

LONDON

& PARTNERS

COMMERCIAL IN CONFIDENCE

DRAFT MINUTES OF LONDON & PARTNERS BOARD MEETING

Thursday 18 November 2021 | 09.00 am – 12.00 pm

Hybrid meeting

Present:

Directors:

Laura Citron (LC)
Andrew Cooke (AC)
Catherine McGuinness (CM)
Mark Taylor (MT)
Massy Larizadeh (ML)
Dominic Field (DF) (via TEAMS)
Jo Wright (JW)
Tamara Rajah (TR) (via TEAMS)
Gabriella Neudecker (GN) (via TEAMS)

Management Committee:

Rose Wangen-Jones (RWJ)
Janet Coyle (JCo) (via TEAMS)
Allen Simpson (AS)

Minutes: Gill Manners (GM) L&P

Additional attendees

Alex Conway (AC), GLA
Richard Tribe (RT), GLA
Nayan Rughani (NR) L&P
Kristina Nordsten (KN) L&P
Chris McGuiggin, GLA

Observers:

Ben Johnson (BJ), GLA
Justine Simons (JS), GLA
Sarah Brown (SBn), GLA

Apologies:

Rajesh Agrawal (RA), GLA
Manju Malhotra (MM)
Reza Razavi (RR)
Justine Simons (JS), GLA

1. Welcome and Apologies for absence

- 1.1 Catherine McGuinness was acknowledged as Chairman in the absence of Rajesh Agrawal due to illness.
- 1.2 Laura Citron was welcomed back to her first board meeting after her maternity leave.
- 1.3 Apologies were received from Rajesh Agrawal, Manju Malhotra, Reza Razavi and Justine Simons.
- 1.4 The Chairman welcomed Gabriella Neudecker who has recently taken up the role as Customer and Revenue Director at Transport for London replacing Chris MacLeod.

2. Declaration of Interests

- 2.1. There were no declarations of interest noted.

3. Minutes of last Meeting

- 3.1 The minutes of the Board meeting held on Thursday 14 September 2021 were approved.

4. Matters Arising

- 4.1. The Board has benefitted from having a representative of TfL on the board for the last few years and the Nomination Committee therefore recommended that the board approve the appointment of Gabriella Neudecker as a Director.
- 4.2. **The Board APPROVED the appointment of Gabriella Neudecker.**
- 4.3. The Chairman advised the board that Andrew Cooke will step down from the board when he leaves London & Partners at the end of the year. The Nomination Committee agreed with Laura's recommendation to appoint Allen Simpson as an Executive Director and Company Secretary in his new role as Managing Director, Strategy & Operations.
- 4.4. **The board approved Allen's appointment as Executive Director-Designate and Company Secretary which will come into effect when Andrew leaves.**
- 4.5. It was noted that Jo Wright completed her first term of office on 20 September 2021 and would like to serve a second term. **The Board APPROVED the appointment of Jo Wright for a second term.**

ITEMS FOR DISCUSSION

5. CEO's Report

- 5.1. Laura Citron thanked the Board for the warm welcome and support. Laura thanked Allen, Andrew and the team on the fantastic work done while she was away.
- 5.2. Laura Citron updated the Board on the highlights of her CEO's report.
- 5.3. Laura noted that GVA is surprisingly strong, and London & Partners had met all year targets. New stretch targets have been set which are in the same range as 2019's actual performance.
- 5.4. Laura noted that NPS measures have been implemented consistently across all areas of the business. Measures are looking strong with the exception of one area where the measures had dropped due to the lack of in person events.
- 5.5. Laura stated that the Let's do London campaign had been very effective. Domestic and paid media has
- 5.6. finished.
- 5.7. Laura advised the Board that her priorities are now commercial and income.
- 5.8. The Chairman congratulated the Laura and the London & Partners team on their achievements in such a challenging time.
- 5.9. Issues concerning staff were recognised, and that London & Partners are addressing these.
- 5.10. GVA measurements were discussed. It was noted that the success of this year was due to the conversion of the existing pipeline.

- 5.11. It was noted that the strong focus currently is the pipeline for next year. The international teams are working a lot smarter with different tools.
- 5.12. The Board was informed that resources were a concern with international teams reduced and small teams with increasing numbers of international delegation requests to manage.
- 5.13. It was noted that the Trade teams are focussing on high export companies. It is hoped to obtain an extension of funding for the very successful ERDF programmes.
- 5.14. Staff engagement was discussed. Embracing hybrid ways of working is a talent attractor for some people, a competitive differential point. It was noted that companies are reviewing how to enhance informal development and learning experiences in a more structured way.
- 5.15. Andrew Cooke advised the Board that the team are focused on supporting new staff to engage. Staff engagement programmes that were introduced during lockdown are continuing such as the L&P Academy which is focused on peer to peer learning. This programme is continuing in a hybrid way. He highlighted that the induction for new starters is currently being reviewed.
- 5.16. It was noted that the DIT Export strategy had been launched the previous day and that London was not mentioned.
- 5.17. Laura highlighted funding options for future trade programme work.

ACTION: Laura to circulate DIT Export strategy to the Board

6. Finance Director's Report

- 6.1. Nayan Rughani provided a summary update of the Q2 Management Accounts – noting that we are performing better than plan from a financial perspective. The Q2 Group position is a surplus of £113k against a planned deficit of £413k. NR noted that there were some significant variances because of the phasing of the London Recovery funding and spend and that the underlying position is a £176k shortfall on income and a £702k underspend on costs.
- 6.2. NR noted that cost continued a trend seen in Q1 where activity was delayed or downscaled because of ongoing impacts of the pandemic. On Income, NR stated that the key variances related to ERDF, Royal Docks and DotLondon and this was partially offset by additional income from VisitLondon.
- 6.3. NR stated that the Group has sufficient reserves and cash to provide London & Partners ongoing resilience.
- 6.4. NR presented the financial forecast for the year which shows a £741k deficit against a planned deficit of £865k pre-tax. NR explained that this was calculated following a detailed review of all budgets and income lines and had been discussed with the Audit & Finance Committee.

- 6.5. NR asked the Board for permission for the Executive to invest the £125k improvement against plan towards income generating activity for the next financial year confirming that this would be capped within the agreed deficit parameters.
- 6.6. JW explained that this had been discussed with the Audit Committee and they were comfortable with the proposal. JW noted that there had not been a discussion on the agreed parameters should the favourable variance to plan further improve. JW recommended that the agreement to invest is limited to £125k and up to the agreed deficit position. Any investment requirements outside these parameters would need to be agreed by the Board. **This was agreed by the Board.**
- 6.7. NR provided an update on the Statutory accounts. NR explained that all testing had been completed and all that was outstanding was confirmation of going concern. This was dependent on a letter from the GLA confirming the Grant for 2022/23 and this had now been received. NR will be working with the auditors to finalise the accounts for signature and requested that the Board delegate review to the Audit & Finance Committee who will present a recommendation to the main Board. **This was agreed by the Board.**
- 6.8. JW requested that the board review the strategic and Directors statement within the Statutory Accounts. **ACTION: NR to circulate draft accounts to Board.**

7. Audit and Finance Committee

- 7.1. Jo Wright updated the Board on the meeting of the Audit & Finance Committee on Thursday 11 November 2021 and subsequent conversations.
- 7.2. Jo advised the Board that the meeting discussed the Audit report, reviewed management accounts, and forecast for the year.
- 7.3. Jo informed the Board that the Audit & Finance Committee debated the spend of some of the surplus and whether to invest in commercial initiatives to put the organisation in a stronger position.
- 7.4. The Audit & Finance Committee proposed investment of surplus funds at a specific level. **The Board AGREED with this suggestion.**
- 7.5. Jo advised that the Audit & Finance Committee had a good discussion on the commercial strategy and agreed it was proceeding in the right direction.
- 7.6. The risk register was reviewed with an extra risk added on the capability and capacity around the commercial strategy delivery.
- 7.7. Cyber risks were reviewed with one incidence of mobile cloning being reported.
- 7.8. The Board agreed to delegate approval to the Audit & Finance Committee to finalise the financial statements at its meeting on 13 December 2021 and to circulate to the Board for approval by correspondence.

8. Commercial Strategy

LONDON

& PARTNERS

- 8.1. Laura Citron updated the Board on progress with the development of London & Partner's Commercial Strategy.
- 8.2. The Strategy had been discussed in the recent Audit & Finance Committee who agreed with investing in immediate opportunities, within the agreed deficit position in the Group plan.
- 8.3. Laura stated that Jo Wright, Chair of the Audit & Finance Committee, was comfortable with the delegation to the Audit & Finance Committee the approval in December of:
 - Revised income principles
 - Commercial skills and capacity review and recommendation
 - Corporate structure review and recommendations
- 8.4. The gradual growth of tourism was discussed. Rose Wangen-Jones advised that the assumption is that it will recover, including international tourism, in 2025. A recovery paper published by government states the plan is to accelerate the recovery by one year to 2023/24. Rose noted that some interventions are being led by Visit Britain. Rose advised that there hasn't been a provision for marketing in the plan but that there is a need for investment to achieve this recovery.
- 8.5. Rose noted that the ambition is to return to 2019 tourism levels by 2025.
- 8.6. London & Partners immediate actions to improve its position were discussed. Laura noted that these actions will be taken with the deficit agreed in the Group plan for FY21/22.
- 8.7. Janet Coyle noted that in order to continue to be active in the scale up area, it needs to be a nationwide programme to attract funding and sponsors.
- 8.8. The current different scale up programmes were discussed. Concern was raised that a combined programme might not be able to deliver some of the different programmes' needs. Laura stated that the new scale up programme will have different elements to meet these needs and from a brand point of view it was better to have a single brand.
- 8.9. Laura noted that the decision on the future of HUMAN will be taken to the Audit & Finance Committee.
- 8.10. Rose noted that the success of the Let's Do London campaign has raised London & Partners profile which should help with tourism partnerships and increasing membership numbers.
- 8.11. Rose advised that the VisitLondon strategy was recently presented to the London & Partners Ventures Board which was focused on:
 - Ecommerce – recommended improvements in conversion and key offerings.
 - Propositions and sponsorship – targeting very specific brands
 - More proactive development
- 8.12. Rose stated that VL is currently in the process of tendering for a new ecommerce partner.

- 8.13. Laura outlined the next steps on commercial strategy. Resources, skills, and systems were discussed.
- 8.14. Nayan noted that reporting structures into next year are being reviewed to ensure a regular flow of information.
- 8.15. ACTION: Sarah Brown and Janet Coyle to discuss MIBP programme offline.**
- 8.16. The Board AGREED to the ambition of running of a balanced budget in FY23-24.**
- 8.17. The Board APPROVED the draft commercial strategy and AGREED to delegate to the Audit & Finance Committee (i) the approval of an updated version reflecting the comments of the Board and (ii) oversight of its implementation.**

9. Business Planning 2022-23

- 9.1. Allen Simpson outlined the approach to business planning for 2022-23.
- 9.2. The Board approved the proposed approach and timing for the development and approval of the business plan.

Kate Nicholls, CEO, UK Hospitality, joined the meeting

10. International Tourism Marketing Campaign

- 10.1. The Chairman welcomed Kate Nicholls, CEO of UK Hospitality, to the meeting.
- 10.2. Rose Wangen-Jones gave an overview of London & Partners plans for an International Tourism Marketing Campaign with a proposed launch in April 2022.
- 10.3. It was noted that confirmation of funding is still awaited. Actions to take if funding application to HMG is not successful were discussed.
- 10.4. Kate stated that the industry has valued working in this way, strategically with London & Partners. It has been a very successful way of working. That having clarity of purpose across the business is valued. It had broadened the reach of international tourism to partners and industry.
- 10.5. Kate noted that footfall has been down but value up. Industry has achieved 60% of 2019 levels of revenue despite no international visitors.
- 10.6. Rose noted that the marketing agency was selected from the Crown Framework which had the choice of top-level agencies.
- 10.7. Rose advised that Asian markets will not be targeted initially although they are biggest spending, international travel is restrictive and domestic travel encouraged.
- 10.8. The possibility of bringing the launch forward was discussed. In terms of funding approvals, it was felt March was more realistic. London & Partners will be able to move quickly once the funding is confirmed, with the agency already in place.

- 10.9. Laura reinforced Kate's comments about working together. London & Partners learnt a lot from the Because I'm a Londoner campaign, learning to differentiate between who was delivering and who was the customer. London & Partners has become much clearer in their role and industries' role. London & Partners are grateful to Kate and Bernard.
- 10.10. Laura noted that many funders for the campaign are also London & Partners partners. Those that aren't London & Partners are keen to sign them up as long-term strategic partners.
- 10.11. It was noted that currently there is no certainty of any funding from central government.
- 10.12. The funding of TfL was discussed and a concern.
- 10.13. A labour shortage in the tourism industry was noted.
- 10.14. It was noted that other countries have similar problems, but the perception of London is that it is worse.
- 10.15. Action: Gabriella Neudecker and Rose Wangen-Jones to discuss support from TfL with advertising offline.
- 10.16. Sarah Brown emphasised the Mayor's support. Sarah stated that the GLA is happy to provide any information or data that is needed.
- 10.17. The Chairman thanked Kate for joining the meeting and for the work she has done to support London's recovery.

Kate Nicholls left the meeting

ITEMS FOR INFORMATION

11. London & Partners Ventures & Dot London Domains Board

- 11.1. Tamara Rajah updated the Board on the meeting of the L&P Ventures and Dot London Domains Board on 10 November 2021.

Dot London Domains

- 11.2. Tamara advised that the transition from MMX to CentralNic has progressed well.
- 11.3. A dashboard and analysis are being produced. A full report will be produced.
- 11.4. A discussion took place on marketing. It was agreed to develop this further.

London & Partners Ventures

- 11.5. Tamara advised that the LPV Board discussed seasonal fluctuations in income, the good response from interested parties on the tickets RFP and the growth strategy.

- 11.6. The LPV Board discussed the strategy paper and how to strengthen the current product offering. The next steps are to discuss how to deliver the strategy. Further feedback from the LPV board is awaited.
- 11.7. Rose advised that the investment in VL approved by the board has resulted in a strong team led by Paul Tatman-Madsen and Simon McCaugherty with a very clear, strong strategy with specific milestones.
- 11.8. Rose noted that the marketing strategy is being developed. Research is currently being carried out to understand the competitive landscape and potential for growth. It was agreed to bring the growth strategy to the board to be led by Paul and Simon.
- 11.9. It was noted that the renewal rate in October was very good.
- 11.10. The question was asked if customers who bought dot.london addresses also had other addresses. **Action: Rose to source this information and share.**

12. Procurement Business Cases for Approval

12.1. Andrew Cooke provided an overview of the procurement business cases for approval.

- Direct Award for procurement of CRM system and support
- Cloud infrastructure service and support
- Trade Show Stand Design & Build

12.2. The Board APPROVED the procurement business cases.

13. Any other Business

Dates for the Diary were noted:

- 13.1. Leaving drinks for Andrew Cooke at Guildhall on Tuesday 7 December from 17.00-19.00
- 13.2. Memorial Event for Julie Chappell at the Barbican Conservatory on Friday 10 December from 13.30-15.30

Thanks were given to Catherine McGuinness for the support of the City for both these events.

13.3. It was noted that the next scheduled Board meeting is on Tuesday 15 February 2022 at 09.00.

The meeting finished at 11.45.