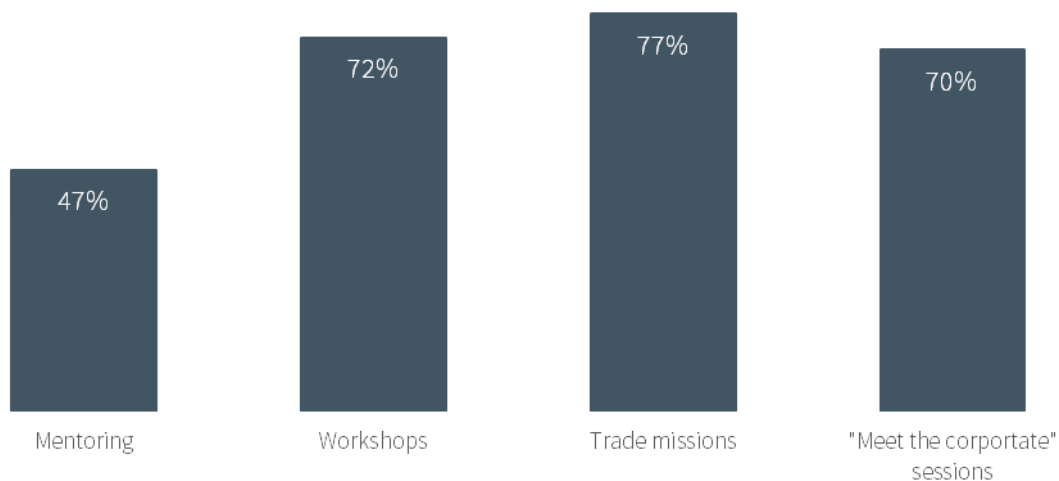
approach would be beneficial. For example, setting a number of connections that could be made in an individual trade mission. Delivery partners interviewed have found that the screening process curates a good set of companies with a wide range of interests.

## Programme Activities

There are four main types of support offered by MIBP: Mentoring, Workshops, Trade Missions and “Meet the corporates” sessions.

Survey respondents cited coverage of all MIBP’s support offerings. Workshops, Trade missions and “Meet the corporate” sessions were all undertaken by at least 70% of survey respondents. However, only 47% of respondents accessed mentoring support.

Figure 5.5 Business support activities accessed



Source Hatch, Beneficiary Survey, 2021 (N=43)

Consultation with beneficiary companies highlighted that networking with cohort peers also looking to expand internationally was beneficial. Many have partnered on future projects, become clients or are still in contact as a sounding board.

## Mentoring

The meet the mentor events are run at the beginning of every cohort and give beneficiaries a chance to link up with senior corporate leaders in their relevant sector. Pre-pandemic these were run in person and during the pandemic these were run as online sessions with breakout rooms. Beneficiaries reported that the in person mentoring sessions are preferable as it is easier to make connections.

Some beneficiaries expressed a desire to be matched up with an appropriate member as part of the scheme.

*“The MIBP truly opened our mind to international expansion and scale opportunities. We benefitted from connecting with like-minded individuals whilst learning from industry professionals”.*

*Up Skill Digital*

## Workshops

The workshops are split into online webinars and in person seminars the subject of each is determined by the needs of each cohort of companies. Wider delivery partners are brought in to help deliver different parts of these seminars. Some examples are given below;

- **Taylor Wessing:** delivers seminars on the legal complexities within international markets such as recruitment law in the US markets, EU Law changes following BREXIT and various seminars on international trade laws.
- **Microsoft:** deliver webinars on cloud computing, making the most out of a quasi-virtual working world and showing companies the art of the possible with different technology companies.
- **Globalization Partners:** deliver seminars advertising their company offer to act as an umbrella company for businesses opening in international markets. For example, they run sessions on payroll or paying company taxes and so on. This is normally a temporary solution while the company is setting up their own entity. Globalization Partners also ran a seminar on how to close the talent gap by sourcing employees who are not directly based in the company’s home county or city.

Beneficiary consultees were asked which seminar had remained in their mind even after they had completed the programme. Some of the answers have been added below:

- Seed and Series A funding – cemented understanding of the investment process
- Managing cash flow – helped to develop a resilient business plan in times of economic turbulence

- How to make the most of Microsoft Teams – unlocked features that people now use daily during the pandemic
- Nuances of an American distributor market.

Beneficiaries in very specialised areas found that seminars dedicated to the broad industries did not apply to them. Nonetheless, they understood this was due to the nature of their niche companies and still found a number of learning points from other seminars that they are still using to grow their company.

*“Industry specific events were the most impactful. We gained a detailed understanding of the nuances of the US medical market”.*

*GripAble*

### **Meet the corporate**

Beneficiaries interviewed found the Meet the Corporate events extremely helpful to gain an understanding of what large corporations in their sector are looking for from clients, what they think makes a good product or pitch. Many beneficiaries were able to gain follow up meetings with large corporates and in some cases are now even in contract negotiations.

*“To sell to a corporate you really must understand how they do business and how they engage with startups. There are cultural differences between how Europe and America do business. The meet the corporate events and trade missions passed on this information”.*

*Scenic*

Meet the corporate events that were named as being particularly useful included:

- Silicon Valley Corporate to UK (SVC2UK)
- Welcome to Miami creative / communications tech event

### **Trade Missions**

The MIBP programme offers beneficiary companies the chance to attend sector specific trade missions. Up until the pandemic these missions were run in person to North America, Asia, Middle east India and China. The trade missions offer beneficiaries the chance to improve their learning of the culture while also meeting large corporates within their sector. Beneficiary companies report that they found the in-person trade missions extremely helpful and were able to make several connections to potential clients that have since resulted in contract discussions.

Beneficiaries report that the MIBP team were able to move trade missions fully online within 2 months of the outbreak of the pandemic. The online missions continued to give beneficiaries a cultural as well as business insight. The online platform made it easier to involve more companies from a wider area in the mission. As a result, a more blended approach is being used going forward.

*“Remarkable to see so many potential banking partners within a four-day online trade mission. Outside of the programme it can take up to 6 months to secure meetings with large banks and then another 18 months to develop the contract. Being part of the Mayor’s programme dramatically reduced this timeline. Without MIBP we would not have landed a major client”.*

*Fiskl*

*“Closed a new client 11 months quicker than would be predicted outside of the programme. Learnt softer skills about cultural differences between different markets that has proved helpful in the long term”.*

*Scenic*

*“Attending the Germany and USA trade missions was helpful to understand new markets and led to direct client meetings. Support from the whole team was brilliant and went above and beyond. Brought the virtual mission to life and adapted well the pandemic”.*

*Smart Respiratory*

### Launch Event

Beneficiary companies and many members of the wider delivery team highlighted the importance of launch events especially when run in person. Beneficiaries outlined meeting companies who are at the same stage in their international growth is crucial. Many formed informal partnerships during the programme that they continue to use as sounding boards when overcoming issues or building new ideas. The launch event allows beneficiaries to highlight key goals they want to achieve as part of the programme (i.e. meeting large insurance firms in the USA) to the cohort of companies and wider delivery team. Participants share key contacts or ideas on how beneficiaries might achieve their goals. This has led to companies meeting key contacts including major pharmaceutical brands and even a producer of a Grammy / Brit winning recording artist.

### Adapting delivery to Covid-19

Due to the emergence of COVID-19 and the resulting restrictions placed on the UK economy since March 2020, there were significant disruptions to several aspects of MIBP support delivery. Many sessions were undertaken via video call and the content of the support temporarily shifted the focus from high growth support to business resilience.

To understand the impact Covid-19 had on the quality of support delivered, beneficiaries were asked if the pandemic impacted their ability to benefit from the programme. Three quarters of respondents stated that there had been an impact,

*“It was difficult to make adequate connections on online trade missions. MIBP worked hard to overcome these obstacles and set up connections with key partners / clients wherever they could.”*

*AccuraCast*



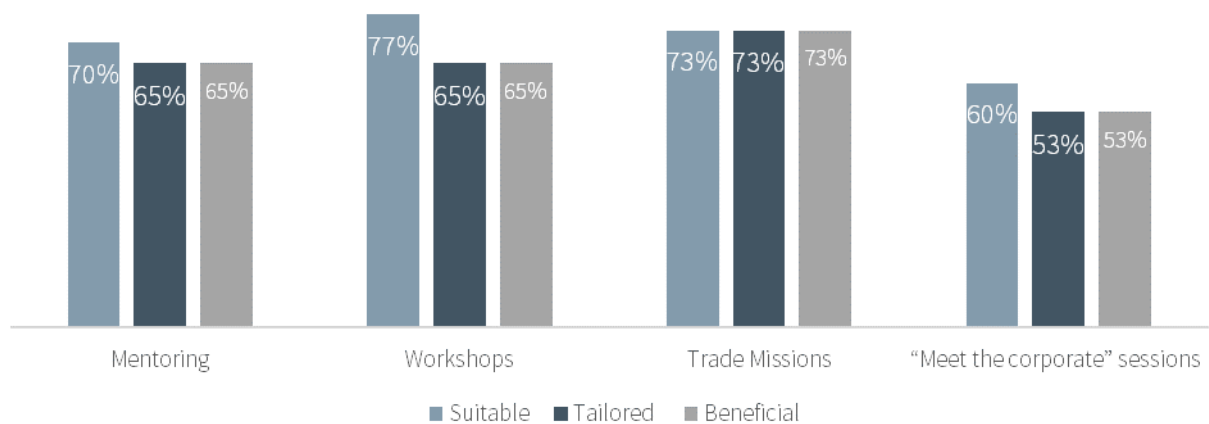
with 42% stating this was through reduced benefits, and 33% stating this was through delayed benefits. Only 16% of respondents cited that there had been no impact and the remaining 9% were unsure of the impacts that Covid-19 would have had on their ability to benefit from the MIBP programme.

Beneficiary consultees all commented how quickly the MIBP were able to move the full programme of seminars and meet the corporate and trade missions events online during the pandemic. Many found it easier to attend informational seminars online. However, the majority reported they would have got more from the meet the corporate or trade missions if they were in person. Although the events gave beneficiaries the chance to ‘meet’ key corporate companies it was reportedly harder to make lasting connections from a purely online platform. The MIBP team overcame these issues via 1:1 e-introductions between potential client companies and beneficiaries. The MIBP programme will now have a more flexible approach as a result of the working practices piloted in the pandemic.

## Feedback

Overall, the majority of survey respondents were satisfied or extremely satisfied with the MIBP support that they had received (79% of 42 respondents). As shown in Figure 5.6, respondents cited workshops to be the most **suitable** support provided for businesses’ needs (77%).

Figure 5.6 Proportion of respondents citing that support was **Suitable/Tailored/Beneficial** (4) or very **Suitable/Tailored/Beneficial** (5)



Source Hatch, Beneficiary Survey, 2021, How Suitable/Tailored/Beneficial was the support received (1= Not Suitable/Tailored/Beneficial to 5= Very Suitable/Tailored/Beneficial)? Note: For Suitability, the number of beneficiaries that responded were: Mentoring: N=20, Workshops: N=31, Trade Missions: N=33, “Meet the corporate” sessions: N=30. For Tailoring the number of beneficiaries that responded were: Mentoring: N=20, Workshops: N=31, Trade Missions: N=33, “Meet the corporate” sessions: N=30. For Beneficial, the number of beneficiaries that responded were: Mentoring: N=20, Workshops: N=30, Trade Missions: N=31, “Meet the corporate” sessions: N=29.

Despite this, some respondents suggested that workshops were too focused on certain sectors and/or models and felt like a sales pitch from partners. Trade missions proceeded to provide the most tailored support. Respondents suggested scope for further improvements for tailoring support, ensuring mentors were available or responsive, and catering to different sectors or newer market companies.

Consultations echoed the findings of the survey businesses, suggesting trade missions had been the most beneficial. Most suggested the workshops were often too broad in subject detail as they were

designed for all beneficiaries in that sector. Some suggested smaller breakout groups or seminar groups focusing on particular subject areas e.g. direct to consumer sales in America or understanding the patenting procedure in the USA, would be helpful. Beneficiary consultees also listed a number of additional seminars that would like to be included in the future;

- How to set up a sales team in international markets
- How to set up international subsidies in the USA
- How to get approval on medical products in the USA

Despite having the lowest uptake (47% of survey respondents), mentoring was viewed as the most beneficial component of the support package (67% of survey respondents). Across the three criteria of Suitability, Tailoring and How Beneficial Support Was, the “Meet the corporate” sessions were less likely to be considered suitable, tailored or beneficial but scoring was still high with some survey beneficiaries recommending more “Meet the corporate” sessions. It was also suggested that a greater upfront understanding of objectives would be useful to gain more from the session.

The consultations suggest that for some businesses the meet the corporate events led to direct contract discussion with the large corporations. The consultations also suggested the uptake of mentoring could be improved if each company was directly assigned a relevant mentor rather than self-assigning at the mentoring mixer.

When asked how the support could be improved overall, survey beneficiaries cited a range of feedback, including:

- **Grouping** cohorts according to sector and size classifications to ensure greater focus and interest. Tailoring seminar support to cover detailed issues of certain sub-sectors such as understanding FDA approvals in the pharmaceutical sector would also be helpful.
- Increasing Individual support and follow ups **tailored** to business needs. For example, quantifying company goals for the programme, distribution of presentations and links following sessions, follow-ups from mentoring or networking sessions.
- Increasing **direct access** to ready buyers or investors to increase seek new customers or increase business turnover. For example, ensuring two direct e-introductions to relevant client companies for each beneficiary business.
- Using a **blend of digital and in person** events. For example, informational seminars online but trade missions in person was requested.
- Increasing the **frequency of face-to-face** connections, for example Meet the Corporate events in person.
- Improving the mentoring scheme by **better mentor matching** with suitable beneficiary companies.
- Extending the programme to provide **more sessions** without lowering the quality.

Strengths were also identified within the survey and echoed beneficiary findings from the 2019 Interim report. Beneficial elements identified in the interim included: the flexibility of the support, the wide range of services offered and the partnership between L&P and the delivery bodies. Findings from this survey and consultations suggested:

- The **range and availability** of support worked well. Activities focused on improving the company's knowledge and not purely making new partnerships.
- Face to Face sessions were preferred, but remote sessions increased **accessibility** to the programme for beneficiaries and corporates.
- There was a good **selection** of potential beneficiary companies.
- The facilitation and organisation of the programme was **well executed** considering the team had to quickly adapt to provide a fully virtual offer due to the COVID 19 pandemic. Trade missions was particularly useful and still worked well virtually as they could cover a wider geography with more companies involved.



# 06: Outcomes and Impacts

# Outcomes and Impacts

## 06

Section 6 sets out an assessment of the programme’s outcomes and impacts. At its core, MIBP aims to help scale-up SMEs to expand internationally. The objective is to increase output and productivity in London. To evaluate this, it is important to understand the way that barriers to growth for businesses have been overcome and how that has led to enhanced outcomes and impacts.

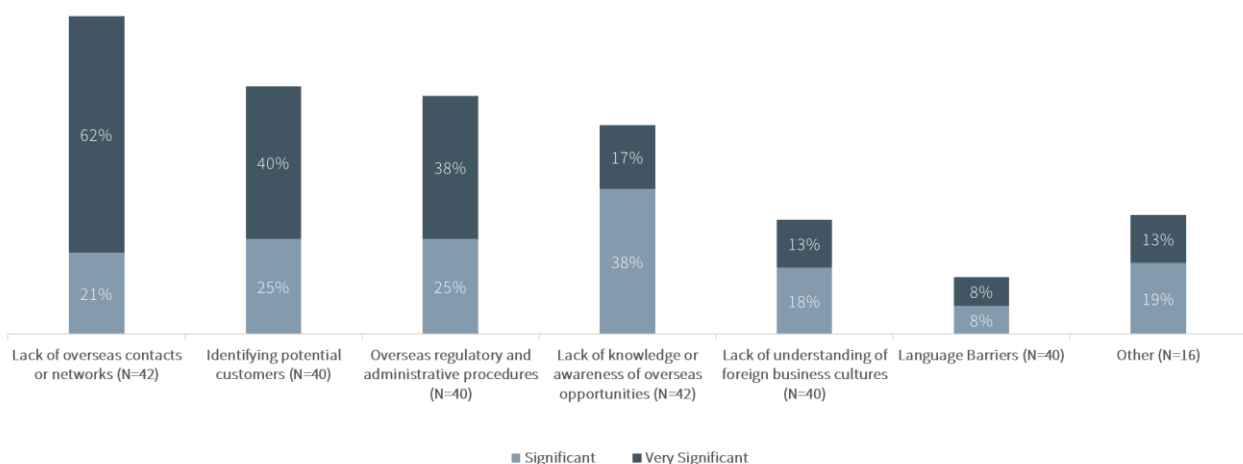
### Achievement of Business Outcomes

#### Most Common Barriers to Growth

It is noticeable from the figure below, beneficiaries of MIBP programme possessed a wide set of prominent growth barriers prior to receiving support:

- All but two of the 43 respondents reported facing a significant or very significant barrier to growth, of which 33, or 80%, noted the barrier to be very significant.
- The most cited ‘very significant’ barrier was a lack of overseas contacts or networks (62%) followed by identifying potential customers (40%).
- The most cited significant barrier to growth was lack of knowledge or awareness of overseas opportunities, with 38% of the total respondents citing this as a significant barrier, followed jointly by overseas regulatory and administrative procedures and identifying potential customers (25%).

Figure 6.1 Significant & very significant Barriers to Growth, % of respondents citing the barrier to growth



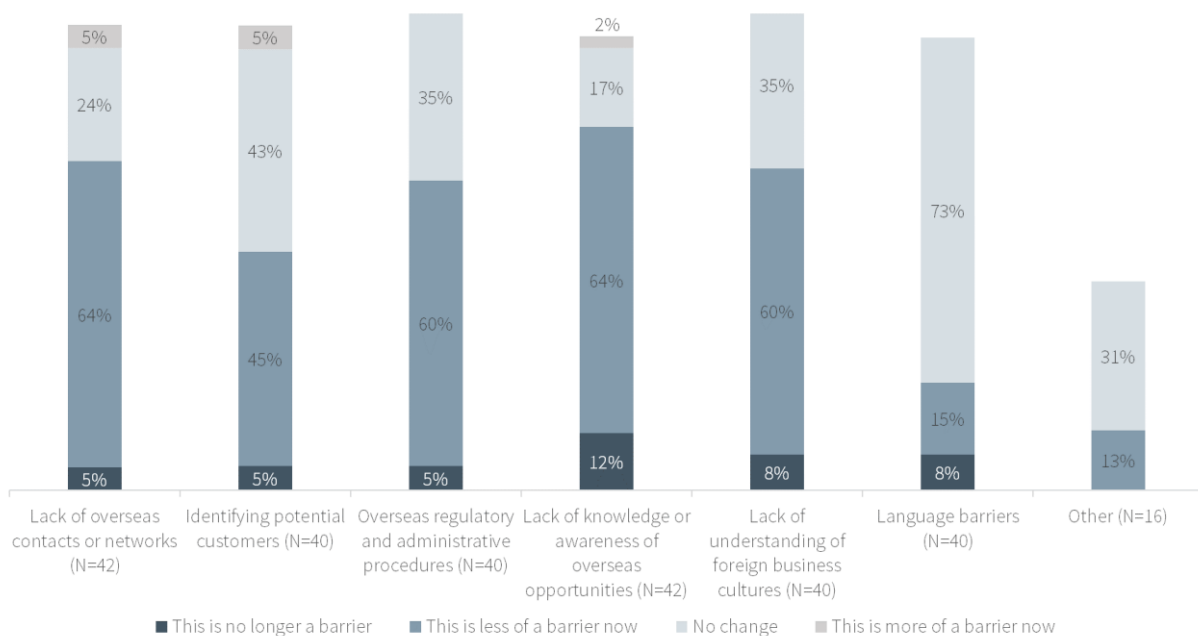
Source: Hatch, Beneficiary Survey, 2022

#### Indicators of Business Change

Since joining the MIBP programme, SMEs have made good progress in overcoming their barriers to growth:

- Lack of overseas contacts or networks was the most cited barrier to growth and 69% of respondents that cited this barrier felt that this was no longer/less of a barrier.
- Beneficiaries made the greatest improvements in their knowledge or awareness of overseas opportunities; 76% of survey respondents that cited this barrier identified that this was no longer/less of a barrier.
- Elsewhere, progress against overseas regulatory and administrative procedures (65% improvement out of 40 responses), lack of understanding of foreign business cultures (68% improvement out of 40 responses), identifying potential customers (50% out of 40 responses) and other respondent-provided barriers (13% out of 16 responses), were more modest.
- Beneficiaries who reported language barriers, reported little progress with the majority (76% out of 38 responses) citing no change.

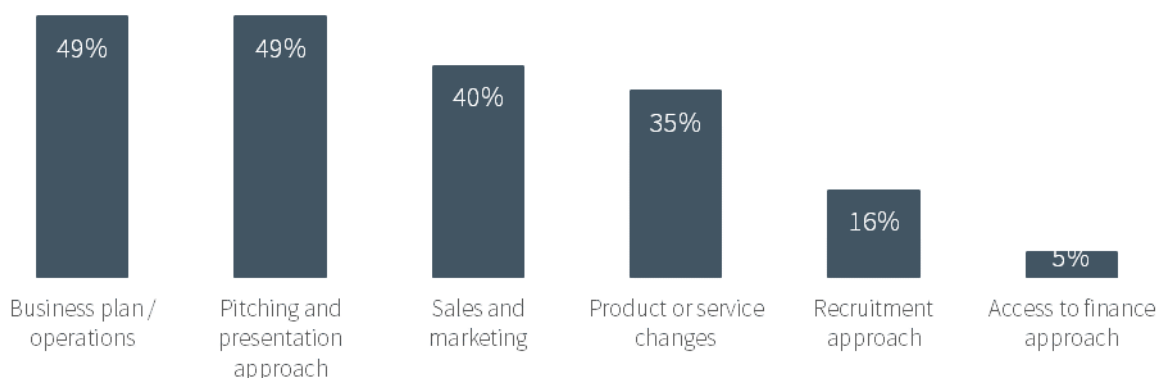
Figure 6.2 Beneficiaries Progress on Overcoming Barriers to Growth faced



Source: Hatch, Beneficiary Survey, 2022. Note: 'Don't know/ Not sure and Null' responses have not been included. Hence % may not sum to 100%.

Survey respondents were asked to identify changes that were made after receiving support from MIBP that aided the overcoming of these barriers. Figure 6.3 identified that almost half (49%) of respondents were found to implement an updated business plan/operation or pitching and presentation approach.

Figure 6.3 Business changes made after receiving MIBP support (% of respondents)

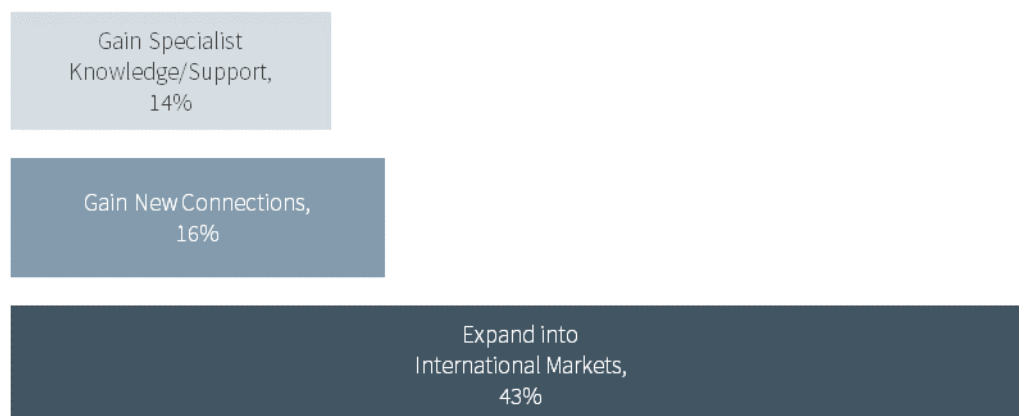


Source: Hatch, Beneficiary Survey, N=43, 2022

### Business Outcomes

In the beneficiary survey, respondents were asked prior to receiving MIBP support how they were planning to grow their business, as summarised in the Figure 6.4 below. Unsurprisingly, given the nature of the programme, just under half of respondents wanted to expand into international markets (43%). The next most cited goal was to gain new connections (16%). Some, though not as many beneficiaries cited gaining specialist knowledge/support as a key goal for growing their business (14%).

Figure 6.4 Beneficiaries' goals before receiving support



Source: Hatch, Beneficiary Survey (N=40), 2022

In support of the goal to expand into international markets, 40% of beneficiaries reported that MIBP support increased or helped stabilise export revenues (N=32).

Survey respondents cited improved export performance in several markets, although the USA was by far the most common with 70% of respondents seeing improved export performance there (Figure 6.5). This was followed by Rest of EU (19%), Canada (19%) and Germany (16%). The cited improvement in knowledge or awareness of overseas opportunities may have assisted these export impacts.

Figure 6.5 Markets where export performance is new or has improved



Source: Hatch, Beneficiary Survey (N=43), 2022

A large proportion of these cited new or improved export markets were new markets for firms; overall, 58% of the improved export markets cited by firms were new but this varied from 100% for Central & Latin America to 0% for India (Figure 6.6).

Figure 6.6 Proportion of new/improved export markets that are new



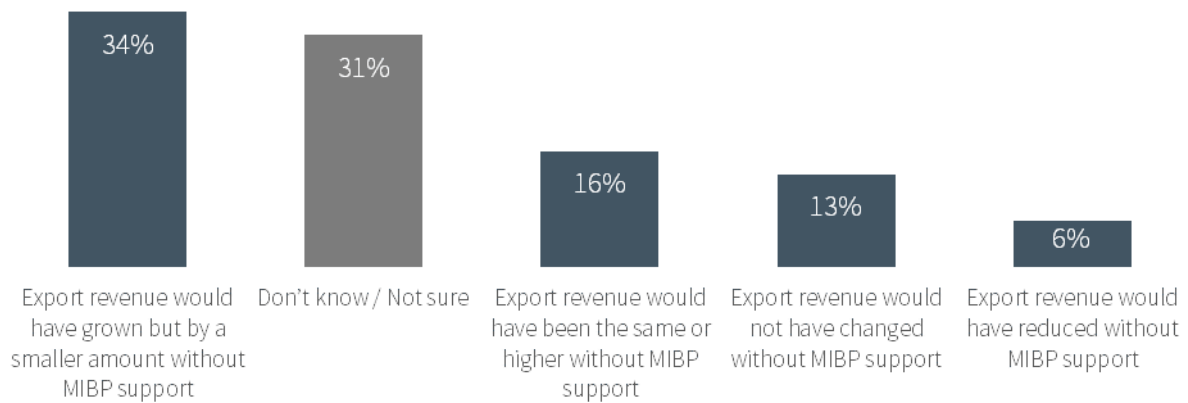
Source: Hatch, Beneficiary Survey (N=43), 2022



Similar improvements were cited in the 2019 interim evaluation report, with beneficiaries stating that exports to the USA market had experienced a 52% increase since joining the programme, 41% saw increased exports to France and 19% to Germany.

Beneficiary responses suggest MIBP played a large role in driving the improved export performances with two in five saying without the programme’s support, export revenue would not have grown by as much (34%) or would have reduced (6%).

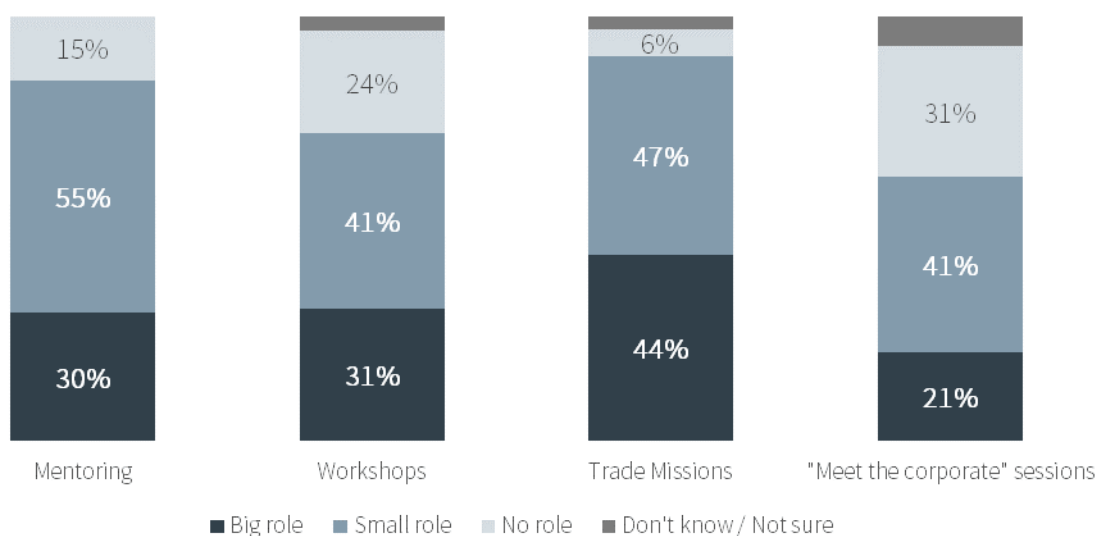
Figure 6.7 Beneficiaries’ Response to how their export revenue would have performed over the same period without support from MIBP



Source: Hatch, Beneficiary Survey (N=32), 2022

The figure below shows that some MIBP activities were more likely to help companies overcome barriers. Trade missions were particularly successful, with nine in ten survey respondents attributing either a big (44%) or small (47%) role. Similarly, mentoring was highly effective with 85% of survey beneficiaries stating that it had a small or big role in overcoming their barriers. “Meet the corporate” sessions received a lower, but not insubstantial, proportion of respondents (62%) citing it having a role in achieving their goals.

Figure 6.8 Role of support activities in achieving goals and overcoming barriers



Source: Hatch, Beneficiary Survey, 2022

## Wider Benefits

As part of the consultations, the MIBP delivery team were asked whether they had seen any wider benefits which had been delivered through the programme. A broad range of benefits were cited, which are summarised below:

- The building of networks and networking between cohort companies i.e. beneficiary companies setting up support networks or becoming client.
- Raising the profile of London business to the Department of Trade or Department of Health. Beneficiaries then attend Department of Trade Missions or Highlighted by chief Executive of the NHS.
- Programme used as a flagship in other areas i.e. Manchester.

## Assessment of Economic Impact

This section provides a summary of gross and net additional economic impacts over the survey period covering businesses across cohorts 12-20, starting and completing the programme between 2019-2022. The section also provides an assessment of the value for money that the project has provided during its lifetime and an indication of potential future impact.

### Our Approach

The assessment of MIBP's economic impacts draws on the evidence gathered through a web survey undertaken in February 2022. The survey was live for three weeks. All of MIBP's clients (in cohort's 12 to 20 who completed at least 12 hours on the programme) whose contact details were provided by London & Partners were invited to participate in the survey (323 beneficiaries) and 43 responses were received in total. This represents a response rate of 14% (+/-13% margin of error at a 90% confidence level). Of these survey respondents, 38 provided information on employment, whilst 42 provided information on turnover.

It is important to note that the impact estimates are based on self-reported perceptions of firms on how the support is enabling them to change business practices and how this influences their business performance and are subject to several limitations explored later in this section. Therefore, the impact and value for money estimates provided in this section should be considered as indicative.

The survey analysis has been supplemented by case studies providing qualitative insight into how the MIBP support has enabled businesses to generate impacts.

### **Gross changes in turnover and employment**

Across the sample of 42 businesses responding to the turnover questions:

- 25 (59%) reported an increase in turnover since receiving support from MIBP
- 31 (74%) were expecting to move into a higher gross turnover bracket over the next year

Across the sample of 38 businesses responding to the employment questions:

- 26 (68%) had experienced an increase in gross employment since receiving the support from MIBP
- 20 (53%) were expecting their gross employment to increase in the next year

### **Optimism bias**

No optimism bias was assumed for assessing change in employment and turnover to date, as it was assumed businesses would provide this information on an objective basis.

There is greater uncertainty when assessing future impacts and a more significant risk of beneficiaries being over-optimistic<sup>15</sup>. As such, an optimism bias factor is required to reflect an observed tendency towards optimism bias in self-reporting of business outcomes.

Formal optimism bias guidance from HM Treasury focusses on capital costs and does not provide specific factors to apply on benefits. The guidance in this respect is qualitative and as follows:

*“Due to a lack of available data, Mott MacDonald was unable to recommend sound upper and lower bound optimism bias levels for operating expenditure (except for outsourcing projects) or benefits shortfall. Optimism bias should still be considered for these parameters. If there is no other evidence to support adjustments to operating costs or benefits, appraisers should use sensitivity analysis to check switching values.”*

Therefore, and based on Hatch’s experience from other surveys, 80% is used as a conservative central assumption for the value for money assessment. Reflecting the uncertainty around this, we have used a +/- 20% sensitivity analysis to establish what effect this would have on value for money.

### **Multipliers**

While the above considers the direct impact on the beneficiary companies, there will also be multiplier effects arising from the programme, generated through indirect additional spending along the supply chain in London, as well as through the induced spending of employees. The modelling of GVA and

<sup>15</sup> It is possible, depending on the cohort and situation, that the opposite may be true and respondents are overly-pessimistic. However, following the assumption in the HM Treasury Green Book with regards to business cost optimism bias we assume the same here.

employment impacts from reported turnover and employment figures draws on Hatch's in-house regional input-output model for the London region.

The model is based on data from the UK National Accounts and describes transactions within and between industries, households, and government and the rest of the world within a defined region (in this study this was captured at the London level). As such, the table will measure how outputs in one industry will appear as inputs in others, tracking the flow of money from one entity to the next.

As money is spent and used across the industry's supply chain, the model estimates the GVA created from producing the goods and services, and jobs created, needed to meet final demand.

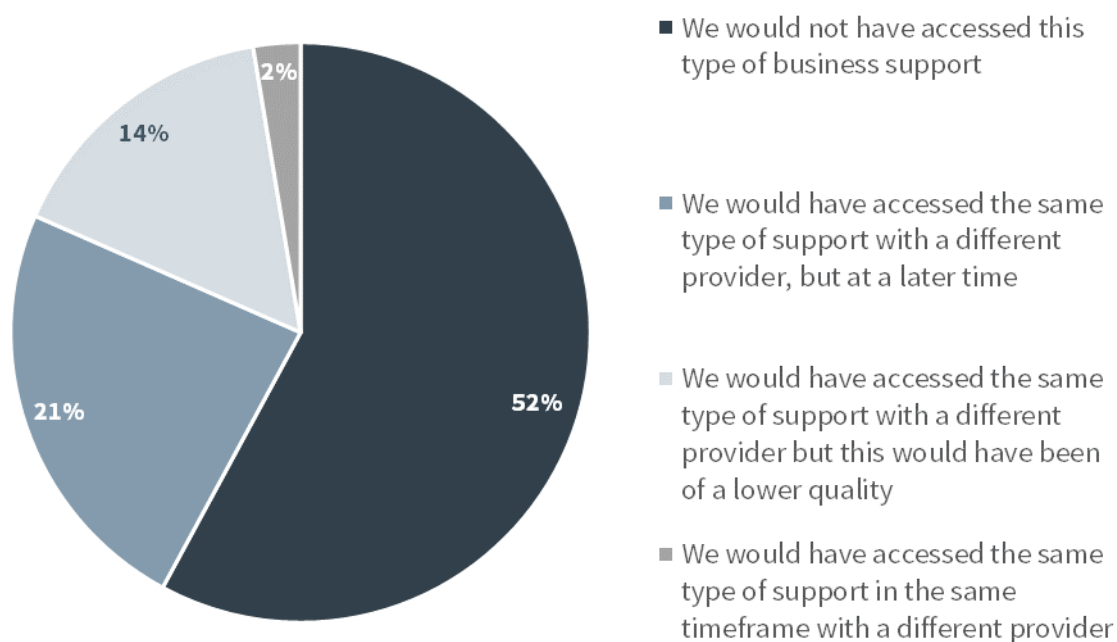
### **Deadweight / Attribution**

This refers to the extent to which the gross change in business performance would have occurred without participation in the MIBP programme.

Our estimate of deadweight drew on businesses' assessment of two types of outcomes:

- 1) Firstly, we assessed the proportion of gross change in performance that beneficiaries felt was attributable directly to the support from the programme. This was analysed individually for employment and turnover and for changes experienced to date and those expected in the future. Overall, the attribution was
  - 9% of the increase in turnover (and consequently GVA since receiving the support was attributable to the programme
  - 42% of the expected increase in turnover (and consequently GVA) over the next year was attributable to the programme
  - 11% of the increase in employment since receiving the support was attributable to the programme
  - 29% of the expected increase in employment over the next year was attributable to the programme.
- 2) Secondly, we assessed business' reports of what they might have done if the support from MIBP was not available – in particular, whether they would have received similar support from another business support provider. The findings of this are summarised in the chart below.

Figure 6.9 Beneficiaries' expected actions in the absence of MIBP



Source: Hatch, Beneficiary Survey, 2022 (N=43)

Note: 10% of respondents replied "Don't know / Not sure" to the survey, these have been removed from the chart but included in the economic impact estimates

Where beneficiaries indicated that they would have received the same support in the same timescales, this was considered full deadweight. For those responses indicating beneficiaries would have received support but it would have been lower quality / occurring later, a proportion of the impacts are removed as deadweight (50% stating at lower quality, or 80% stating occurring later). Overall findings show:

- 36% of the attributable increase in GVA since receiving the support would have been secured through other business support provision and is deadweight
- 17% of the attributable increase in GVA over the next year is deadweight
- 24% of the attributable increase in employment since receiving the support would have been secured through other business support provision and is deadweight
- 23% of the attributable increase in employment over the next year is deadweight

### Leakage

This accounts for the proportion of outputs that benefit those outside MIBP's target area. As all supported firms are required to be based in London, it was assumed that all gross additional turnover generated by the firm and the location of all jobs created will be captured within London, and therefore there will be no leakage of employment, turnover or GVA.

### Displacement

Displacement accounts for growth of businesses on the programme at the expense of other businesses in London.

A proxy for this was used. Beneficiaries were asked “If your firm ceased operations, approximately what proportion of your export turnover would be taken up by your competitors in London”. Overall findings are that displacement accounted for:

- 45% of the attributable increase in GVA since receiving the support,
- 27% of the attributable expected increase in GVA over the next year,
- 35% of the gross increase in employment since receiving the support, and
- 33% of the gross expected increase in employment over the next year.

## **Persistence**

As described above, the survey assesses the potential for improved business performance which occurs because of MIBP support, to lead to additional employment and GVA generation over the next year.

It has been assumed that these impacts will persist beyond this for a further two years (so three years’ persistence in total), but reducing year on year, before decaying as other factors start to exert a larger influence on business performance.

## **Grossing Up**

As outlined above, the modelling of impacts is based on a sample of:

- 42 beneficiary respondents for the current GVA analysis
- 32 beneficiary respondents for the future GVA analysis
- 38 beneficiary respondents for the current employment analysis; and
- 38 beneficiary respondents for the future employment analysis.

To assess the economic impacts for the full population, these figures need to be grossed up to the entire population of supported beneficiaries expected at the end of the programme (700 businesses).

## **Limitations of the Impact Assessment**

It is important to recognise there are a range of limitations in undertaking an impact assessment of this nature, which need to be borne in mind when considering the findings of the assessment.

### **Robustness of the impact assessment**

The robustness of an impact assessment approach such as this, which uses self-reported beneficiary survey data, can be relatively low. The Maryland Scientific Methods Scale (SMS) is an objective means of scoring the robustness of different approaches to counterfactual impact evaluation (from Level 1 up to the most robust approaches at level 5). This method would not register on that scale.

Typically, the costs of undertaking evaluation approaches that would register on the Maryland Scale would be prohibitive given the resources for evaluation for this programme and would not deliver the wider process and outcome evaluation evidence required. Nevertheless, it is important to recognise that, given the relatively low level of robustness of the impact assessment methodology employed here, the figures presented should be considered as indicative.

### **Challenges in self-reporting survey approaches**

One of the key limitations in the survey approach is around businesses' willingness to provide information required for modelling. A key challenge is around business turnover data, where businesses can often be sensitive about revealing this information.

To reduce this risk, the survey asks businesses to estimate turnover either through an approximation or within given brackets, which tends to increase the response rate. With less specific information on turnover pre and post-support however, simplifying assumptions must be used to estimate gross turnover change, which weakens the quality of the data.

A second, related limitation is that to model factors such as deadweight and displacement, beneficiaries are asked in a series of questions which are not straightforward to answer (such as what they believe would have happened had the support not been available). There are inherent difficulties that businesses will face in attempting to answer such questions, which again affect the quality of the data produced.

### Survey Confidence Intervals

In grossing up from the data in the survey sample to all beneficiaries supported, we assume that the information provided by sample beneficiaries is representative of information that would be provided by the broader population of beneficiaries. Typically, the larger the sample, the more likely it is that this will be representative of the wider population, however this grossing up process adds further uncertainty into the analysis.

This is exacerbated by the fact that the programme spanned a period of time where significant macroeconomic shocks and shifts took place, including the UK's exit from the EU and the COVID-19 pandemic.

To assess the extent of some of this, we can use confidence intervals of the sample, which helps to provide further understanding on the robustness of the final data. As the sample size is slightly different for GVA and employment data, the confidence interval will differ slightly. These confidence intervals are summarised in the table below.

Indicator	Sample Size	Grossing Up Level	Population Size	Confidence Interval
Current GVA	42	Beneficiaries Supported at Project Closure	700	± 12%
Future GVA	32	Beneficiaries Supported at Project Closure	700	± 14%
Current Employment	38	Beneficiaries Supported at Project Closure	700	± 13%
Future Employment	38	Beneficiaries Supported at Project Closure	700	± 13%

At the 90% confidence level, these findings suggest that any data generated from the survey could be 12-14% higher or lower for the population as whole than was found in the survey sample. Given that several pieces of information from the survey are used together in the modelling, this uncertainty is further increased. Again, this points to the important caveat outlined above that the impact assessment figures presented should only be considered as indicative.

### Sensitivity testing

To a degree, we can use sensitivity testing to analyse the potential effects of some of these unknown factors, helping to get a better sense of the potential range of impacts. In the sections below, we have used sensitivity testing around:

- **Future optimism bias.** In the core modelling we have assumed that 80% of the future impacts expected by beneficiaries will be realised. To test the importance of this assumption, we have modelled the overall return on investment figure in the case that this was altered to 60% in a low scenario and 100% in a high scenario.

### Impact estimates

The table below presents a summary of the net additional GVA growth generated by the sample of beneficiaries completing the survey.

		Impact to date for survey sample	Expected future impacts for survey sample	Survey sample lifetime impacts
GVA (£)	Direct	£1,090,000	£7,993,000	£9,083,000
	Indirect	£660,000	£4,593,000	£5,253,000
	Induced	£417,000	£2,931,000	£3,348,000
	<b>Total</b>	<b>£2,167,000</b>	<b>£15,517,000</b>	<b>£17,684,000</b>
Employment (FTE)	Direct	27	132	160
	Indirect	18	87	106
	Induced	11	28	39
	<b>Total</b>	<b>56</b>	<b>247</b>	<b>304</b>

Source: Hatch, Beneficiary Survey, 2022

Note: Totals may not equal the summation of the individual figures presented due to rounding

To estimate the total cumulative impact of MIBP, it is necessary to scale up sample level impacts to the number of businesses expected to be supported by programme end (C1), taken as 700 businesses supported. This is summarised in Table 6.3 below.



Table 6.3 GVA and Employment Impacts of all beneficiaries supported at Project Closure

		Programme returns to date	Expected future programme impacts	Total programme impacts
<b>GVA</b>	<b>Direct</b>	£18,171,000	£174,855,000	£193,026,000
	<b>Indirect</b>	£11,001,000	£100,482,000	£111,483,000
	<b>Induced</b>	£6,958,000	£64,115,000	£71,073,000
	<b>Total</b>	£36,130,000	£339,452,000	£375,582,000
<b>Employment (FTE)</b>	<b>Direct</b>	503	2,437	2,940
	<b>Indirect</b>	332	1,611	1,944
	<b>Induced</b>	202	509	711
	<b>Total</b>	1,036	4,558	5,594

Source: Hatch, Beneficiary Survey, 2022

Note: Totals may not equal the summation of the individual figures presented due to rounding

This shows that the programme’s supported beneficiaries have created 1,036 net additional jobs and just over £36m in GVA to date. Over the next three years this impact is expected to add a further 4,500 additional new jobs with a GVA of approximately £340m as a result of the MIBP programme.

GVA results have improved in comparison to the 2019 Interim report. The Interim report forecasted 1,100 net additional jobs to be created by 2022 and a net additional GVA forecast of £126 million by 2025. However, it is worth noting that the interim report included leakage and is not directly comparable. For greater comparability of programme impacts we have included an additional analysis of the impacts with leakage on page 55.

Covid-19 impacts could contribute to these dampened figures as the impacts of Covid-19 have not been incorporated into the impact model. 75% of survey respondents cited that their ability to benefit from the programme was impacted by the pandemic. Returns on investment may therefore be undervalued as 42% of these respondents stated that impacts were felt through reduced benefits, and 33% through delayed benefits. It should be noted that the interim report utilised benchmark values of additionality and did not identify an attribution figure, thus differing to the 2022 survey. For these reasons and survey sample sizes, results should only be considered indicative.

## Value for Money

Value for money has been assessed on the basis of outputs expected to be delivered over the programme lifetime.

MIBP’s value for money is assessed with respect to both GVA created per £1 invested, and cost per job created. This is shown for both ERDF funding and for total programme cost, considering impacts over cohort 12 to 20 and in total across the programme.

The table below shows that, based on ERDF funding only, by the end of the programme, and accounting for all future impacts, MIBP is expected to have invested around £700 per job created, and to have generated almost £95 of GVA for every £1 ERDF invested. Based on all programme funding, MIBP is expected to have generated £47.58 of GVA for every £1 of funding invested.

The 2016 DCLG Appraisal Guide suggests that anything exceeding a £2 return on public investment represents high value for money. On this basis, both the estimates of return on investment to date and total lifetime return on ERDF investment (£95) can be judged as very good.

Table 6.4 Value for Money: Outputs and Spending by end of Programme

		Achieved to date	Achieved Plus Expected in Future
ERDF Spend Only	Cost	£3,808 per job created	£706 per job created
	GVA	£9.15 per £1 invested	£95.16 per £1 invested
Total Programme Spend	Cost	£7,616 per job created	£1,411 per job created
	GVA	£4.58 per £1 invested	£47.58 per £1 invested

Source Hatch, 2022

According to the 2019 Interim report, in the final quarter of 2018, the programme had an ERDF return on investment of £1.90 to £1 to date, with a return of £31.90 forecasted for the end of 2025. Given that the interim report utilised benchmark values of additionality and did not identify attribution it should be reiterated that these impacts cannot be directly compared with the final evaluation findings.

## Benchmarking VFM Figures

Hatch has reviewed the value for money assessments of over 25 previous business support evaluations we have undertaken. The table below shows a wide range of GVA returns on ERDF investment.

Based on these figures, MIBP's unit cost of £706 per job created in future is the lowest across benchmarked programmes. Further, MIBP's GVA impact per £1 of ERDF investment for businesses (£95.16) is the largest figure seen across the sample.

Overall, MIBP represents a strong return on investment measured against all metrics compared to benchmarked programmes. It should be reiterated however due to the limitations on robustness of methodology discussed above, particularly around sample size and high margin of error, these figures need to be treated with caution and seen as indicative only.

Table 6.5 Comparator Return on ERDF Investment Figures

	Impacts to date Comparator Programmes			
	MIBP	Minimum	Median	Maximum
Cost per Net Additional Job	£3,808	£21,600	£39,500	£450,000
Benefit Cost Ratio (BCR)	£9.15	0.13	0.81	6.72
	Impacts to date and future Comparator Programmes			
	MIBP	Minimum	Median	Maximum
Cost per Net Additional Job	£706	£3,200	£11,200	£142,300
Benefit Cost Ratio (BCR)	£95.16	0.91	5.26	16.75

Source: Hatch, 2022

## Leakage:

Leakage accounts for the proportion of outputs that benefit those outside of MIBP's target area. As all supported firms are required to be based in London, it was assumed that all gross additional turnover generated by the firm and the location of all jobs created will be captured within London, and therefore there will be no leakage of employment, turnover or GVA. This allows for results that can be more fairly assessed against ONS regional GVA(B) estimates which is a workplace-based measure<sup>16</sup>.

However, for jobs for example, if resident-based employment is important then applying leakage deducts commuters from the gross jobs estimate. To understand the potential impact that leakage could have on GVA, Employment and the resulting VfM, the survey included a question to determine what proportion of outputs would benefit those outside of MIBP's target area. Beneficiaries were asked "Approximately what proportion of your employees live in London?". Responses were provided within percentile ranges of 0%, 1-25%, 26-50%, 51-75%, 76%-100%. The mid-point of a response was then used as a proxy to determine individual leakage rates (1-midpoint value). Based on figures provided in survey responses, the location of all jobs created outside of London were considered to provide a rate of leakage beyond the impact area, averaging at around 48%.

The results below show how incorporating leakage would affect existing GVA, employment and VfM figures (after being adjusted for deadweight). The leakage of turnover is assumed to be the same as leakage for employment.

### **GVA and Employment Impacts of Survey Sample:**

		<b>Impact to date for survey sample</b>	<b>Expected future impacts for survey sample</b>	<b>Survey sample lifetime impacts</b>
<b>GVA (£)</b>	<b>Direct</b>	£369,000	£2,622,000	£2,991,000
	<b>Indirect</b>	£233,000	£1,594,000	£1,827,000
	<b>Induced</b>	£149,000	£998,000	£1,147,000
	<b>Total</b>	£751,000	£5,214,000	£5,965,000
<b>Employment (FTE)</b>	<b>Direct</b>	16	86	102
	<b>Indirect</b>	11	57	67
	<b>Induced</b>	6	17	23
	<b>Total</b>	33	160	192

### **Scaled GVA and Employment Impacts of Survey Sample:**

<sup>16</sup> [Regional economic activity by gross value added \(balanced\), ONS, 2022](#)

		Programme returns to date	Expected future programme impacts	Total programme impacts
GVA	Direct	£6,152,000	£57,351,000	£63,503,000
	Indirect	£3,881,000	£34,859,000	£38,740,000
	Induced	£2,484,000	£21,825,000	£24,309,000
	<b>Total</b>	<b>£12,517,000</b>	<b>£114,035,000</b>	<b>£126,552,000</b>
Employment (FTE)	Direct	296	1,582	1,878
	Indirect	194	1,045	1,238
	Induced	110	315	425
	<b>Total</b>	<b>600</b>	<b>2,942</b>	<b>3,543</b>

#### **Value for Money: Outputs and Spending:**

		Achieved to date	Achieved Plus Expected in Future
ERDF Spend Only	Cost	£6,582 per job created	£1,114 per job created
	GVA	£3.17 per £1 invested	£32.06 per £1 invested
Total Programme Spend	Cost	£13,164 per job created	£2,229 per job created
	GVA	£1.59 per £1 invested	£16.03 per £1 invested

#### **Comparator Return on ERDF Investment Figures:**

As shown below through comparator returns on ERDF investment figures, MIBP still represents relatively good value for money compared to benchmarked ERDF projects. It should be reiterated however that these figures need to be used with caution and seen as indicative only.

	Impacts to date Comparator Programmes			
	MIBP	Minimum	Median	Maximum
Cost per Net Additional Job	£6,582	£21,600	£39,500	£450,000
Benefit Cost Ratio (BCR)	£3.17	0.13	0.81	6.72
	Impacts to date and future Comparator Programmes			
	MIBP	Minimum	Median	Maximum
Cost per Net Additional Job	£1,114	£3,200	£11,200	£142,300
Benefit Cost Ratio (BCR)	£32.06	0.91	5.26	16.75

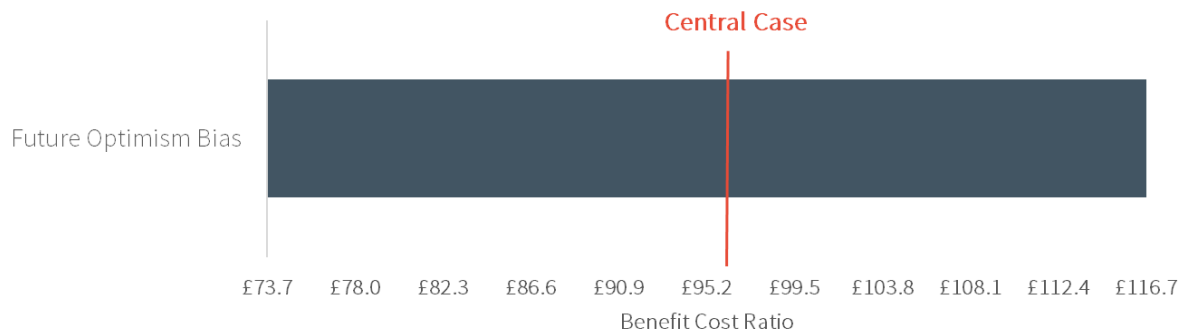
## **Sensitivity Testing**

As outlined prior, sensitivity testing has been undertaken on the optimism bias applied to estimated future impacts. Currently, the results shown in the Table 6.5<sup>17</sup> apply a 20% optimism bias on reported future impact and assumes only 80% of the future impact expected by beneficiaries will be realised.

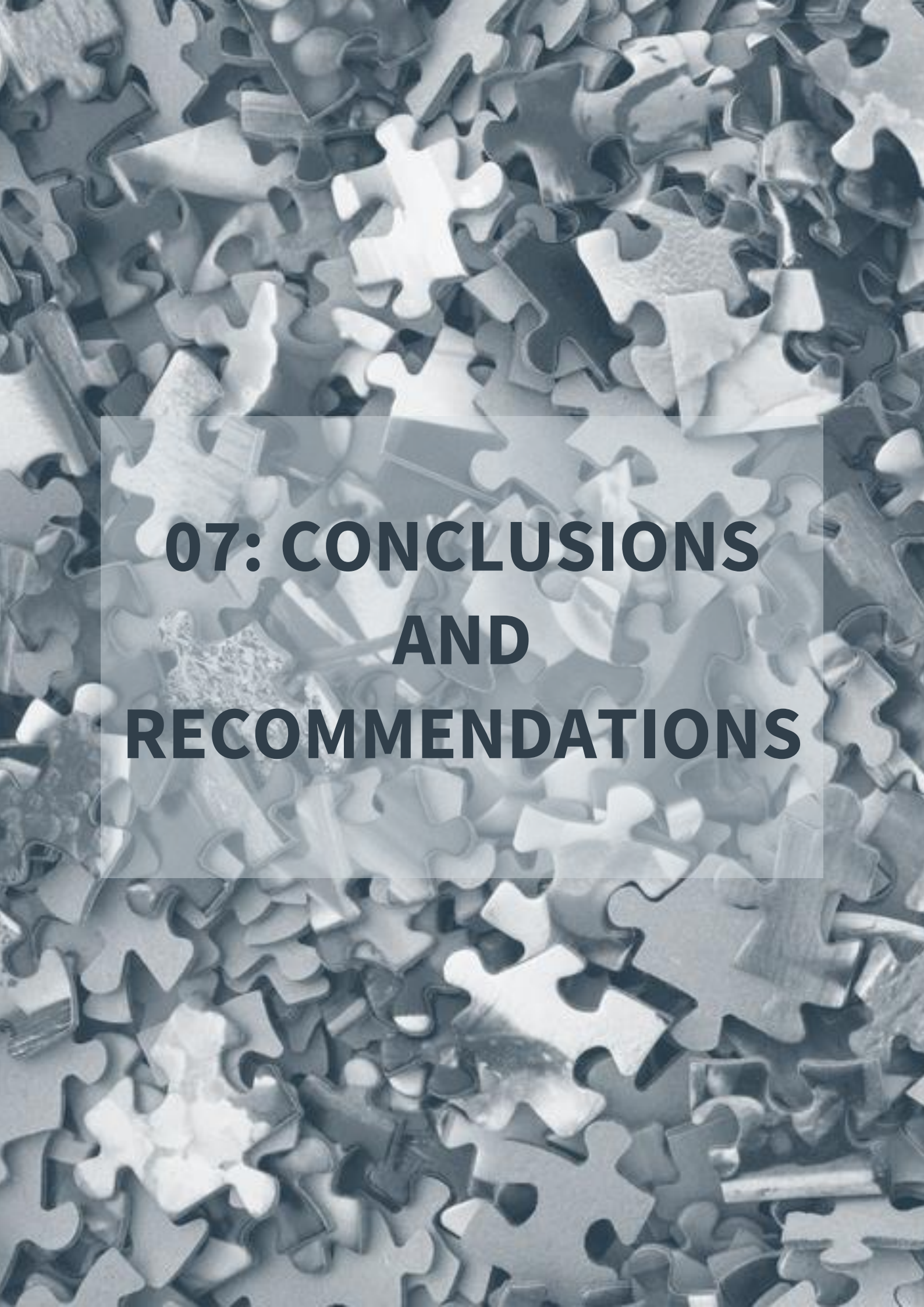
<sup>17</sup> Which excludes leakage

Sensitivity testing here, tests two scenarios whereby 60% and 100% of estimated future impacts are realised. In both cases, the project indicates good value for money.

Figure 6.10 Sensitivity Testing and its impact on MIBP's Benefit Cost Ratio



Source: Hatch, 2022



**07: CONCLUSIONS  
AND  
RECOMMENDATIONS**

# Conclusions and Recommendations

## 07

**This section of the report summarises its findings against the five summative assessment themes as set out below, and in the ERDF summative assessment guidance. It also provides recommendations for future programme delivery.**

### Conclusions

#### Programme Relevance and Consistency

MIBP is a tailored programme to support 700 scale up companies from the Financial, Business Services, Technology, Innovation and Life Science, Urban and Creative sectors in London to assist them to expand internationally.

The programme objectives are to support London's employment, international competitiveness, output and productivity growth. It sits alongside, and is aligned, to several key local and national policy positions.

There are several market failures that underpin the rationale for MIBP:

- **Asymmetric information** reduces the number of firms exporting due to limited knowledge of export markets including regulatory issues in overseas territories.
- **Myopic behaviour** means business, and in particular SMEs, take a short-term view with regards to investments and decision making, resulting in an under-investment of time and financial resource to pursue export markets.
- **Information failures and risk** means SMEs are often unwilling to invest resources significantly to target export markets due to the risk of failure.
- **Positive externalities** from trade, including:
  - improving the image of London as a business and technological centre,
  - enhancing the reputation of the UK's businesses,
  - driving productivity growth.

Since the start of the programme the economic and policy environment in which MIBP operates has changed significantly. Arguably, many of these changes have strengthened the need for this programme making it even more relevant than at its commencement. These changes include:

- **COVID 19 Pandemic** – The impact of COVID on the economy has been significant. Business support schemes are now even more important to support business supply chains and recovery. Consultations revealed that there was an initial drop in demand for MIBP during the first few months of the pandemic, as companies focused on core activities. However, this was short lived. Consultations also reveal a resounding positive opinion of the support offered during the pandemic.

- **Brexit** - The UK formally left the European Union in January 2020. This introduced additional complexities for business and the need for reconfigured trade strategies. Early consultations found Brexit would increase need for additional support, funding and guidance. The tailored legal, regulatory and tax advice supplied by MIBP arguably makes it even more important for London in the context of this change in global relationships.
- **Continued slow productivity growth** – As a driver of improved living standards and one of the core objectives of the MIBP, the historically low real productivity growth rates in the Capital provide a rationale for the ongoing relevance of the programme.
- **Policy evolution** – Local and national policies have evolved to respond to the macroeconomic shifts. Several policy documents have consequently emerged including the London and National Industrial Strategies and London’s Pathway to Net Zero Carbon by 2030.

### Progress Against Contractual Targets

The project spend was impacted by the pandemic. Consequently, a successful change request was submitted and the programme timeline was extended until 2022. Against the latest available quarterly claim (Q3 2021):

- **Outputs are on track to meet their contracted targets:** MIBP is on track to meet its C1 (number of enterprises receiving support) and C4 (number of enterprises receiving non-financial support) targets having achieved 84% by Q3 2021. The programme is scheduled to meet its C8 target (employment increase in supported enterprises), achieving 100% although as of Q3 2021 was at 101%.
- **Slight underspend against financial expenditure profile at Q3 2021:** MIBP has spent 85% of its target. There is a slight underspend of approximately £50,000 which is due to staff changes. A review of the budget is ongoing to address slippage in spend and actions will be formulated as a result. The programme is expected to meet its spending target by programme close.

### Delivery and Management Performance

MIBP is run by London & Partners and is supported by several delivery partners who help to deliver key seminars and conferences. The programme provides bespoke support and four key activities:

- **Trade missions** connecting beneficiary companies with potential customers and partners across the world,
- **Mentoring** providing expert advice and guidance through both one-to-one and on-to-many sessions,
- **‘Meet the Corporates’ sessions** offering bespoke events to help business increase their customer base, and
- **Workshops** on varying subjects determined by the needs of each cohort of companies.

Delivery is guided through a programme steering group (ERDF Projects Approval Group) who meets once a month to review the projects delivery. Feedback from consultations and the beneficiary survey suggests:



- **Overall, the project is well designed to meet its objectives:** the MIBP programme is well designed to give beneficiaries a range of different support from informational Workshops to networking Trade Missions. It does not purely focus on providing potential client contacts but equips companies with legal, procurement or tax information for their chosen international market.
- **Project management and governance was thought to be effective:** consultations with all delivery staff indicated that the overarching project management and governance was effective and that the partners worked well together. The MIBP delivery team and wider delivery partners were clear on the job roles, governance procedures and felt comfortable to raise any observations or issues.
- **Successful targeting and approaching of potential beneficiaries that are suitable for the project:** the programme team sourced beneficiaries via both direct marketing on several platforms and via recommendations from wider delivery network / complementing schemes. Almost a third of survey beneficiaries accessed the programme after seeing an advert for the programme and 16% reported that their source of referral was through word of mouth. Consultation with beneficiaries found that the MIBP brand and relationship to the Mayor of London also drew them into the programme.
- **Beneficiaries found the programme application clear and uncomplicated** which contrasted with some of their prior experiences accessing business support schemes. The diagnostic processes, which has been developed over the years, also ensured that the beneficiaries brought on board were of an appropriate size and in an appropriate position to make the most out of MIBP.
- **At least seven in ten survey respondents accessed Workshops, Trade Missions and ‘Meet the Corporate’ sessions** suggesting a good take up across the activity offerings. Overall, the majority of survey respondents were satisfied or extremely satisfied with the MIBP support that they had received. Despite having the lowest uptake, Mentoring was viewed as the most beneficial component of the support package. Across the three criteria of Suitability, Tailoring and How Beneficial Support Was, the “Meet the corporate” sessions were less likely to be considered suitable, tailored or beneficial but scoring was still high with some survey beneficiaries recommending more “Meet the corporate” sessions. It was also suggested that a greater upfront understanding of objectives would be useful to gain more from the session. Beneficiaries in very specialised areas found that seminars dedicated to the broad industries did not apply to them. Nonetheless, they took away several learning points from other seminars
- **Beneficiaries suggested a range of areas that could be improved on the programme** however none of these suggest issues with the current programme and delivery.
- **Programme delivery adapted quickly and effectively to the COVID -19 pandemic:** the project team was able to deliver the programme fully online in a matter of weeks after the first lockdown announcement. The fully virtual programme brought unforeseen positives not experienced previously i.e., bringing a larger number of bigger firms to the table in Trade Missions and being able to ‘visit’ larger geographical areas in a week. However, some beneficiary consultees felt it was still difficult to make personal connections on virtual trade missions. The

MIBP team overcame this issue by making more direct introductions between beneficiaries and potential clients.

## Outcomes and Impact

MIBP aims to help scale-up SMEs to expand internationally with the objective of increasing employment, output and productivity growth in London.

Beneficiaries have reported strong progress in overcoming barriers to growth and increasing their export performances:

- **71% felt a lack of overseas contacts or networks was no longer/less of a barrier** with this being cited as the most significant barrier to growth prior to joining MIBP.
- **Almost half made changes to their business plan/operations and pitching/presentation approach** after receiving support from MIBP which has aided overcoming barriers to growth.
- Survey respondents cited **improved export performance in several markets**, although the USA was by far the most common with 70% of respondents seeing improved export performance there (of which 57% said it was a new market for them). This was followed by the Rest of EU (19%), Canada (19%) and Germany (16%)

**Attribution of improved export performance to MIBP is high** with two in five survey respondents saying without the programme's support export revenue would not have grown by as much/would have reduced. Trade Missions were thought to be particularly useful in supporting this.

**The full impact of MIBP may have been constrained due to COVID**, with 42% of survey respondents stating their ability to benefit from the programme due to COVID resulted in reduced benefits, and 33% stating it had delayed benefits.

### **MIBP has delivered significant impact to London, which are expected to grow further in the future.**

To date the programme is estimated to have supported a net additional 1,036 full-time equivalent (FTE) jobs and £36.1 million net additional GVA. Over the next three years, this impact is estimated to grow to a total of around 5,594 net additional FTE jobs and a total of £376 million net additional GVA generated as a result of the project. It is important to recognise there are a range of limitations in undertaking an impact assessment of this nature, which need to be borne in mind when considering the findings of the assessment (outlined further in Chapter 7 of this report) and therefore, the figures presented should be considered as indicative.

## Cost Effectiveness and Value for Money

Value for money has been assessed with respect to both GVA created per £1 invested and cost per job created. The estimates show:

- **The project is expected to generate a strong return on investment in the long term:** on the basis of all programme funding, MIBP is expected to generate a total of £47.58 of GVA for every £1 of funding invested and has an estimated cost of £1,411 per job created. This factors in the current forecast which the surveyed business beneficiaries have made about their potential to achieve future business benefits as a result of the support they have received from MIBP. The 2016 DCLG Appraisal Guide suggests that anything exceeding a £2 return on public investment represents high value for money. On this basis, the estimates of return on ERDF expenditure to

date (£9.15 per £1 invested) and in the future (£95.16 per £1 invested) can be judged as very good. However, these estimates need to be treated with caution, as outlined in Chapter 7 of this report.

- **MIBP performs well when benchmarked against other ERDF business support projects:** Hatch has reviewed the value for money across over 25 recent business support evaluations it has undertaken, which include a wide range of net additional return on ERDF investment figures and costs per net additional job created in the other projects reviewed. Based on these comparator returns on ERDF investment figures, MIBP's expected Benefit Cost Ratio (on the basis of return on every £1 ERDF investment) of £95.16 is the highest value seen across the sample. This indicates that the project is expected to perform well in terms of value for money, compared to the other ERDF funded projects reviewed. However, some caution must be taken in interpreting how MIBP compares to what are a diverse set of projects, offering different types and intensities of support.

## Recommendations

Overall, the MIBP programme has performed strongly. It is estimated to deliver healthy value for money and has been well received in supporting beneficiaries to grow into international markets. Based on the evaluation analysis and conclusions, a number of recommendations are set out below, which could help to further enhance the programme effectiveness and impact in the future.

- 1) Following BREXIT there has been less demand for EU trade missions. MIBP has re-focused attention onto other markets including North America, India and Asia. As the UK's trade relationship with international partners continues to evolve MIBP should provide **continued flexibility** in the markets it supports business into.
- 2) A key characteristic of MIBP is its tailored approach and this can be evolved further to provide greater support and follow ups that are **tailored** to business need. For example, quantifying company goals for the programme, distribution of presentations and links following sessions, follow-ups from mentoring or networking sessions.
- 3) The MIBP team adapted well to the pandemic and were able to provide seminars, trade missions, meet the corporate events and mentoring online. As part of their response, MIBP gave beneficiaries more one-to-one introductions, and these were cited to be incredibly successful. MIBP should consider increasing this type of **direct access** to ready buyers or investors to increase seek new customers or increase business turnover. For example, ensuring two direct e-introductions to relevant client companies for each beneficiary business. This would also support the recommendation above around greater tailoring.
- 4) Mentoring had the lowest uptake amongst the survey beneficiaries, but it was viewed as one of the most beneficial components of the activities on offer. **Better mentor matching** could increase the take-up and drive greater programme returns.
- 5) Another adaption of the programme to COVID-19 was remote delivery. This has since evolved to having a **mix of in-person and virtual events** and it is suggested that this continues in order to provide the benefits that both virtual events provide without losing the benefits that the in-person events can also generate.
- 6) The support was well received in general, but some beneficiaries and the wider delivery team felt that the **seminars** were too broad. If delivering more specialised sector seminars is not

feasible within the current set up this could be addressed by creating sector-specific cohorts or creating smaller breakout groups to focus on specific subject area.

# Appendix A - Survey Representation

The beneficiary survey was issued online, using Snap software, to MIBP beneficiaries who received at least 12 hours of support and were within Cohorts 12 to 20 (inclusive). London & Partners assisted in notifying beneficiaries of their invitation to complete the survey. The survey was issued in February 2022 and was live for three weeks.

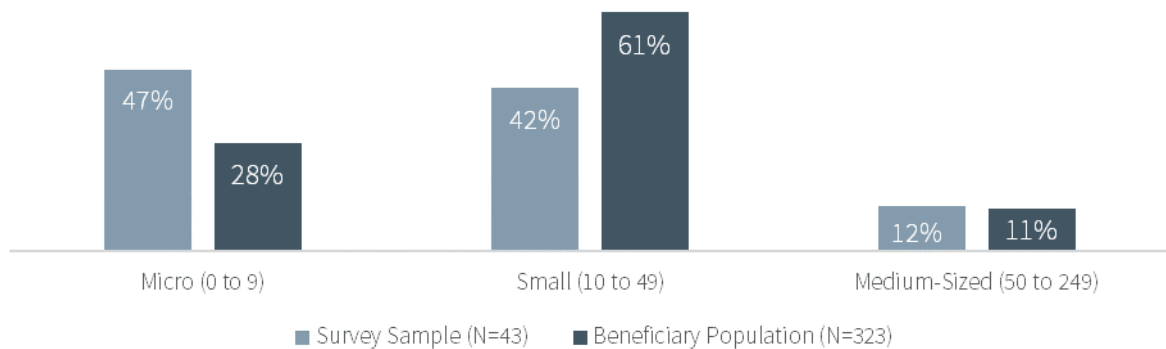
In total, 323 beneficiaries were invited to participate in the survey. Of which, 43 companies completed the survey. This elicits a response rate of 13% (+/-12% margin of error at a 90% confidence level). Survey result findings could be 12-14% higher or lower for the population as whole than was found in the survey sample.

Some disparities in representation exist between the survey sample respondents and the beneficiary population, but overall trends are reasonably representative of the whole client base in terms of size (FTE employees), sector and ownership diversity. The representativeness of the survey on the beneficiary population is analysed below.

## Business Size

Appendix A.1 shows that survey respondents provide an overrepresentation of micro-businesses and an underrepresentation of small businesses. Nonetheless, Medium-sized businesses are reasonably representative of the beneficiary population.

Appendix A.1: Beneficiaries by Business Size (FTE Employees)



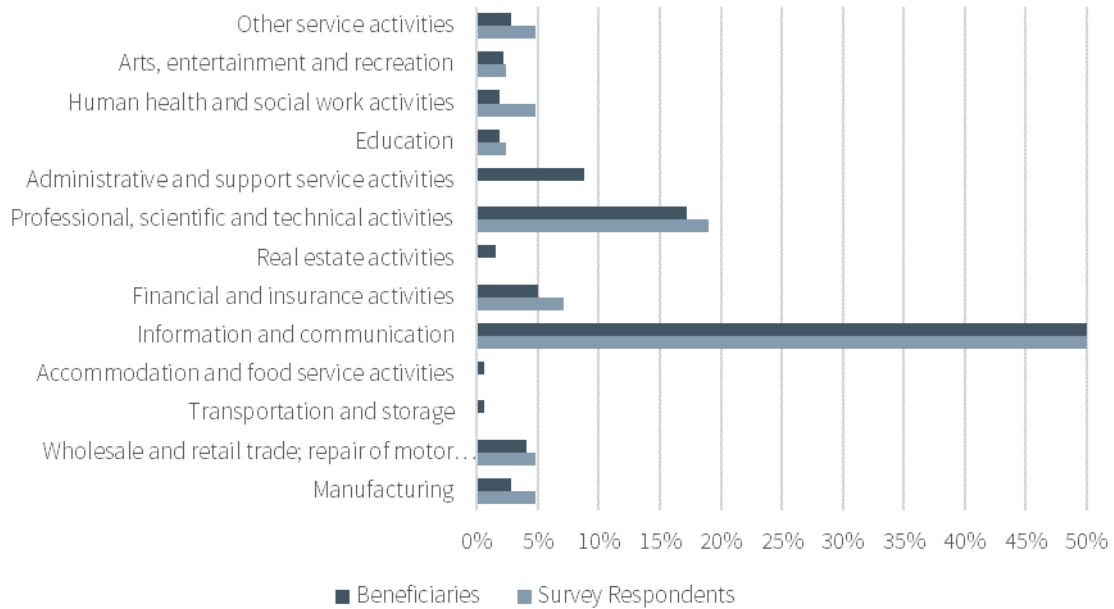
Source Hatch Beneficiary Survey (N=43) & Beneficiary monitoring data (N=323)

## Business Sectors

Appendix A.2 illustrates the proportion of survey respondents by sector, relative to the beneficiary base in London. Beneficiaries in the survey sample cover a wide range of sectors which broadly reflects the sectors represented within the full population of businesses supported to date, but with slight over-representation within some sectors. Under-representation is noticeable in businesses of Administrative

and support service activities, Real estate activities, Accommodation and food service activities, and transportation and storage.

**Appendix A.2: Sector breakdown of beneficiaries**

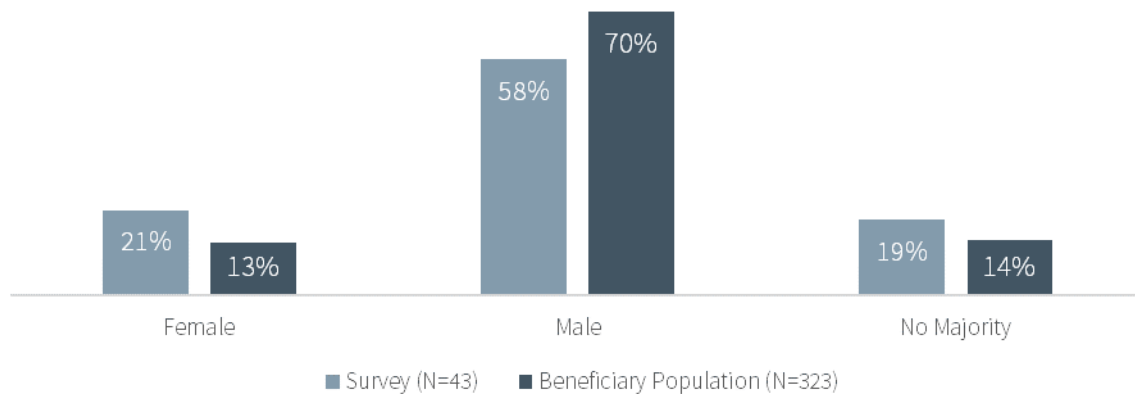


Source Hatch, Beneficiary Survey (N=43), 2022 & Beneficiary Monitoring Data (N=323)

**Diversity**

According to beneficiary monitoring data, 70% of beneficiaries’ majority owners are male and 13% are female. The survey displays a slight underrepresentation for males (58%) and slight overrepresentation for female majority owners (21%). Despite this, the overarching trend of more male to female majority owners is still apparent.

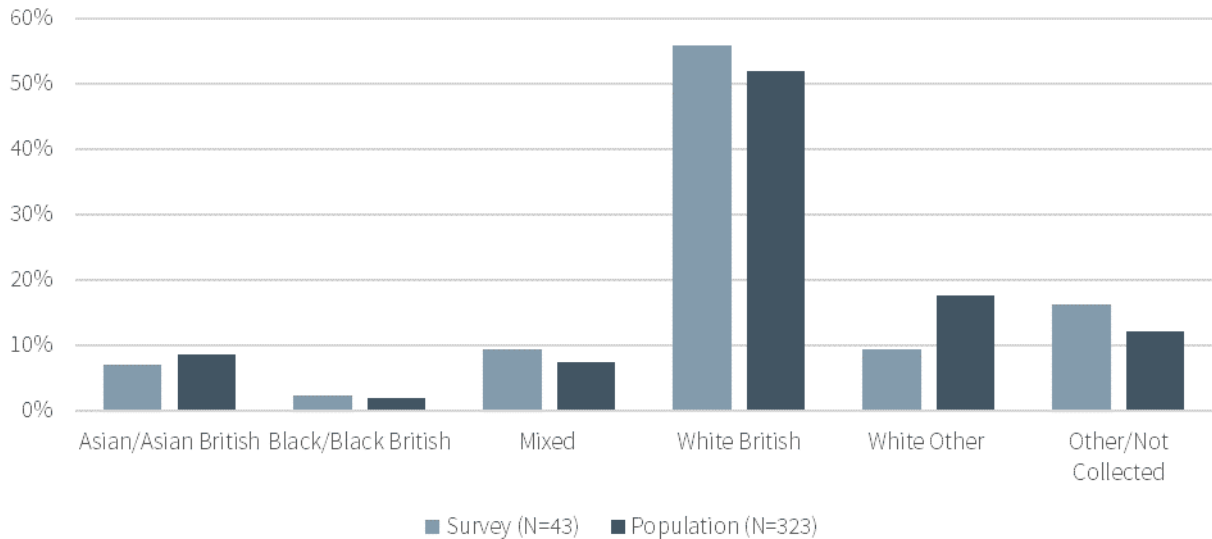
**Appendix A.3: Gender of the majority owner**



Source Hatch, Beneficiary Survey (N=43), 2022 & Beneficiary Monitoring Data (N=323)

Analysis of the survey respondents alongside the beneficiary monitoring data shows that a large majority of beneficiaries were White British (56% of survey respondents and 52% of overall beneficiaries). As shown in Appendix A.5, ethnicities within the survey were fairly representative of the beneficiary base.

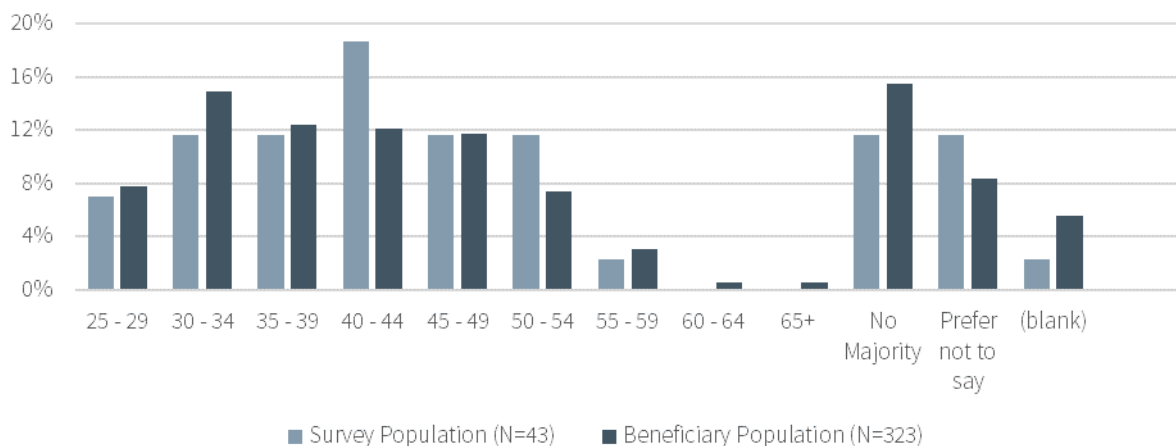
#### Appendix A.4: Ethnicities of beneficiaries



Source Hatch, Beneficiary Survey, 2022

Overall, beneficiaries did not tend to have an age group majority. Although survey respondents were fairly representative of beneficiary monitoring data, there is some overrepresentation of survey respondents from companies with owners in the 40-44 age range.

#### Appendix A.5: Age group of majority of owners



Source Hatch, Beneficiary Survey (N=43), 2022 & Beneficiary Monitoring Data (N=323)

## Appendix B - Consultees

The following organisations and individuals were consulted as part of the summative assessment:

Table B.1 Consultees	
1:1 Consultation with the wider delivery teams	
Organisation	Role
Trade North America	VP Trade North America
	Head of ILS
London & Partners Lead Delivery Team	Head Of MIBP
	Senior Marketing Manager
London & Partners Trade and Growth Team	Director Trade and Growth
CIKLUM	Head Of Go-To Market Growth And Transformation
Globalization Partners	Director of Strategic Partnerships
Granttree	Head Of Partnerships
Microsoft	Business Development Director
Taylor Wessing	Senior Business Development Manager
Wilson Sonsini	London Managing Partner
Greater London Authority	Business Engagement, International Relations and Promotion,
Case Studies	
Organisation	Role
Ocean Bottle	Founder
Fiskl	Founder
Up Skills Digital	Founder
Mystery Vibe	Founder
Smart Respiratory Products Ltd	Managing Director
Gripable	Founder
Accura Cast	Founder



# Appendix C - Case Studies

## Ocean Bottle, sustainable drinks bottle manufacturer

**Sector:** Manufacturing / E-Commerce  
**MIBP Programme:** March 2020-21  
**Hours of support received:** 15 hours



**Reason for seeking support:** Looking to grow internationally in Europe and North American markets. Attracted to MIBP as backed by the Mayor and free to join.

### MIBP support activities

- Webinar: coming to America US expansion and fundraising during COVID-19
- Entering the U.S. market and gaining traction fast
- Meet the City: Amsterdam for Urban Industries
- Your leadership style and its effect on your teams & culture
- Doing business and achieving success in LA
- SVC2UK – CEO Summit

### Benefits

- The SVC2UK Silicon Valley to UK conference was very helpful
- Direct contacts in Japan very helpful and has led to direct contract discussions

### Limitations/ Challenges

- It is difficult to make connections on virtual trade missions as all on one call or breakout room.
- A seminar on how to set out key goals / objectives that could be achieved from the scheme would be helpful.
- Some seminars were unhelpful for D2C businesses. For example, do not need to set up an office / hire staff, but do need to source great sales agents / distributors.
- Session with similar start up that has achieved this would be helpful

“We would recommend the MIBP to any company who are London based but looking to scale their company internationally. Through a combination of sessions and corporate introductions you’ll find routes to grow your company and impact globally.”

## GripAble, develop mobile solutions for physical and cognitive rehabilitation. Plan to be the most accessible rehabilitation service in the world

**Sector:** Medi-Tech  
**Hours of support received:** 19 hours



**Reason for seeking support:** seeking a clearer understanding of how the North American medical market functions including raising investment, regulations for new products entering the market and meeting key insurance firms / hospitals

### MIBP support activities

- Webinar scaling in Europe
- Webinar ‘Welcoming Miami’
- Webinar manage cash flow
- Raising SEED and Series A funding
- Virtual Trade missions to Minnesota and Florida

### Benefits

- Affirming the strategy for entering the US market.
- Support to built the target client i.e. What are we looking for? Where can we create impact?
- Access to large health insurance companies in the US.
- Industry specific event is the most impactful, gained full market understanding

### Limitations/ Challenges

- The broader agnostic events were less helpful as the company’s product is specific / niche
- Further session ideas include; how to set up international subsidies in the USA, understanding USA tax system and import / export implications.

“The MIBP programme was integral in introducing us to advisors and stakeholders that helped GripAble build our American market entry strategy, and back it up with investors, ultimately leading to our US launch and in closing of an investment round”

**Fiskl**, FinTech /SaaS company delivering financial management software for SMEs

**Sector:** FinTech  
**MIBP Programme:** March 2019-20  
**Hours Received:** 56 – 59 hours



**Reason for seeking support:** Fiskl already had users in 126 countries but not large banking corporates. Joined MIBP after being part of the Tech Nation scheme. Hoped to gain enterprise contracts in the North American, European and ME Markets.

- MIBP support activities**
- Canadian Trade Mission (in person)
  - Indian contract (MIBP introduction)
  - Middle East Trade Mission (online)
  - Dubai Trade Mission (online)
  - Various online webinars
  - Meet the corporate events

- Benefits**
- Direct introductions to several North American banks led to securing a client.
  - Middle East banks in the pipeline, also secured via the programme.
  - Gaining introductions via MIBP took 6 months off the usual contract signing timeline.

- Limitations/ Challenges**
- Although the movement to online after Covid 19 was seamless, online trade missions increased the number of banks taking part and more senior representatives were able to join.
  - It was difficult to make personal connections online, but MIBP supported the set up of further meetings.

*“Fiskl would not have made as much progress if it had not been part of the MIBP programme. Remarkable to see so many potential banking partners within a four-day online trade mission. Outside of the programme it can take up to 6 months to secure meetings with large banks and then another 18 months to develop the contract. Being part of the Mayor’s programme dramatically reduced this timeline”*

**Mystery Vibes** create FDA-II devices to improve sexual health

**Sector:** Medi-Tech  
**Hours of support received:** 30 hours



**Reason for seeking support:** wanted to reach out the corporates in North America and Europe.

- MIBP support activities**
- Online American Trade Mission
  - Online German Trade Mission
  - Webinars including entering the USA Market and Seed & Series A funding.

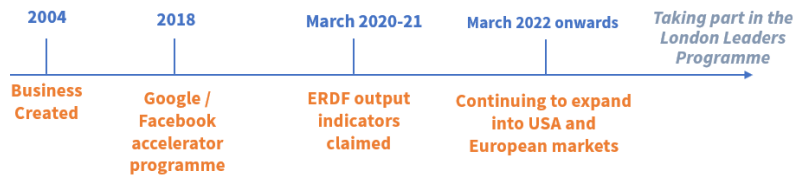
- Benefits**
- Having the backing of the Mayor brings many major corporates to the table. Such introductions normally take up to a year to formalise.
  - Seminars refreshing existing skills sets and gaining new ones

- Limitations/ Challenges**
- It was harder to develop personal connections via online trade missions.

*“The MIBP programme has been invaluable to help make connections in US markets.”*

**AccuraCast**, digital marketing agency running performance marketing campaigns

**Sector:** Communications Sector - marketing  
**Hours of support received:** 20 hours



**Reason for seeking support:** joined MIBP to gain more market exposure, wanted to attract new business in the USA and Europe. Attracted by the Mayor of London backing and user-friendly application process.

**MIBP support activities**

- Seminar on setting up a sales team abroad.
- Virtual trade mission to America

**Benefits**

- Custom-made services focused on filling the knowledge gaps of companies and creating new introductions to partners / clients. Not just focused on raising investment or selling the services of partners.
- Connections with other start ups also seeking international growth has proved invaluable.

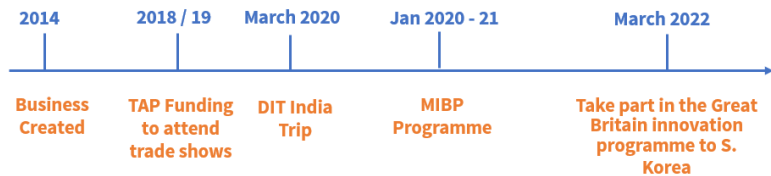
**Limitations/ Challenges**

- Difficult to make adequate connections on online trade missions. MIBP worked hard to overcome these obstacles and set up connections with key partners / clients wherever they could. This has continued to the London Leaders Network with London and Partners.
- Seminar Ideas; how to set up a sales team in another country

“The international growth at AccuraCast has been planned for 5 years, but only came into fruition with the help of the MIBP programme. The whole programme has been about opening doors and opening the CEOs mind to the possibility. Being in the same room as other start ups looking to grow internationally has been invaluable to create a support network during the journey of international expansion.”

**Smart Respiratory**, a digital health solution for asthmatics

**Sector:** Medi-Tech  
**Type of support received:** approx. 20 hours



**Reason for seeking support:** joined MIBP to understand how to enter the North American, Asian and Indian healthcare markets. Drawn to MIBP programme as backed by the London Mayor and opportunity to be part of London cohort.

**HIC support activities**

- Online American trade mission
- Online German trade mission
- Seminars including; entering American Markets

**Benefits**

You would not be able to gain the access to major clients and partners outside of MIBP.

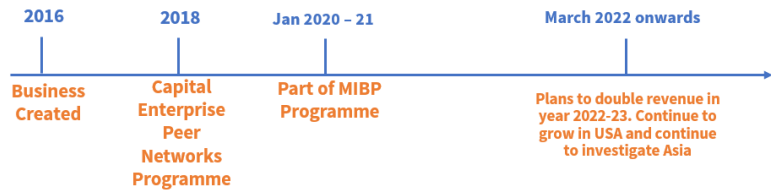
**Limitations/ Challenges**

- Seminar idea support for regulatory medical technology in other countries
- On the health focused USA trade mission, would have been more effective to split the days by sector such as pharmaceutical companies, pharmacies, regulatory rather than geographical splits.

‘Attending the Germany and USA trade missions was helpful to understand new markets and led to direct client meetings. Support from the whole team was brilliant and went above and beyond. Brought the virtual mission to life and adapted well to the pandemic.’

**Up Skill Digital**, provide online learning platforms to provide virtual or live training

**Sector:** Professional Services – Tech training provider  
**Hours of support received:** 25 hours of support



**Reason for seeking support:** wanted to expand into USA and investigate how to enter markets in Asia. Attracted to the MIBP programme as London based and backed by the Mayor.

**MIBP support activities**

- NYC online Trade Mission
- Meet the corporate events
- Mentor Mixer
- Sales Seminar

**Benefits**

- There is a lot of information online about international expansion. The MIBP programme helps companies develop a strategy to enter new markets. Support services are tailored to your sector and knowledge requirements.
- Meet the corporate event was invaluable to hear insight into what potential clients are looking for from the market.
- American mission led to introduction with new client

**Limitations/ Challenges**

- Face to face meet the corporate mixer was helpful and provided many connections. This was harder to gain solely online.
- Further seminars; how to set up a sales team in other countries, fundraising using virtual tools.
- It would be good if mentors were joined to companies based on sector / similar experience

“The MIBP programme truly opened my mind to international expansion and opportunities to scale. Benefitted from connecting with like minded individuals whilst learning from industry professionals. The opportunity to connect and engage with multinational corporates was fantastic. The team adapted well to the pandemic, but wished we had more opportunities been in person.”

**Scenic**, software development company

**Sector:** Tech development  
**Hours of support received:** approx. 20 hours of support



**Reason for seeking support:** wanted to expand into USA and European Markets. Wanted to learn about the cultural intricacies when doing business.

**MIBP support activities**

- NYC online Trade Mission
- In person Trade Mission to Paris
- Introduction to major American and European Clients
- Mentor Mixer
- Sales Seminar

**Benefits**

- Expected to close one client in America within two years, but with the support of the scheme this happened 11 months quicker.
- Trade missions in person were well run and useful contacts

**Limitations/ Challenges**

- Some seminars run by partner companies felt like sales pitches for the partner companies' products.
- Now off the programme for three years but would still love the option to join in person trade missions.

“Before joining the MIBP programme Scenic had no American clients. Since completing the programme we now have a globally known major sports league and major sports entertainment network in the USA.”

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