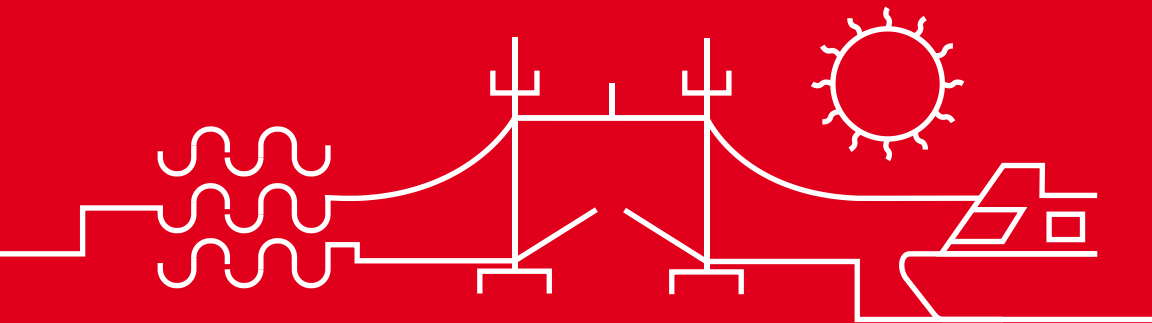


# LONDON & PARTNERS' REPORT TO THE GLA

Q2 2022/2023

**LONDON**  
& PARTNERS

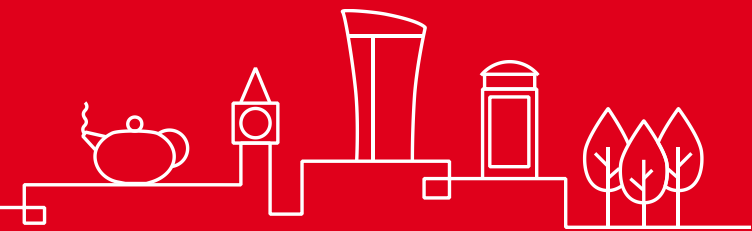


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# Q2 2022/2023 summary

This quarter caps a first half which has seen strong performance in outcomes in a market that continues to be unpredictable.

Like most organisations we are attempting to understand a period of deep macro uncertainty, and to make predictions about how that environment will change in the future.

We have to be modest about our ability to do that. But we are learning a great deal about how such unprecedented uncertainty affects an organisation like London & Partners.

First, we have learned that we are able to continue delivering. We are ahead of target on our core GVA metric, which reflects the continuing impact of a backlog of investment demand alongside our success in the pandemic keeping the pipeline of investment warm.

Second, we have learned that our some of our activity is hard to do when the market we support is slowing. That means we have to be nimble in redeploying our resources to higher impact work. It has also forced us to continue to innovate in how we deliver, which should help us in the future.

Third, and as we had expected, the future pipeline for trade and investment looks weaker. That is a global trend, and one we are working hard to outpace.

This report covers a wide range of activity and bears reading in full. In this summary we would like to highlight one piece of activity in particular, which sits outside our normal flow of work.

We have published our Tourism Vision, which - in partnership with the industry – sets out a bold vision for the future of a crucial sector of the London economy. We will take that work forward in the year to come.





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# **2022/2023 KEY PERFORMANCE INDICATORS**

Introduction



# 2022/2023 outcomes as set out in L&P’s business plan



	 <b>Business Growth</b>	 <b>Destination</b>	 <b>London Brand</b>	 <b>Commercial Activity</b>
<b>Impact</b>	This creates sustainable, inclusive jobs in London.	This creates additional spend in London's hospitality, leisure, retail and culture.	This supports London's communicators to tell the city's story brilliantly.	This generates profit to reinvest in London's recovery.



	<b>GVA (£m)</b>	<b>Net Promoter Score (NPS)</b>	<b>Income (£m)</b>
<b>Metrics</b>	We measure the economic growth we generate that would not otherwise exist.	We measure the satisfaction of our clients and partners.	We measure the income we generate in addition to our grant from the GLA.
<b>Targets</b>	£178m	Positive NPS across all categories	£7.43m

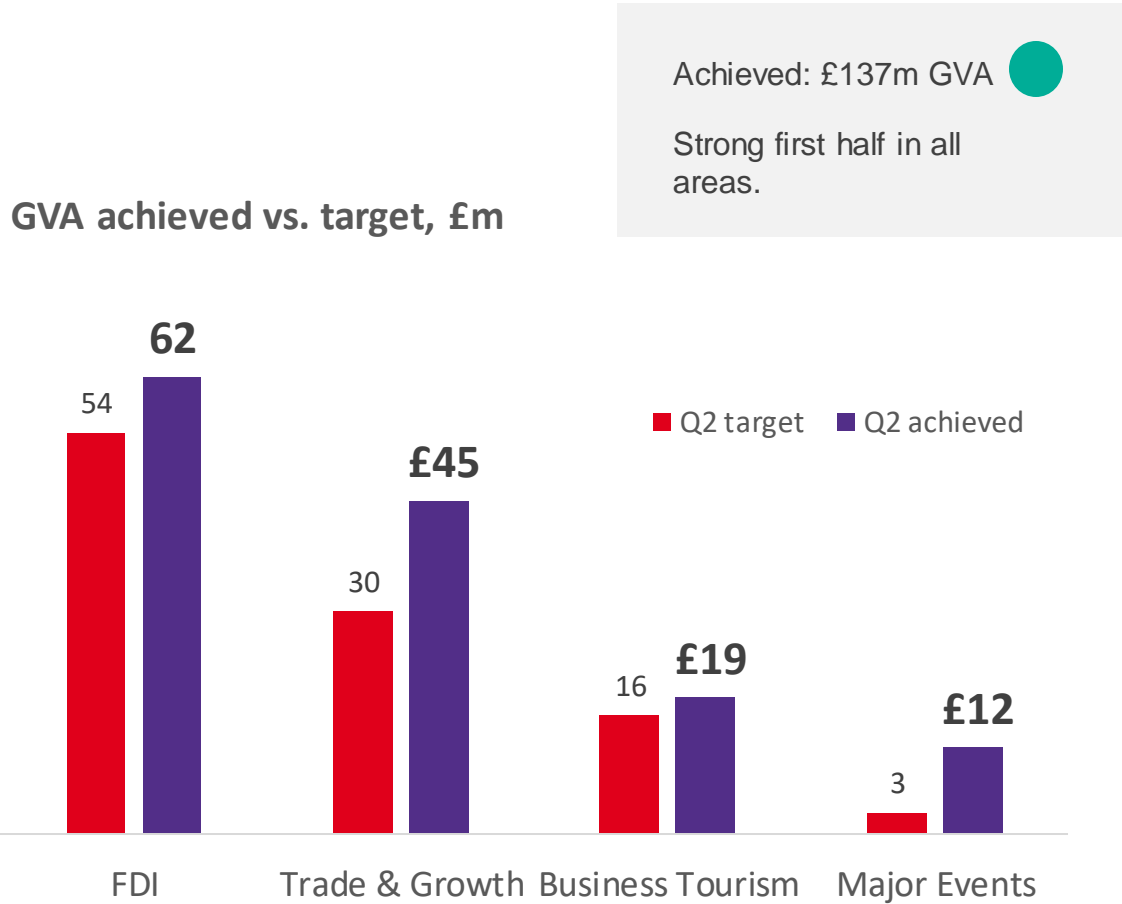
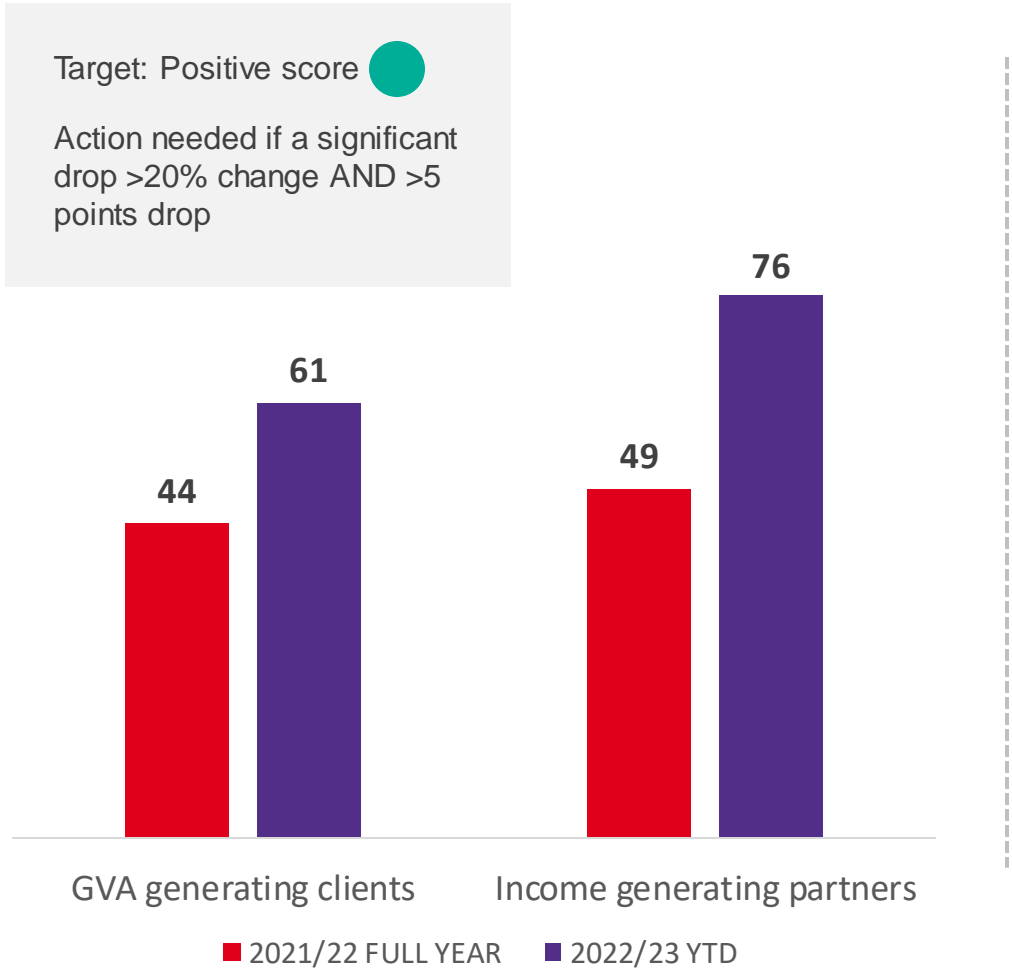
# 2022/2023 outcomes against target

(as of September)

PARTNER SATISFACTION		ECONOMIC BENEFIT FOR LONDON:	WORKING IN PARTNERSHIP:
	NET PROMOTER SCORE		
	GVA gen partners	Income gen partners	
2022/23 target	> 0		
Achieved YTD 2022/23	61	76	
% of full year target	na	na	
RAG based on % of YTD target			

\* See Finance section for more information. Income is not linear in the year and we are on track on forecast.

# Strong first half of the year on NPS and GVA





# Scorecard commentary

## Intro

With £137m GVA we are well ahead of the £103m target for Q2, as the end of it approaches. NPS is positive and thus also on target. All business lines are on or ahead of Q2 target, both on GVA and NPS.

## Client satisfaction

*About this outcome:* We are tracking individual scores by program but also pooled into 1) GVA generating activities and 2) income generating activities. A score above 0 is regarded as 'good' and above 50 is 'excellent', 80 is 'world class'. **We will investigate if a score is negative or neutral or if a significant drop (>20% AND >5 points drop).**

## YTD performance:

**GVA business lines** currently have an **NPS of 61**, based on 134 responses. **Income generating business lines are at NPS 76** based on a small sample of 17 responses.

## GVA

*About this outcome:* This measures the additional economic activity as a result of L&P on FDI, Trade, Business Tourism and Major Events.

## YTD performance

**With £137m GVA against the £178m target, our performance is above expected for Q2 (133%).** This is a strong position with only £41m to go to meet the overall target for the year. All business lines are ahead with FDI and export deals the main contributing factors.

## FDI

£62m GVA, 79 projects, 64% of annual target (YTD).

The largest FDI projects **to date** are:

- A very significant win from a Swedish buy-today-pay-later fintech has grown its staff number in London instead of alternative cities (Q2).
- A Google Ventures backed scale up in the consumer electronics space (Q1).
- An Indian retail tech (Q1).
- An online gaming company from China (Q1).

## Trade

£44m GVA is the result of a few larger than forecasted wins coupled with a steady stream of wins coming in on forecast.

## CVB

£19m GVA lead by:

- European Society of Cardiology
- Corporate event with a software company

## ME

£12m GVA, lead by:

- NFL games
- MLB game
- ABBA

As mentioned already in the Q1 report, the performance is partly due to earlier than expected announcements, which affects a small project portfolio.

**Income:** We are on target YTD, we are forecast to get close to plan with some shortfalls expected but specifically in areas we have chosen to divest/pause.



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# **HIGH GROWTH BUSINESSES**



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# FDI – new projects, wins and activities



## TARGETS

**Overall:** Strong mid year position ahead of both target and last year's mid year (+28% yoy)

We have secured a total of 89 FDI wins so this FY valued at £69m GVA and creating 1116 new jobs rising to 3022 in year 3.

In Q2 we completed 39 FDI wins valued at £34m GVA and a forecasted 1108 jobs in year 3.

**Markets:** Our core markets accounts for 94% of GVA secured to date with strong performance from India £19m GVA; Europe £21m (although one major win accounts for £19m); NA £16m and China £7.8m.

**Sectors:** FBST continues to be the strongest sector securing £48m GVA with Fintech and Enterprise Software particularly strong with £40m. Creative £10m and ILS £7.2m both ahead of target. Urban has secured £4.4m GVA at mid year



## NEW OPPORTUNITIES

- **Overall:** 234 new opportunities sourced in Q2 with a forecasted GVA value of £63m and circa 1100 new jobs.
- **Sectors:** Urban had a strong Q2 with a number of big EV projects sourced (46 new opps / £25m); FBST 65 new opps £11m GVA; Creative 31 new opps £10m GVA and ILS 47 new opps £8m GVA
- **Markets:** Whilst **NA** accounted for the largest share in terms of overall numbers (53 new opps) valued at circa £11m GVA, **China** had a good Q2 with 40 opps valued at £20.4m; **Europe** also strong volumes 60 new opps £19m GVA; **India** 38 new opps valued at £8.4m
- We sourced 27 opps from non-core markets with a forecasted GVA at £2.9m



## NEW WINS

- 39 new completions landed in Q2 – this is 28% up on last year's mid year performance (

Some notable projects as follows:

- **Swedish Fintech** – 300 new jobs and £19m GVA
- **Chinese Travel tech-** 70 new jobs and £2.4m GVA
- **Indian Enterprise Software** London HQ 100 new jobs and £2m GVA
- **Indian Asset Management** London office – 25 new jobs and £1.2m GVA
- **NA (NY-based) Fintech** – 30 new jobs £1m GVA
- **Indian (Mumbai-based) SaaS company** London office 60 new jobs £1m GVA
- **NA (Chicago-based) Fintech** sets up London office 25 new jobs £898k GVA
- **China Electronic / Hardware EU HQ** 50 new jobs £695k GVA



# Trade & Growth – Business Growth Programme



## TARGETS

- Total number of active companies on the programme: **1053 / 1433**.

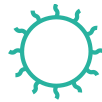
### KPIs

- **C1: 982 / 945** – graduated companies
- **C8: 409 / 380** - new jobs
- **C29: 108 / 101** – new products to market
- **BGP GVA target: £1m**

FBST	913,817.23
CREATIVE	618,275.90
ILS	27,996.19
URBAN	253,930.94
TOTAL	1,814,020.26

### ERDF

The programme change request submitted to extend the programme until the end of December 2022 has been approved, including an increase to BGP delivery outputs.



## ACTIVITIES

BGP Spring cohort run from **May to July** and supported 45 high-growth companies that:

- Have ambition to grow across London and internationally
- Aspire to be a global company / unicorn
- Have between 6 and 250 full-time employees
- Have a turnover of more than £500K and less than £40m (or £500K of investment)
- Are based in London and a UK-registered company
- Are in one of the following sectors:
  - Fintech, crypto, cybersecurity, SaaS
  - Immersive tech, creative agency, fashtech/e-commerce
  - Edtech, digital health, cleantech (inc mobility)

Over the three months, companies took part in 1:1 diagnostic session, ad hoc and structured mentoring sessions, sector meet ups and workshops focusing on the core workstreams: sales, raising funds & finance, people strategy, engaging audiences and business plan. Additional sessions focusing on international expansion were added to the core programme, these were delivered in partnership with **DIT Export Academy**.

The **satisfaction levels** for all workstream workshops are at 87% average satisfaction rate and 98% average actionability.

The two highlights for this cohort this quarter are the following:

### Meet the corporate: Growth Beyond Border

This in-person session encouraged attendees to make new connections as they heard lessons learnt on how to achieve growth with innovation and how to scale a business through corporate collaboration from **Subak, Schneider Electric and Meta**. Speakers talked about why collaboration is so important for innovation and international expansion. They shared their expertise on globalisation and advice on achieving growth and drive innovation, how to effectively pitch to corporates when offering solutions and when is the right time for a startup to approach corporates.

### BGP Connect: Growth & Investment

This in an in-person networking session networking had two panels where founders and investors. **The Future Factory, Chicmi and Intellibonds** shared growth tips for best business practice, the journey of entrepreneurship and lessons learnt from the Business Growth Programme. The investors **Emerge Education, Beringea, True and GrantTree** talked about Smart Investment, successful fundraising strategies, valuation and teams, and how to increase the potential of success when approaching VCs.

# Trade & Growth – Mayor's International Business Programme



## TARGETS

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- Total number of active companies on the programme: **1339**

### KPIs

- **C1: 780** / 641 – graduated companies
- **C8: 1620** / 1437 - new jobs
- **GVA target: £44.33m**



## ACTIVITIES

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Between July and September, the team delivered 10 **workshops** focusing on international growth and the barriers to scaling. Topics and sessions covered a bootcamp preparing our companies for trade missions and office hours with our partners who can support our companies as they scale. Other workshops and events covered the Future of work which centred on a panel discussion on the future of office, remote and hybrid working. We also held a Relative Market Attractiveness session focusing on market evaluation tools.

### Trade Missions

This quarter the team delivered one international trade visit.

#### **REACH Trade Mission to North America (Chicago) – September**

Our REACH mission (Race, ethnicity and cultural heritage) took a diverse group of cross-sector companies from London and Manchester to Chicago to explore new business opportunities. The delegation met with some amazing corporates, investors, collaborators and innovation spaces.

# Open Innovation Fellowship

The Open Innovation Fellowship draws together global corporates to cultivate senior-level peer group support, share knowledge and review global best practices.

The programme takes place across three months and is underpinned by world-class executive education, which dives into the innovation methodology and frameworks needed to enable successful implementation of innovation at scale.

The latest OIF cohort began in October with 16 new members and continues to educate senior corporate executives on how to design and deliver innovation strategies which engage start-ups, scale-ups and academia. This cohort brought new commercial revenue of £70k and previous cohort members are increasingly engaging with L&P clients more widely.



## New fellows for October:

- Head of Innovation, **British Airways**
- Director of Innovation, **National Grid**
- Director of Brand and Innovation, **Greene King**
- Head of Commercial Innovation, **Channel 4**
- Director of Technology and Innovation, **Unilever**
- Global Head of Public-Private Innovation, Citi Ventures, **Citi**
- Director of Global Service Design, **Baker McKenzie**
- Director, Head of Innovation, Coutts, **NatWest**
- MD, Scaling Partner, **Capita**
- Group Innovation Director, **BDO**
- Director of Innovation and Acceleration, **Willis Tower Watson**
- UK Innovation Manager, **KFC**
- Head of Innovation and Legal Technology, **Trowers & Hamblins LLP**
- Group Innovation Director, **Seetec**
- CTO and Head of Ventures, **NTT Data**
- Head of Engagement, National Risks Unit, **Cabinet Office**



# SVC2UK

The 'Silicon Valley Comes to the UK' summit will take place on 8th-10th November with 700+ attendees expected across the week.

The program will welcome a diverse range of international speakers for the first time since 2019 and include leading entrepreneurs and investors from across the UK technology community.

The 2022 'Scale Up Club' of 50 high-growth companies will meet during a market opening at the London Stock Exchange on 8th November, followed by our CEO Summit at Mansion house.

The Good Growth Summit will take place on 9th November followed by a Serial Entrepreneur Dinner at St Paul's Cathedral.

A Female Founders breakfast will kick-off Thursday 10th followed by a thought leadership 'Horizon Summit' focused on future technology trends.

Confirm speakers include:

- Anne Boden, CEO Startling Bank
- Michael Acton Smith OBE
- Pete Flint OBE
- Avid Larizadeh Duggan, MD Ontario Teachers
- Dr Katerina Spranger, Oxford Heartbeat
- David Hornik, Lobby Capital



# Business Marketing (FDI)

## INTERNATIONAL

### London for Tech campaign

Our London for Tech campaign was phased out and below is a snapshot of the campaign engagements and leads from our book a free consultation sessions.

Quality engagements (views): **1,127.604**

Web traffic: **9,311**

Avg. session duration: **00:29**

### Paid social ad campaign

Quality engagements (views): **1,127.604**

Traffic (GA): **9,092**

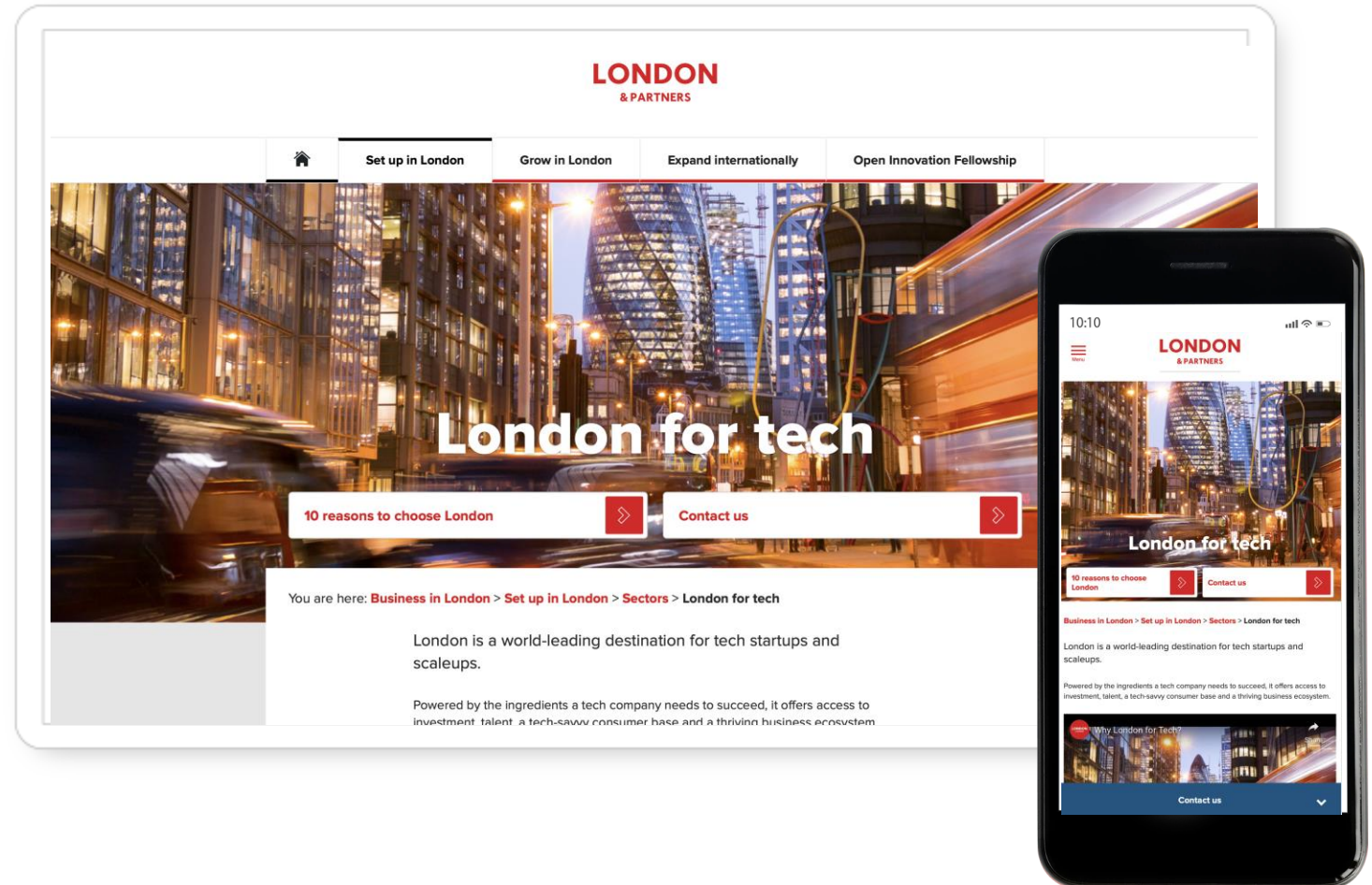
Avg. session duration: **00:29**

Average CPE: £0.026

### Calendly trial - book a free consultation

**38** leads (37 India, 1 Israel), 6 opportunities

**5,052** pageviews





# Business Marketing (FDI)

## INTERNATIONAL

### London Immersive tech campaign

The London for Immersive Tech campaign will focus on the **cutting-edge immersive tech** coming out of London and why London is the place to choose to **set up your company** or expand your operations.

**A city of innovators:** London is home to the world's first metaverse department store, the first operation performed via virtual reality and nearly half of all immersive tech companies in the UK.

We curated a campaign page of engaging content encouraging visitors to take a journey around London's immersive landscape. <https://www.business.london/immersive-london>

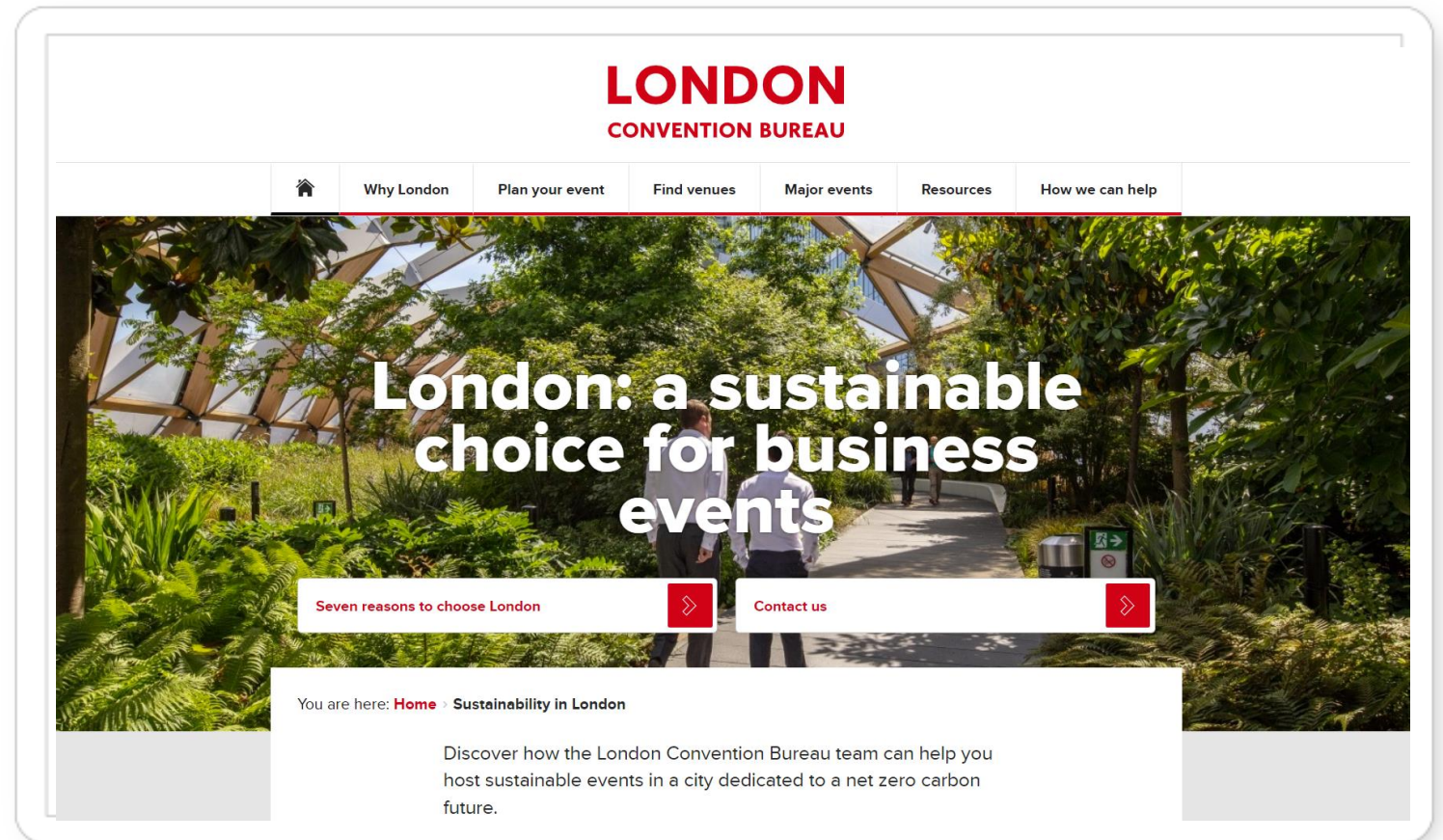
Our campaign will target leaders of high growth tech businesses from key markets including North America, Europe and India. With paid social media and advertising in Quartz and Gizmodo and campaign hub page.



# Business Marketing (CVB)

## CONVENTION BUREAU

- We launched a London for sustainable events hub to help event planners put sustainability at the core of their planning
- <https://www.conventionbureau.london/sustainability-for-business-events>





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# VIEW FROM THE MARKETS



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# China



## HEADLINES

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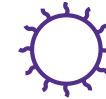
- China is continuing to pursue a zero-Covid policy that has put major cities into full or partial lockdowns. And there are signals China may miss the official growth target of 5.5% which was set earlier.
- Chinese Yuan's slump to the weakest since the global financial crisis in 2008 has fuelled speculation that the PBoC could slow the pace of monetary easing and delay any further stimulus moves, such as lowering interest rates and the reserve requirement ratio for banks.
- Trading of Hong Kong-listed ETFs via China Connect jumps by 90% in Sep, and a new exchange traded fund connect scheme between China and Hong Kong, and southbound trading by mainland investors and trading via the northbound route for Hong Kong and foreign investors will be launched in Nov.



## FDI & Trade

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- In Q2 China Team completed 11 FDI projects and contributed another 3.8M pounds GVA. Combined with Q1 performance, China team has exceeded half year target.
- One of the completed projects is a global leading online travel platform, which received great support from GLA team.
- In the pipeline, projects from EV sector are notable, there are a few Chinese EV brands are looking into global expansion opportunities in London, potential functions including: R&D, branding & marketing, financial and capital raising



## ACTIVITY

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- Bingbing joined the business delegation by Sino-International Entrepreneur Federation to Ningxia to engage with companies and industrial parks in the sectors of new industrial material and green energy. Bingbing was also interviewed by Xinhua News Agent to introduce London's sustainability practices across all sectors, and promote green finance and opportunities for Chinese companies.
- Bingbing join one panel in the CBD International Consumer Economy Summit, shared the story of how London recover from C-19 and the business opportunities for Chinese consumer brands in West End. BJ CBD is the biggest consumer economy center in China: SKP Mall in CBD racked up over 17 billion yuan (around \$2.7 billion) in sales in 2021, outpacing Harrods' pre-pandemic performance.
- China team proactively participated, spoke and supported a series of business events in various cities and online: 2022 World New Energy Vehicle Conference (BJ), Global Links-Innovative & Entrepreneurial Investment Conference (SZ), World AI Conference (SH), Zhejiang International Low Carbon Development Forum etc.



# Europe



## HEADLINES

- After Corona and following the Russian invasion of Ukraine, Europe is partially divided about how to cope with the economic fallout. Inflation rates continue to average around 10% varying between 6% in France and over 20% in Baltics. Main drivers of inflation are energy costs and with a time delay all other industries. While some countries argue in favour of a united European price cap for gas (ie France), others (ie Germany) favour their own solutions. The Franco German relationship has seen better days.
- The recent announcement of Rishi Sunak as new PM of the UK has been largely welcomed by European media. The majority of Europe wants a stable, reliable Britain. The situation in the UK remains closely watched across the continent.



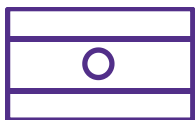
## FDI

- 21m GBP GVA across 20 wins so far. The biggest win was for Swedish e-commerce (buy now pay later) company that created 300 jobs in London.
- Other notable new wins include German Edtech creating 20 new jobs and a French VC setting up a small London office (5 new jobs)
- Total pipeline worth 26m GBP for this fiscal year.



## ACTIVITY

- We hosted a trade delegation of 9 UK scale ups from the Retail Sector to Paris. Over three days, the delegates met with LVMH, Kering, Monoprix, Maison Berger, Leroy Merlin, Showroom Privé, VC 50 Partners and many more.
- The team attended and spoke at a number of events including : Bitkom AI Summit, Paris Retail Week, Expo Real, Smart Country Convention, SIFTED Summit, Bits & Pretzels etc and is currently preparing for a busy 2<sup>nd</sup> half 2022/23 season with further trade shows and trade delegations to Finland, The Netherlands, Germany and France. Sector foci include: Sustainability, wider tech, People Tech.
- Going forward, the Europe team will increase its trade activities while maintaining its current FDI remit. We are hiring a Trade Manager for Europe and have concluded recruitment of a Business Development Exec.



# India



## HEADLINES

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- UK-India Free Trade Agreement to be signed by end October 2022
- Extreme delay in visas continue to be a bone of contention for both sides
- UK seeks to reduce tariffs especially around Scotch whisky and auto while India urges for easier immigration rules
- Data protection and retro taxes on British companies is also an important component of the FTA
- Indian students are now the largest international community of students in London and the UK
- This year India has been the highest number of international visitors to London



## FDI

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- By Q2 of this FY 20 new Indian companies have set up in London
- Healthy pipeline for more companies from India to set up in Q3 and Q4
- Three of India's top edtech unicorns namely have set up in London
- There are now a total of 5 Indian unicorns who have set up in London in the past two years
- Tech continues to be the dominant sector but increasing interest seen from Indian companies in sectors like cleantech, creative and AI and life-sciences
- A major Indian university with campuses across the world has recently set up in London



## ACTIVITY

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- Janet Coyle visited India from 10-14 Oct. She covered three cities in a week and met with clients, potential investors, partners, key stakeholders and Indian media. Great outcomes including a couple of potential wins
- Trade delegation led by Deputy Mayor of London for Business expected in February 2023
- Global Tech Advocates is hosting their annual summit in India this year. L&P to work closely with GTA and leverage the visit to promote some FDI and trade activities for London
- L&P led women in tech network launched in Bangalore





# North America



## HEADLINES

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- Challenging market environment for attracting FDI into the UK from North America.
- Higher interest rates have led to decreased valuations with tech scale-ups having less funds available for international expansion.
- Expectation of a recession in 2023 has led to clients focus on retaining existing business rather than entering new markets.
- Misadventures of the UK Government has damaged the country's reputation as an investment destination.
- A more favourable USD/GBP exchange rate is yet to translate into interest in expanding to the UK to-date.



## FDI & TRADE

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- 11 FDI projects wins were achieved from North America in Q2 for a total GVA of £3.28m
- These include: a fintech unicorn from New York for a GVA of £1.1m; a trading platform from Chicago for a GVA of £0.9m and a fintech from New Jersey for a GVA of £0.6m.
- Achieved £24m from 17 projects in the previous FY YTD compared to £16.4m from 24 wins this year. Projects are landing with lower than expected job numbers.
- Trade is performing well and we have achieved our NA target for this FY.



## ACTIVITY

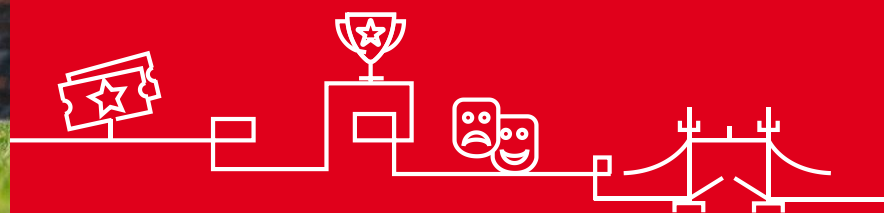
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- All-staff conference in London in July.
- Deputy Mayor keynote speaker at British American Business Networks conference in Cleveland in September.
- Race, Ethnicity and Cultural Heritage Trade Mission (REACH) to Chicago in September.
- SaaStr tech summit in San Francisco in September.
- Denver start-up week in September.
- Fast Company Festival in New York.



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# SECTORS



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# Creative

## HIGHLIGHTS

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- 5 FDI completions totalling £3.1m GVA including a leading Chinese travel company
- In total this year 12 FDI creative projects wins with £10m GVA
- Creative MIBP contributed £1.3m GVA
- Creative BGP contributed £262k GVA
- 24 new Creative FDI opportunities were created
- MIBP cohort recruited 11 creative companies

## NEXT QUARTER

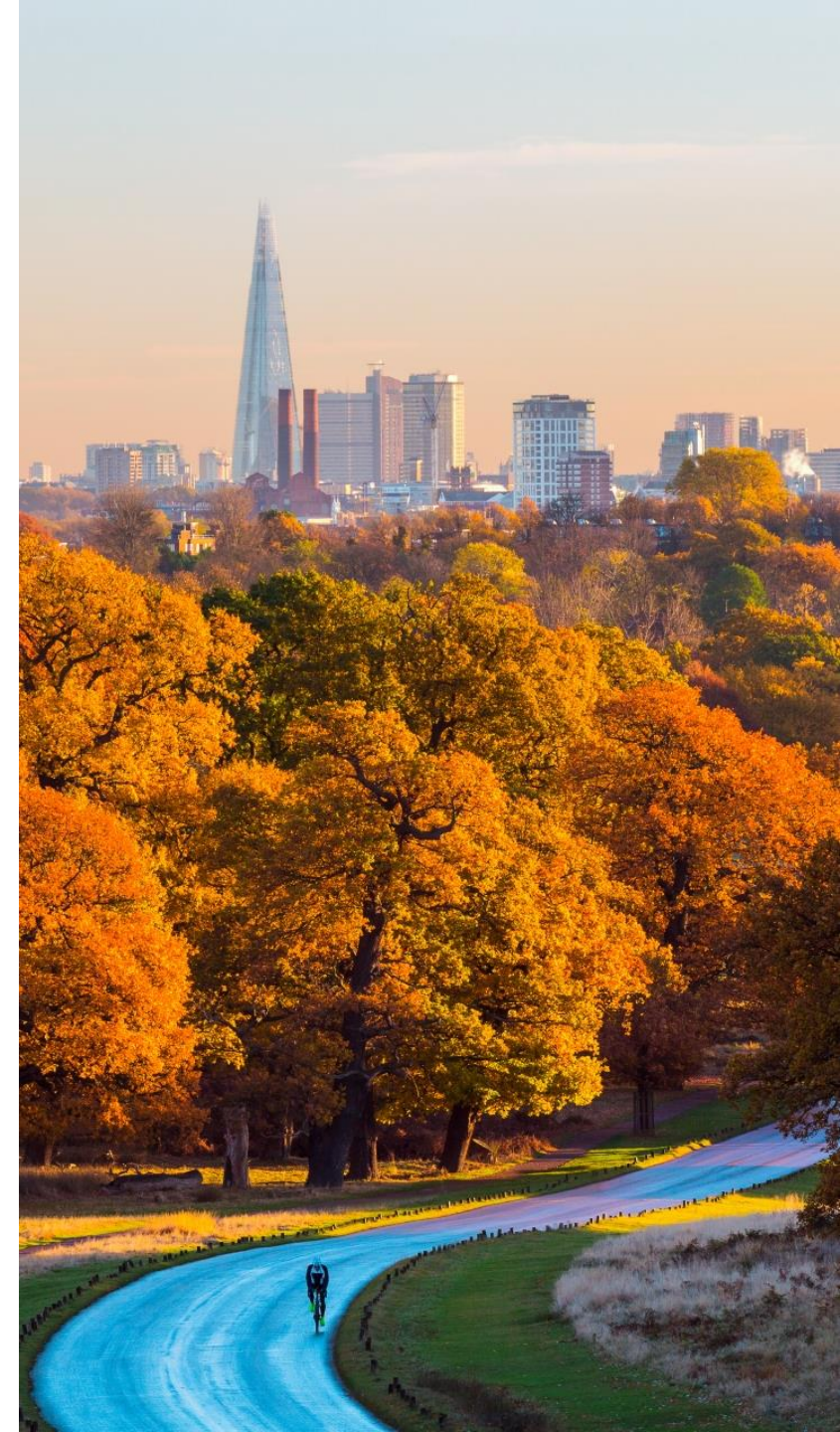


- Both BGP and MIBP will have cohort launch (Oct)
- Immersive campaign will launch (Oct)
- MIBP Retailtech mission to Paris will take place (Oct)
- MIBP trade mission to Slush which includes creative companies (Nov)

## ACTIVITIES

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- Meet the Corporate: Growth Beyond Borders with Meta & Schneider
- Hosted Immersive roundtable with ILM, Sky, Immerse UK, Fashion Innovation Agency, Digital Catapult, StoryFutures, Magnopus and Immersive
- Attended Ecommerce Expo
- Attended Sharkmob office launch
- Continued support for London for Tech campaign
- Meetings with Swedish creative delegation
- Worked on immersive campaign with marketing and PR on collateral to include PowerPoint, infographic, case studies and stakeholder engagement
- Updated all colleagues in market on new immersive content
- Stakeholder meetings included: Games London, IST, Three Mills, Here East, Punchdrunk, The Wharf Studios, Founders Intelligence, Ontario Agent General, Digital Catapult, BFI, NYCED, Springwise, Swedish Chamber
- Arranged site visit to The Mills for wider directorate



# Finance & Business Services and Technology

## HIGHLIGHTS

- FDI FBST achieved 22 completions totalling £29.1m
- FBST MIBP contributed £16.1m GVA
- FBST BGP contributed £913K GVA to date
- 44 new FBST opportunities were created
- Recruited 14 MIBP companies

## NEXT QUARTER



- Fintech Club ECommerce event - (Nov)
- North America Fintech Trade Mission (Oct)
- MIBP Cohort Launch (Oct)

## ACTIVITIES

- Ran a 'meet the corporate' event with Subak, Schneider Electric and Meta (July)
- Ran a 'Growth & Investment' panel with Emerge Education, Beringea, True and GrantTree (July)
- Attended a Cyber Networking event with 10 Australian companies at Australia House (September)
- Met with a delegation from India hosted by Nasscom (September)
- Met with a delegation from Texas at the US Embassy (September)
- Attended Altifi startup forum (September)
- Attended Sifted fintech conference (September)
- Meetings with stakeholders including Level39, Innovate Finance, Rise, LSEG, IST, Scottish Development International, DIT, and many more





# Innovation and Life Sciences

## HIGHLIGHTS

- Hosted delegations from Sweden, Norway, Belgium, Amsterdam
- Participation at HETT digital Health show Excel Sept 22
- Marketing work to refresh presentations and videos.

## NEXT QUARTER



- Digital health in-person mission to North America (second part of virtual mission in April)
- Immersive marketing campaign to include Health and Education sectors.
- Participation in WebSummit, Slush and Medica events

## ACTIVITIES

- HETT show: the team organised a “welcome” side-event for international clients, and attended the trade show. Generated some good leads amongst the FDI and Trade teams.
- The BGP team graduated 100% of their businesses in the last cohort and have launched their latest with a good number of ILS businesses.
- Marketing team filmed Brightlobe (MIBP) to feature in promotional videos.
- Marketing team refreshed our presentation decks for Health and AI with latest stats and case studies.
- Some of our GVA wins:
  - India EdTech, creating 40 jobs by year 3 and £780k GVA
  - US food tech £424k GVA.
  - China Medical & AI £116k GVA
  - EdTech from Germany £332k GVA
  - London Health Tech (MIBP) £40k
  - London Innovation (MIBP) £414k



# Urban

## HIGHLIGHTS

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- The FDI urban team is now at full capacity and we are planning a busy Q3 and Q4 including a Greentech campaign in early 2023.
- 11 FDI completions totalling £4.5 m GVA this year so far.
- 44 new FDI opportunities created in Q2
- Recruited 7 urban companies for MIBP cohort 24 (launch on 13 Oct) from the following subsectors: PropTech, Energy, mobility, smart cities, traveltech.
- Urban BGP contributed £240.2K GVA

## NEXT QUARTER



- Partnering with the Greentech Festival (Oct), the Autonomy conference (focussed on the future of mobility - Oct) and Net Zero Innovate (Dec).
- Showcasing opportunities in London to delegations of urban companies from Germany, Netherlands and Norway (Oct).
- MIBP Urban companies are joining the Slush (Nov) and US Fintech (Oct) trade missions
- Organising site visit to the Boroughs of Wandsworth & Richmond and Battersea Tech and Design Quarter (Dec).

## ACTIVITIES

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- Attended the Olympic 10th Anniversary and Smart Park Launch event (Queen Elizabeth Olympic Park)
- Partnered with New London Architecture on Opportunity London
- Attended the Newham Business Conference - Refresh, Renew, Refocus
- Promoted Newham Business Awards 2022
- Attended The Energy Transitions- Reuters event.
- Partnered with Net Zero Festival
- Attended London Real Estate Forum (LREF) and had follow up meetings with British Land (Canada Water redevelopment) and City of London (redevelopment of Fleet Street and Museum of London)
- Laura Citron (CEO) Presented on a panel at the LREF conference
- Introduced an opportunity of a South African company interested in setting up a plant for Lithium-ion battery recycling to Newham, Tower Hamlets and Barking and Dagenham Boroughs
- Stakeholder meetings with: techUK, Newham Borough, Smart Mobility Living Lab, Innovate UK Digital and Connected Places Catapults, TfL, Centre for Connected Autonomous vehicles and Department for International Trade



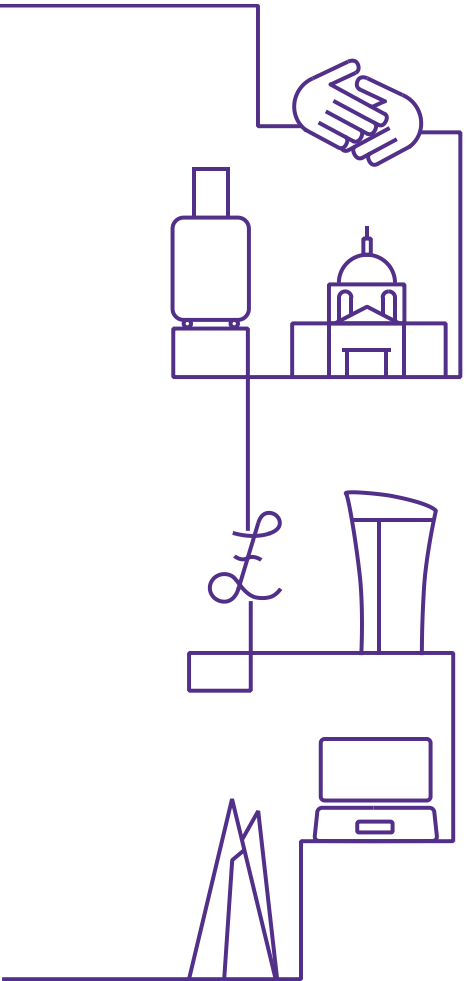


**LONDON**  
& PARTNERS

# **VISITOR ECONOMY**



# Conventions and Business Tourism



## ACTIVITY

- West Coast USA Sales Mission- 4 partners; 14 appts
- ICCA and AC Forum – Future of Healthcare Meetings
- CityDNA Summer School – attendance & Presentation about CVB and legacy
- Ecocity 2023 Launch event @ partner venue – The Barbican
- PCMA Convening EMEA attendance
- M&IT Awards, London nominated best CVB
- VisitGreenwich Summer partner event
- Launched Sustainability section on CVB website [Sustainability in London -](#)
- London Discovery UK event planner familiarisation trip – 12 clients
- UK Southcoast eventprofs networking event
- SITE summer Agency event – 30 buyer
- Sales call Midlands/North UK
- MPI roundtable with UK buyers
- EMA roundtable – UK corporate travel managers

## Site Visits

- ESGO (Gynecology Oncology) 2024 – 2,500 pax with ExCeL [GVA £1.17m / EB 6.4m]
- PMI (Project Management Institute) 2023-2025 – 4,500 pax with ExCeL [GVA £1.7m / EB 8.6m]

## KEY WINS

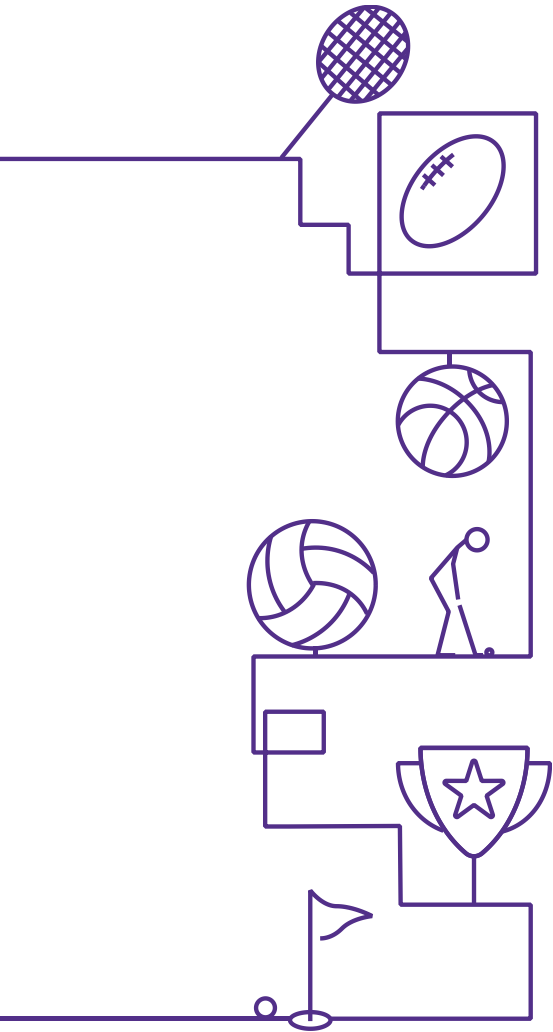
- Medical congress 2025, 3,500+ delegates - £1.6m GVA £8.8m EB - ExCeL
- Medical Congress 2026, 10,000 delegates - £3.7GVA - £19.2m EB - ExCeL
- ISSI – Solid State Ionics 2024, 1,000 delegates - £521,000 GVA - £2.5m - QEII
- European Society of Cardiology Sep 24- 30,000 £9.5m
- IATA World Cargo Symposium Sept 22 1200 £486k
- Crown Prosecution Service Sept 23 – 600 £243k
- Appian Europe Oct 23 – 600 £417k
- SHW Tech Nov 22 – 750 £155k
- Reuters Impact – Oct 22 –400

## BIDS

- EuroMedLab 2025 – 3,000 pax with ExCeL [GVA £1.4m / EB 7.7m]



# Major Events



## Delivered/supported

- Formula e 2022
- Laver Cup 2022
- Pokemon 2022

## Live/won

- NFL LIVE marketing and city activation support 2022
- Rugby League World Cup - supporting with city activations (ongoing) 2022
- League of Legends Mid-Season Invitational 2023 (N.B.) Venue contract still outstanding)

## Bidding

- ESkootr 2023
- Blast Premier eSport
- E-Bike Grand Prix 2024
- League of Legends World Championships Final 2024
- EURO 2028
- Woman's Rugby World Cup
- WWE 2025

## Other

- London and Partners esport breakfast 2022
- Supporting with the GLA events for London team with Chinese New Year, Pride and NYE 2023

# Leisure Marketing summary



The Let's Do London campaign has been performing strongly and early indicative results suggest an ROI of 28:1 (Let's Do London 2021 was 18:1). This has helped bring in £289m additional spending to London.\*

## Domestic

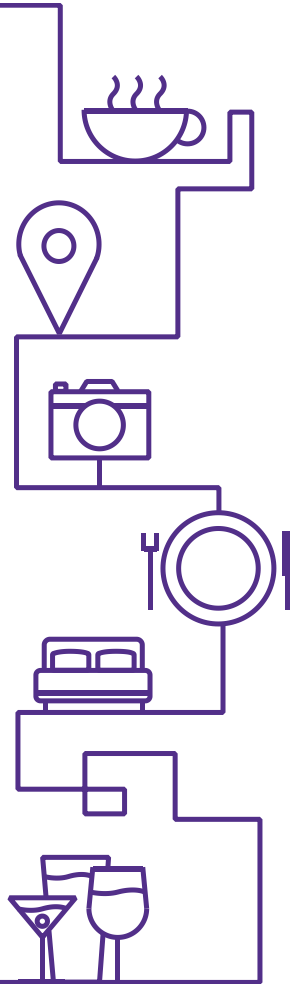
- Campaign ended in October
- 19% of the UK audience in target regions can recall seeing the advert
- Strong performance in social, radio and TV
- Target regions: North West & Yorkshire, Midlands, East of England, South East, South West, and Scotland

## International

- France and German campaigns ended in August as planned
- US burst two went live following Operation London Bridge and ends in November
- 56% campaign recall for the target US audiences (aged 25-55, travel at least once a year internationally)
- 50% campaign recall for the target 18-45 years old in France and 40% for Germany

\*Indicative result. Final results available early December. The ROI could go up or down once the final results are processed.

# Visit London channels performance



## Visit London website & ecommerce

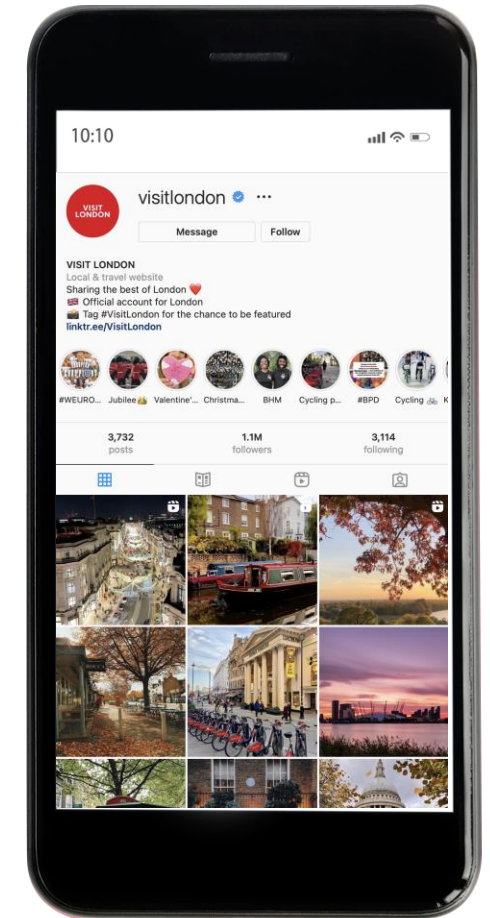
- £624k ecommerce income from Visit London Apr-Sep. 18% above target and 11% higher than 2019 pre-Covid income
- 11.5m users have visited the website Apr-Sep. This is 3% higher than 2019 pre-Covid visitors.
- This strong recovery highlights the strength of the Visit London acquisition and conversion strategy given visitor numbers have not yet recovered to pre-Covid levels.

## Social media engagement and growth

- 10.3 million engagements achieved in Q2 alone across VL social media channels
- Over 60k new fans added across VL channels in Q2
- TikTok saw a spike in growth, adding over 30k new fans in September

## Social media content

- Instagram Reels continued to perform well, generating over 4.8m views this quarter
- User-generated content helped to grow reach and increase new followers on TikTok
- Simple, single-shots showcasing unique London moments are performing very well







**LONDON**  
& PARTNERS

# LONDON BRAND



# London Brand - PR



## Summary

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The second quarter is a typically quieter period for PR over the summer, however we continued with the international Let's Do London campaign targeting the US market, with a summer in London themed press trip, generating coverage in leading lifestyle titles. This was complemented by always on PR activity for London's summer season including highlighting major sporting moments such as the return of NFL to London, resulting in a broadcast interview with Laura Citron on Fox 11 and coverage in Forbes, amongst other titles. The team also supported on the domestic Let's Do London campaign, targeting key hospitality trade titles to provide industry-wide visibility.

On the business side, we promoted the legacy of the London Olympics following the 10-year anniversary, focusing on the impact on innovation and tech in London. The team also profiled London's strengths in fashion technology highlighting it as a leading hub for tech, creativity and sustainability to coincide with London Fashion Week.

### Q2 PR results:

Total pieces of coverage:  
**139**

Global audience reach:  
**1,262,500,824**

Global engagement:  
**7,970,240**



## Highlights included:

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- Hosted three top tier journalists for a summer in London themed press trip, resulting in three feature pieces: InsideHook, Elite Daily and Daily Beast
- Helped launch the domestic Let's do London campaign, securing coverage in Evening Standard and key hospitality titles
- Promoted London's major events including the return of NFL London in US media including Good Morning Wisconsin (Fox 11) and NFL Network and further summer coverage in SF Gate and Forbes.



# London Brand – PR, consumer press highlights



# London Brand – PR, consumer press highlights

ELLE

Fashion > Frontier

## Be At The Forefront Of The Fashion Technology Revolution

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Inc42

RESOURCES

### 4 Tips For Indian Founders To Break Into The Cross-Border Market

21 Aug'22 | By Hemin Bharucha

### 10-YEARS ON: LONDON'S OLYMPIC PARK IS LEADING HUB FOR TECHNOLOGY AND INNOVATION

businesswire  
A BERKSHIRE HATHAWAY COMPANY

HOME SERVICES NEWS EDUCATION ABOUT US

Search

### Assignar Kicks Off Expansion Plans with Launch into the UK Construction Market

Baidu 百度

### Fashion technology: a new collision of fashion and technology, the future of the industry to be subverted

WWD  
WOMEN'S WEAR DAILY

BUSINESS / MARKETS

### International Visitors Key to London's West End's Recovery

Incoming global spending will help the tenants beat the negative impacts of inflation, rising interest rates and energy prices in the U.K.

Business  
Focus

Interview with London & Partner's Laura Citron and Dumpling Legend's Geoff Leong

腾讯网

### 时尚科技：时尚与科技的全新碰撞，被颠覆的行业未来





**LONDON**  
& PARTNERS

**INCOME GROWTH  
OPPORTUNITIES**





# Commercial & Partnerships

## – account management

The Account Management team deliver revenue and partnership programmes across all of L&P's paid partnership programmes – Tourism, Inward Investment and Trade & Growth .

### Inward Investment Partnerships:

- Income target exceeded - £437k achieved vs a target of £428k
- Inward Investment Partner event held – first opportunity since before the start of the pandemic for partners to meet with our teams from the US, India and Europe.

### Tourism Partnership Programme:

- Income target exceeded - £ vs target of £763 k

### Trade and Growth Partners:

- Successful renewals of the following partners: Wilson Sonsini, Microsoft, Globalization Partners, GrantTree, Moore Kingston Smith
- Negotiating and signing new £30k partnership with Omnipresent
- Developing Mastercard partnership in new areas, such as around Innovation and Fintech, putting us in a strong position for growth next year
- Supporting launch of MIBP Cohort 24 with full involvement of all partners



# Commercial & Partnerships

## – corporate engagement

- The CE team organised a number of corporate meetings either for nurturing the relationship or discussing the potential partnership. These included Trip.com; Alipay, ServiceNow, Arcadis, Uber, Global Relay, Intel, Silicon Valley Bank and a meeting for Rajesh with Ontario Teachers' Pension Plan.
- Supported the Immersive Tech campaign by securing endorsement from ILM and Snap.
- Engaged with clients and stakeholders and proactively supported their events including Comcast, NBCUniversal/Sky, Santander and JetBlue and reception for the Mayor of Chicago and Governor of Nebraska.
- Organised a workshop with the Commercial Service at The US Embassy for our US based colleagues, along with people whose role has a US focus.
- Worked with the account management and brought United Airlines as our first ever airline Tourism Partner.
- Helped securing the corporate speakers and VIP attendees for the Reuters IMPACT event, a global leadership forum supported by London & Partners. To name only a few: Accenture, Aecom, AWS, Arcadis, Capgemini, EDF Energy, Gensler, Itochu, JBIC, Marubeni, Mitsui, Microsoft, TCS etc.





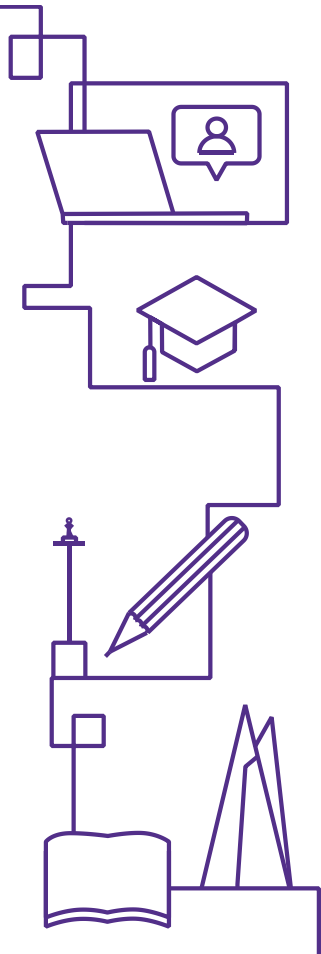


**LONDON**  
& PARTNERS

# **STRATEGY AND OPERATIONS**



# Strategy and Corporate Affairs



## SUMMARY

- **L&P delivered strongly against Q2 GVA and NPS targets.** This financial year is front-loaded and hence especially reassuring that we exceeded the second quarter target in an increasingly volatile economic and geopolitical climate. This report shares some of the details of those successes.
- Q3 is notoriously busy and Q2 is generally the time to prepare. However, **Operation London Bridge made this quarter exceptionally intense** as the directorate initially lead L&P's response. We completed most of our scheduled activities but postponed the launch of the Tourism Vision to Q3.
- The directorate is at the forefront of leading the transition of London & Partners to accommodate the wider GLA changes to business support provision.

## STRATEGY & PLANNING

**Completed the Q2 business plan review** – learning from Q1 and validating that we are on course for Q3 (and Q4) and delivering strongly against our outcomes, especially GVA. Our control are working allowing us to reprioritising work and allocating capacity and budgets accordingly which means we are well set up to approach the upcoming change period.

### Supported key Q2 activities such as;

- Delivered interim GVA updates on the impact of the Let's Do London campaign. The campaign appears very successful.
- Finalised the inputs to the annual KPI audit where the agency now is concluding their recommendation
- Delivered timely economic insights to colleagues in a period of unprecedented economic and political turmoil.
- Continued the programme management of the Business Growth refresh project and prepared the handover to an interim transition director
- Alongside finalising the year 1 carbon footprint, made progress on agreeing further reductions of our carbon footprint, especially in terms of how we run events

# Strategy and Corporate Affairs

## STAKEHOLDER RELATIONS

- Continued work on the London 2030 Tourism Vision, including consultation work and initial drafting.
- Contribution to Central London Forwards' CAZ Future Action Plan.
- London Brough engagement, including Westminster City Council, Barnet Council and London Councils.
- Contribution to L&P AGM and Board meeting.
- Continued to support GLA Business Engagement team with insights and briefings including:
  - Ontario Teacher's Pension plan
  - Black History month
- Support and co-ordination for Operation London Bridge.
- Tourism Partners Marketing Breakfast and Tourism Partners CEO breakfast on London 2030 Tourism Vision
- Briefings/presentations for Corporate Affairs activity including:
  - London First (Business LDN) annual conference
  - Mayoral meeting with Trip.com CEO
  - CBI Q3 London Council
  - NLA Real Estate Forum
  - Thames Vision launch
  - UKInbound General Meeting

## RESEARCH & INSIGHTS

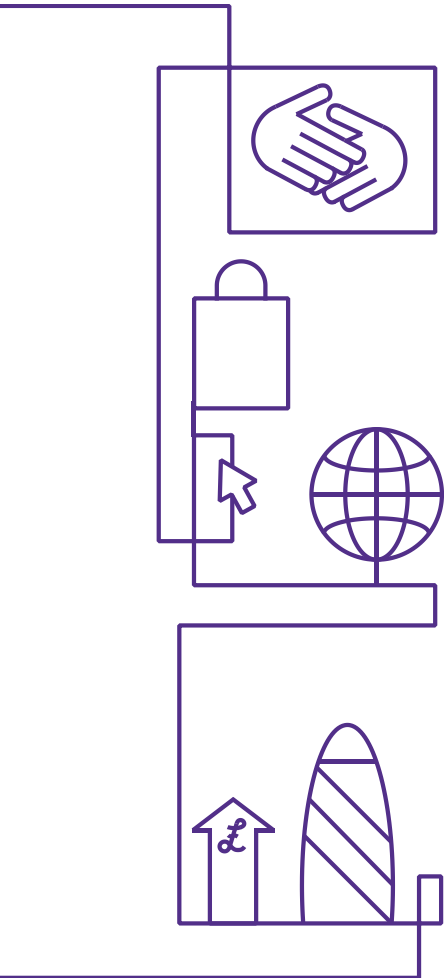
- Developed and distributed the 15th edition of the Insights Report which acts as an overview of the current developments of the key macro drivers impacting our core target audiences and markets.
- Published the Q2 2022 Quarterly Tourism Attractions Monitor to members and partners.
- Supported the development of the Tourism Vision with the latest insights on our core target audiences and markets.
- Launched the Global Cities Comparison Report which provides a comparison of 22 leading global cities, selected for their position as leading business hubs, and destinations for Foreign Direct Investment (FDI).
- Collaborated with other CityDNA members to produce their Annual Benchmarking report which looked at the performance of tourism in European cities in 2021.
- Created a series of London Borough Profiles exploring population, GVA and employment statistics.

## SUSTAINABILITY

Net Zero – roll-out of new budget codes and updated events procedure to improve data collection; preparation for Y1 carbon footprint & reduction report.

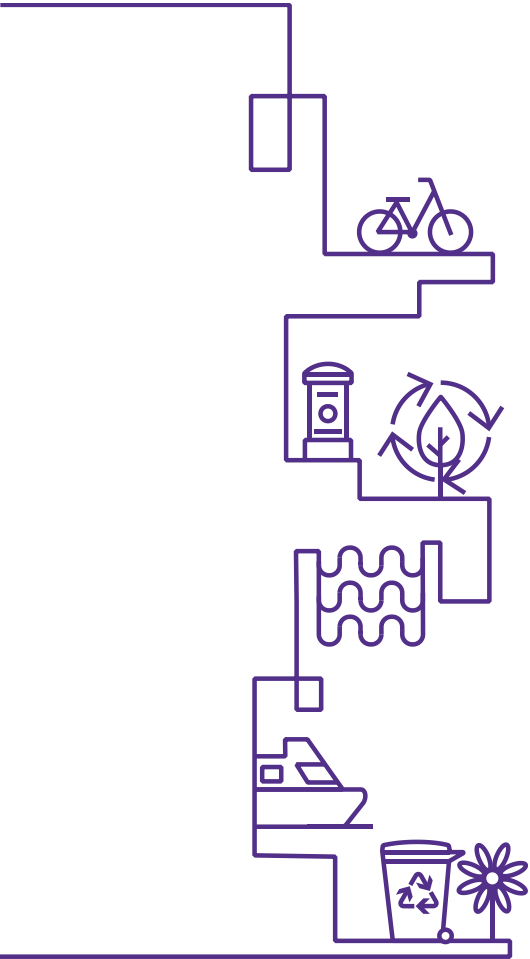
Events

- Supported London Climate Action Week, including partnership with Reset Connect
- Developed partnership with Reuters to bring first in-person edition of IMPACT (global flagship event on climate) to London





# Operations



## FINANCE

- Finalising the Audit for the year ending 2021/22.
- New finance structure implemented moving towards a more integrated Business Partnering model.
- Started a review of our corporate systems with the aim of preparing a business case for capital investment into system changes.
- Implemented Accounts Payable automation with a go-live date planned for early November

## TECHNOLOGY

- Successful migration of services to a new technology provider with ongoing reviews to identify opportunities for technology improvements, particularly focussing on automation.
- Various ongoing projects to update or upgrade existing systems or respond to market changes (e.g. Changes to Google Analytics)
- Procured and commenced migration to a new Sitecore managed service provider.
- Part way through a corporate systems review.

## HUMAN RESOURCES

- Recruitment of key roles continues to be a priority
- Enhanced recruitment capability via appointment of Talent Acquisition Manager and sourcing of new candidate management system
- HR Information System under review and requirement scoping underway
- Recruitment of new HRD -joining in Nov

## FACILITIES

- Ongoing reviews of the office environment to identify improvements that can be made. These have included the removal of booths to make space for more collaboration areas.
- LFB have recently changed property management agents and we are working with the new agent to review likely impacts on rent going forwards (given RPI rates).

# Top 3 risks

1 Low to 4 High

Risk Identified	Mitigation	Probability	Impact	RAG
<b>Global Economic and Political Situation</b> Cause: Continued global economic and political volatility <b>Risk:</b> These issues impact on the effectiveness of our promotional activities. Impact: Impacts on our ability to achieve our objectives and KPIs	There remains the continued risk of operational and commercial difficulties faced by businesses as a result of Brexit. These will be monitored with any issues identified reported back to key stakeholders. We are monitoring the political issues between China and the UK to determine our future approach to the market.	2	3	A
<b>Future Funding</b> Cause: Our core platform costs and salaries increase year on year but our grant is not-index linked. <b>Risk:</b> Future grants may be considerably lower. Impact: A lower level of grant impacts on our ability to leverage other funding resulting in us being unable to maintain a core level of income that ensures our activity has impact	Widen stakeholder strategy to include national government, broader influencers and opinion formers. Identify opportunities for further funding from non GLA sources. Portfolio of income growth projects have been developed which are reviewed monthly at a Commercial income board.	3	3	A
<b>Staff Welfare</b> Inflation risks come on top of a challenging two years for staff welfare. We risk higher turnover and worsened staff wellbeing.	Additional support has been provided to staff to manage welfare. Staff workload is being managed by implementing a new flexible resourcing programme. A culture project is underway to create organisational-wide consistency of behaviours and staff experience. We have a programme to support staff on the cost of living.	5	4	R

# Finance highlights – Group summary

	Sept 2022 YTD Actual	Sept 2022 YTD Budget	Sept 2021 Prior Year Actual
	£000	£000	£000
GLA Grant - Core	5,585	5,585	5,585
London Recovery	8,595	9,000	2,784
ERDF	614	842	527
Other Grants	0	0	55
Total Income - GLA Funding	14,794	15,427	8,951
Total Income - Mission Driven Activity	1,419	2,521	1,470
Total Income - Commercial Ventures	1,504	1,514	747
Total Income - Other	31	0	11
<b>Total Income</b>	<b>17,747</b>	<b>19,462</b>	<b>11,179</b>
<b>Total Expenditure</b>	<b>(17,587)</b>	<b>(19,864)</b>	<b>(11,116)</b>
<b>Surplus / (Deficit) pre tax</b>	<b>160</b>	<b>(402)</b>	<b>63</b>
<b>Tax</b>	<b>(104)</b>	<b>(81)</b>	<b>(1)</b>
<b>Surplus / (Deficit) post tax</b>	<b>56</b>	<b>(483)</b>	<b>63</b>

Surplus / (Deficit) by Company before tax	Sept 2022 YTD Actual	Sept 2022 YTD Budget	Variance
	£000	£000	£000
London & Partners	(389)	(830)	440
Dot London	271	275	(3)
London & Partners Ventures	278	153	125
London & Partners International	0	0	0
Eliminations	0	0	0
<b>TOTAL</b>	<b>160</b>	<b>(402)</b>	<b>562</b>

## Summary

- The Q2 outturn is £539k favourable against plan post tax (£56k surplus v £483k deficit) and £562k favourable against plan pre-tax (£160k surplus v £402k deficit).



# Finance highlights – London & Partners Limited summary

	Sept 2022 YTD Actual	Sept 2022 YTD Budget	Sept 2021 Prior Year Actual
	£000	£000	£000
<b>Income - Grant Funding</b>			
GLA Grant - Core	5,585	5,585	5,585
London Recovery	8,595	9,000	2,784
ERDF	614	842	527
Other Grants	0	0	55
Total Income - GLA Funding	14,794	15,427	8,951
Total Income - Mission Driven Activity	1,219	2,314	1,204
Total Income - Commercial Ventures	865	956	606
Total Income - Other	25	0	0
<b>Total Income</b>	<b>16,904</b>	<b>18,697</b>	<b>10,761</b>
<b>Total Expenditure</b>	<b>(17,293)</b>	<b>(19,526)</b>	<b>(10,702)</b>
<b>Surplus / (Deficit) pre tax</b>	<b>(389)</b>	<b>(830)</b>	<b>59</b>
<b>Tax</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) post tax</b>	<b>(389)</b>	<b>(830)</b>	<b>59</b>

## Summary

- L&P has a Q2 outturn position of a £389k deficit against a budgeted deficit of £830k.
- Income is behind plan by £1,793k although this is due to the phasing of the Tourism Campaign budget (showing a £1,649 adv. Variance). Excluding this, shows that income is £144k behind plan.
- Whilst costs are already lower than budgeted by £2,233k, this also includes underspend on the Tourism campaigns which have been offset by lower income recognition. Excluding this from the position means that the underlying cost base is £584k lower than budgeted.

# Finance highlights – Income Q2 2022/2023

	2022/23 Q2 YTD Actual	2022/23 Q2 YTD Budget	2022/23 Full Year Budget	2022/23 Q2 Prior Year Actual
	£000	£000	£000	£000
<b>Income - GLA Funding</b>				
GLA Grant - Core	5,585	5,585	11,170	5,585
GLA Grant - other	8,595	9,000	9,000	2,784
<b>Total Income - GLA Funding</b>	<b>14,180</b>	<b>14,585</b>	<b>20,170</b>	<b>8,369</b>
<b>Income - Non - GLA Funding</b>				
Other Grants	614	842	1,214	582
Mission Driven Activities	1,219	2,314	3,951	1,204
Commercial Ventures	865	956	3,262	606
Other Income	25	0	0	0
VIK	2,796	3,500	7,000	429
<b>Total Income - Non GLA Funding</b>	<b>5,519</b>	<b>7,612</b>	<b>15,427</b>	<b>2,821</b>
<b>Total Income</b>				
<b>Total Income</b>	<b>19,700</b>	<b>22,197</b>	<b>35,597</b>	<b>11,190</b>
<b>Total Income Less VIK</b>	<b>16,904</b>	<b>18,697</b>	<b>28,597</b>	<b>10,761</b>

## GLA Funding

- GLA Core Grant funding as budgeted and agreed with GLA
- GLA tourism funding is behind plan by £405k due to phasing of the plan

## Other Grants

- ERDF funding £228k lower than budgeted because of lower than planned activity

## Mission Driven Activity

Mission Driven activity £1,095k adverse to budget. The plan, however, includes recognition of industry contributions for the Tourism campaign which have not yet been recognised and are offset on costs. Excluding this shows that the position is £149k better than budgeted due to:

- Tourism and FDI Partnership income higher than budgeted by £58k as renewal rates and additions of new partners has been strong
- MIBP Sponsorship revenue higher than budgeted by £40k as new sponsorship agreements have been agreed and invoiced
- Bespoke Partnership activity is £52k ahead of plan as additional partners were sourced to support the Mayoral visit to North America (£17k), sponsorship of a tech campaign in August (£5k), support for City of London Corporation branding (£5k) and a VivaTech mission aligned to London Tech Week (£25k).

# Finance highlights – Income Q2 2022/2023

	2022/23 Q2 YTD Actual	2022/23 Q2 YTD Budget	2022/23 Full Year Budget	2022/23 Q2 Prior Year Actual
	£000	£000	£000	£000
<b>Income - GLA Funding</b>				
GLA Grant - Core	5,585	5,585	11,170	5,585
GLA Grant - other	8,595	9,000	9,000	2,784
Total Income - GLA Funding	14,180	14,585	20,170	8,369
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Commercial Ventures	865	956	3,262	606
Other Income	25	0	0	0
VIK	2,796	3,500	7,000	429
Total Income - Non GLA Funding	5,519	7,612	15,427	2,821
<b>Total Income</b>				
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<b>Total Income Less VIK</b>	<b>16,904</b>	<b>18,697</b>	<b>28,597</b>	<b>10,761</b>

## Commercial Ventures

Commercial income is £91k lower than budgeted due to:

- LPV and DotLondon recharges £8k lower than budgeted largely due to vacancies across various teams and reduced platform costs.
- A decision to pause all sales and marketing activity on London Leaders Network during Q1 has meant that sales are significantly lower than planned (£82k adverse).



# Finance highlights – Costs Q2 2022/2023

	2022/23 Q2 YTD Actual	2022/23 Q2 YTD Budget	2022/23 Full Year Budget	2022/23 Q2 Prior Year Actual
	£000	£000	£000	£000
<b>Expenditure</b>				
Business Growth (incl MIBP, BGP)	533	662	1,720	308
Commercial	25	54	145	13
Destination	279	306	847	102
Marketing	9,344	11,157	12,024	3,865
Strategy & Operations	1,076	1,214	2,345	908
Salaries	6,036	6,133	11,970	5,506
<b>Total Expenditure</b>	<b>17,293</b>	<b>19,526</b>	<b>29,052</b>	<b>10,702</b>
<b>Surplus / (Deficit) pre tax</b>	<b>(389)</b>	<b>(830)</b>	<b>(455)</b>	<b>59</b>

## Costs

- Whilst costs are already lower than budgeted by £2,233k, this also includes underspend on the Tourism campaigns which have been offset by lower income recognition. Excluding this from the position means that the underlying cost base is £584k lower than budgeted.
- The following commentary provides an overview by each directorate within L&P. The overarching reason for the underlying favourable variance (excluding Tourism Campaign costs) to budget is the conservative recovery of the market compared to our planning assumptions.

## Business Growth

129k lower than budgeted primarily as a result of:

- £50k favourable variance on ERDF programmes as a result of reduced activity.
- £20k favourable variance on International travel as a result of ongoing restrictions in some regions, particularly China.
- £35k favourable on London Leaders Network as a result of marketing and sales activity being suspended.
- £35k favourable variance in international offices following a temporary decision to downgrade or exit from permanent office spaces and move towards more flexible shared working arrangements.

# Finance highlights – Costs Q2 2022/2023

	2022/23 Q2 YTD Actual	2022/23 Q2 YTD Budget	2022/23 Full Year Budget	2022/23 Q2 Prior Year Actual
	£000	£000	£000	£000
<b>Expenditure</b>				
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Strategy & Operations	1,076	1,214	2,345	908
Salaries	6,036	6,133	11,970	5,506
<b>Total Expenditure</b>	<b>17,293</b>	<b>19,526</b>	<b>29,052</b>	<b>10,702</b>
<b>Surplus / (Deficit) pre tax</b>	<b>(389)</b>	<b>(830)</b>	<b>(455)</b>	<b>59</b>

## Commercial

- £25k underspent due to significantly reduced events costs on partnerships programmes and limited spend on other commercial areas as the number of trade memberships have been lower than planned and there have been limited external events.

## Destination & Major Events

£27k underspent primarily due to:

- Trade shows expenditure being £21k lower than planned as a conscious effort was made on IMEX Frankfurt to reduce costs to align to reduced partnership fees.
- Business Tourism sales activity and events have been higher than previous years but lower than planned (£4k favourable) as activity has not fully recovered to pre-pandemic levels.
- Major events £1k lower than planned.

# Finance highlights – Costs Q2 2022/2023

	2022/23 Q2 YTD Actual	2022/23 Q2 YTD Budget	2022/23 Full Year Budget	2022/23 Q2 Prior Year Actual
	£000	£000	£000	£000
Expenditure				
Business Growth (incl MIBP, BGP)	533	662	1,720	308
Commercial	25	54	145	13
Destination	279	306	847	102
Marketing	9,344	11,157	12,024	3,865
Strategy & Operations	1,076	1,214	2,345	908
Salaries	6,036	6,133	11,970	5,506
<b>Total Expenditure</b>	<b>17,293</b>	<b>19,526</b>	<b>29,052</b>	<b>10,702</b>
<b>Surplus / (Deficit) pre tax</b>	<b>(389)</b>	<b>(830)</b>	<b>(455)</b>	<b>59</b>

## Marketing

- £1,813k underspend against budget although this also includes an underspend on the Tourism Campaigns (due to phasing) which is offset by an equivalent reduction in income.
- After excluding the above, there is an underlying £164k underspend. This primarily relates to
- China Marketing £24k underspent as ongoing restrictions on travel from the China market have reduced marketing activity levels.
- CRM, Platform and marketing tools (£86k favourable) as a number of system changes initially planned for implementation this year have been delayed.
- £32k favourable variance on Communications due to lower than planned levels of external business travel for PR/Journalists as well as a decision made to remove PR support in North America and Germany and move towards an in-house provision.
- £17k favourable variance on Business Marketing due to events for CVB/Sustain and Immersive being delayed to later in the financial year
- £20k adverse variance on Tourism Vision as the overall costs of the launch event for the new Vision were higher than planned.



# Finance highlights – Costs Q2 2022/2023

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## Strategy & Operations

138k underspent against budget. This is due to:

- £166k underspend on Finance – this is because of a higher than planned VAT recovery.
- £19k underspend on staff conference as venue and event costs were lower than planned.
- £34k underspend on Research and Insights as International Sentiment research in collaboration with Visit Britain will now take place in the second half of the year with TMB research planned for March.
- £12k underspend on Sustainability as significant activity is paused whilst resourcing and sustainability strategy for L&P is finalised.
- £9k underspend on Research Information Sources as there have been no additional data sources purchased in the year
- Offsetting the underspends above, we are overspent on IT (£50k) and HR (£48k). The IT costs are higher than planned due to an extended transition to our new Azure provider
- HR is overspent by £48k primarily due to recruitment costs.

# Finance highlights – Costs Q2 2022/2023

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## Salaries

- 97k underspent against budget. This is due to vacancies in the first part of the year as well as a decision to not recruit roles related to London Leaders Network. The variance would be c£220k more favourable but has been reduced by the additional cost of living payment made to staff.

**LONDON**  
& PARTNERS

**THANK YOU**

