

LONDON & PARTNERS' REPORT TO THE GLA

Q3 2021-22

LONDON
& PARTNERS

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Q3 2021 / 22 summary

In some ways this year has unfolded in an unexpected way. We have seen our performance exceed expectations, despite the pandemic continuing to limit our ability to carry out planned activity.

The result is that we end Q3 well ahead of our main performance targets, but have spent less than expected.

We believe that this is driven by two major things. First, decisions taken to focus on effective account management and support for our clients has meant we have been able to convert pent up demand as the economy reopened. Second, the international trade and investment sector has seen sharp recovery to historic trends, affecting our numbers positively.

As we look forward, we believe that both of these benefits will ease slightly. The pent up demand in the pipeline will work through in the coming months, and it is likely that costs will rise as events come back. But for now, this is a performance to be proud of,

We have now exceeded our stretch target for economic activity added to the London economy. The £185m in GVA compares well to the £176m revised target we set ourselves. The team are seeing the benefit of hard, diligent work during the pandemic.

It is also pleasing to see greater diversity in the source of the GVA. Our work supporting London based high growth companies is now £50m of the total, more than 3x the performance pre-pandemic.

Equally the #LetsDoLondon campaign has been a huge success, showing the combined power of the tourism community who came together with London & Partners and the Mayor of London to create the largest domestic tourism campaign London has seen. The £70m of extra spend in the London economy will have had a direct impact on employers' ability to keep jobs open and bridge to a brighter future. We congratulate everyone who gave time, money and expertise to this joint effort.

A big change for London & Partners this year has been to make our **Social Enterprise** identify an explicit part of our brand, and of how we think about ourselves as a team.

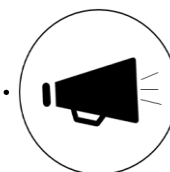
As part of that we have been evolving our portfolio of commercial enterprises to create long term, reinvestable value and align our commercial and mission driven activity more fully. That work will not come to the delivery phase until the net financial year.

However in this quarter we have seen good performance in our partnership income reflecting a year of strong delivery for the communities and sectors we serve.

Introduction: 2021 / 22 Key Performance Indicators







2021 / 22 outcomes as set out in L&P's business plan



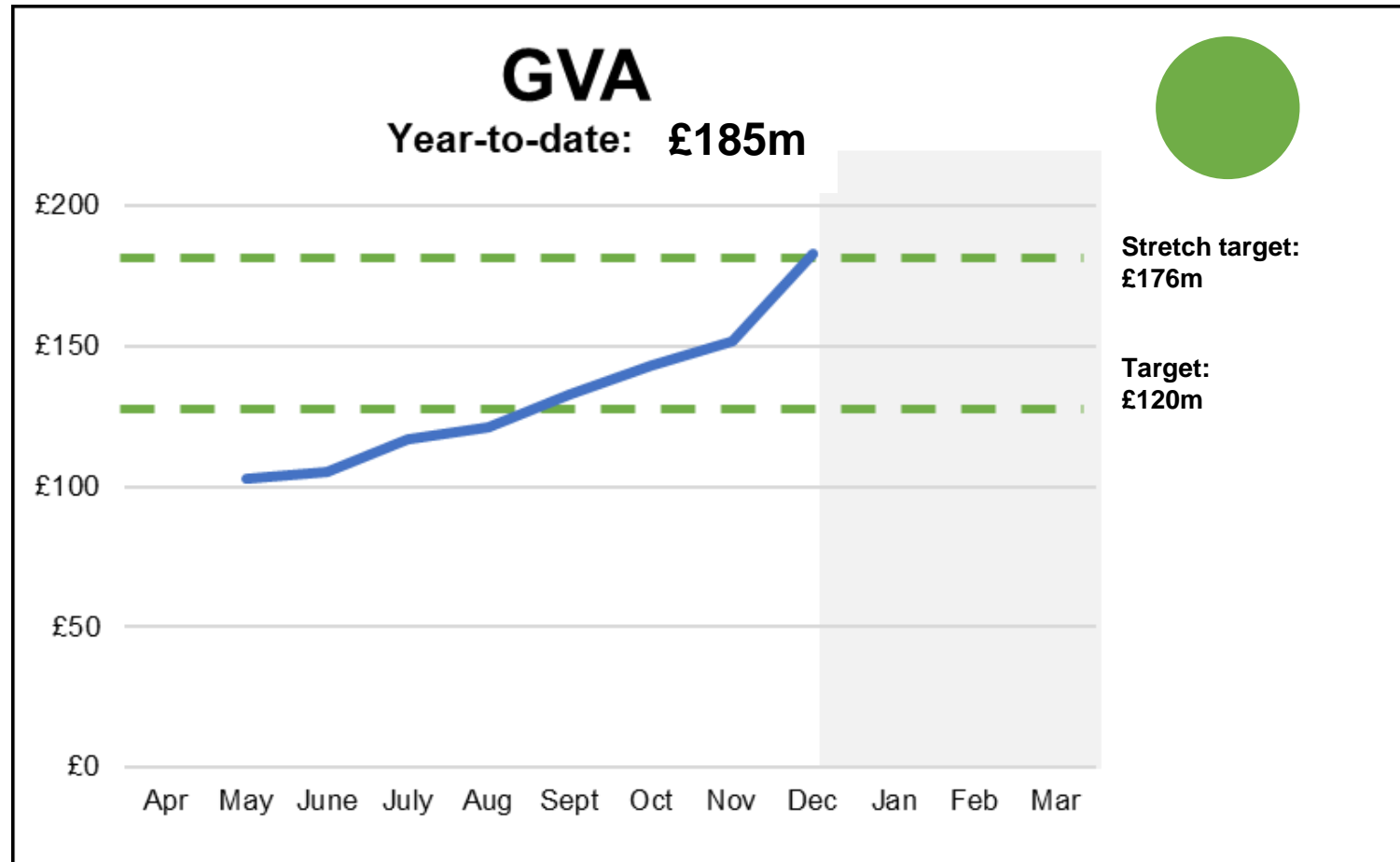
	High growth sectors		Visitor economy		Partnership & ventures		London Brand
What we measure	Additional economic benefit of our interventions	Client satisfaction (internal metric)	Additional economic benefit of our interventions	Tourism Industry satisfaction (internal metric)	Non GLA grant income	Partner satisfaction (internal metric)	No corporate outcomes Project specific metrics
GVA TARGET	Targeting additional economic benefit to London of £120m GVA, with a £176m stretch target*						
CUSTOMER SATISFACTION TARGET	Internally, we will use NPS scores to target interventions to address customer satisfaction where a Net Promoter Score (NPS) is negative or neutral or drops significantly in year.						
INCOME TARGET					Targeting commercial income of £4m @ Group level of which £2.9m is tracked in score card		

*) Stretch target introduced at half year as GVA performance very strong.

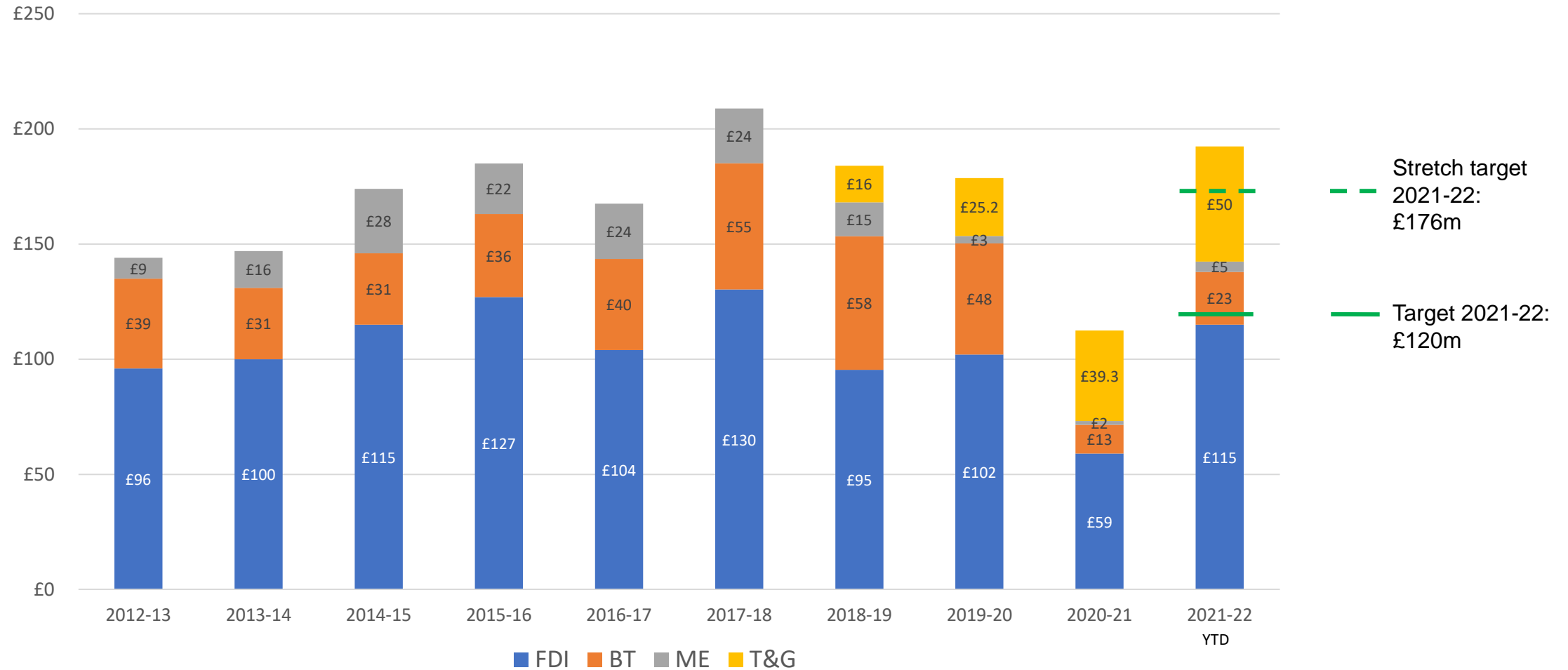
2021/22 Outcomes against target (by 7 Jan)

	ENGAGING OUR AUDIENCES	ECONOMIC BENEFIT FOR LONDON:		WORKING IN PARTNERSHIP:
	Client satisfaction (NPS delta)	GVA	Let's Do London impact	Income
2021/22 target	Above negative & neutral or if a significant drop <20% change and <5 points drop	Mid: £120m Stretch: £176m	-	£2.9m
Achieved YTD 2021/22	All areas (apart from BGP) remain positive and areas with a down-wards trend being mitigated	£185m	£70m Additional consumer spend (ROI 18:1)	£2.0m <i>(as of December – includes Dividend agreed in December but paid in Jan)</i>
% of mid point full year target	na	155%	na	69%
% of mid point stretch target	na	106%	na	na
RAG based on % of YTD target				

Scorecard 21/22 – January 2022



GVA in context – actuals 2012-2022



Scorecard commentary

Intro

2021/22 has proven to be another unpredictable year with both Brexit and the global pandemic impacting businesses. The variations are mainly favorable meaning we are (significantly) ahead on some targets, also against the stretch target that was introduced in Q2.

Client satisfaction

About this outcome: This is the first year we will track our Net Promoter Score (NPS) as a means of monitoring client satisfaction. We have tracked NPS for parts of the business for years but we are now widening the areas of the business we track. We are tracking individual scores per programme 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'. **We will investigate if a score is negative or neutral or if a significant drop (<20% change AND <5 points drop).**

YTD performance: The NPS score for the GVA generating activities has dropped, driven by the significant drop in BGP's NPS scores. We have investigated and, as previously reported, this is due to lower satisfaction with virtual delivery. On a positive note, the NPS score for the Income Generating pool has increased significantly, due to the increase of the Tourism Partner score. This is a very significant positive swing, which we think reflects our refresh of the partnership offer and strong support on covid recovery.

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 £185m GVA (as of early January) against the £176m stretch target, our performance is very strong and we have achieved our full year targets.** Pent-up FDI demand from 20/21 is a key contributing factor.

As reported earlier in the year, **the largest wins include the Chinese social media company (an L&P all time high at c £30m) and European Society of Cardiology at £17m split over 2 years.**

Income

About this outcome: Note **the target featured has been update to show L&P's target e.g. £2.9m and not L&P Group Level** (originally £3.8m but was increased to c £4m as approved by Audit & Finance Committee).

YTD performance: To date we have achieved £2m income. The phasing of income is not even through the year. Having validated the forecast, we regard this outcome to be 'orange' but there are uncertainties. Please see finance section for full details.

High Growth Businesses



FDI – New Projects, Wins and Activities

TARGETS

Overall: Strong performance continued into Q3 and FDI performance returns back to pre-pandemic levels.

By the end of Q3, we had secured a total of 92 wins, £115m GVA and already exceeding our full 21/22 FDI GVA target (£60m) and forecasting to create 5,397 new jobs over the next 3 years.

Our GVA performance is 135% up on the same position last FY and jobs created are up 84% yoy.

Markets: Our core markets accounts for 98% of GVA secured to date, as follows: NA - £43m; China - £41m, India – £11.3m and Europe - £18m.

Sectors: Creative accounts for 47% of total GVA secured (£54m), FBST £32m with Urban £18m and ILS £10m

CONTESTABLE WINS

- Overall, 20 contestable wins were secured in Q3 £26m GVA and 1,056 new Year 3 jobs.

Some notable wins as follows:

- **US VFX company** £10m GVA and 300 new jobs
- **US e-commerce platform** setting up UK HQ in London £2.6m GVA and 200 new jobs
- **China mobility company** setting up its operation in London £2m GVA and 120 new jobs
- **Canadian fintech setting up its first UK operation in London** £1.6m GVA and 30 new jobs
- **China - world's largest genome research organization set up London lab** £1.5m GVA and 50 new jobs
- **US streaming platform setting up its UK operation** £1.4m GVA and 40 new jobs
- **US adtech company** £1.3m GVA and 60 new jobs

NON-CONTESTABLE WINS

- 5 non-contestable completions in Q3 generating £3.9m GVA and 433 new Year 3 jobs

Some notable wins as follows:

- **French Retailtech firm growing in London** £2.5m GVA and 200 new jobs
- **Swedish video games firm set up in London** £1m GVA and 200 new jobs
- **Singapore fintech company London office** £154k GVA
- **Hong Kong HR / business service consultancy** £46k GVA and 10 new jobs
- **Swiss based fintech** new London office £101k GVA and 20 new jobs

Trade & Growth: Business Growth Programme

TARGETS

- Total number of active companies on the programme: **1016/ 1352**

KPIs

- **C1:** 867/ 870
- **C8:** 355/ 315
- **C29:** 98/ 94
- **BGP GVA:** £3.6m / (£1.5m-£2m)

FBST	1,112,904.02
CREATIVE	589,513.96
ILS	401,916.90
URBAN	1,533,912.78
TOTAL	3,638,247.66

ERDF

- A programme change request has been submitted to officialise the extension of the programme until the end of September 2022.

ACTIVITIES

- The Autumn Cohort launch held in September was BGP first in person event since April 2020. It brought together about 100 people, of which partners, mentors, and representatives of 58 new companies that had just joined the Programme.

- Advancing your business plan
Cash Flow modelling; Achieving product market fit; Unlocking growth potential.

- Prioritising and engaging your audiences
Creating successful engagement strategies; Developing a PR strategy for your business; Evaluating and scaling different audiences; How to create a marketing strategy that will deliver results.

- Accelerating your sales
•How to find your sales sweet spot; Developing a clear sales message; Sales acceleration with the Client Key; How to facilitate sales meetings with outcomes.

ACTIVITIES

- Raising Funds & Finance
Everything you need to know about financial models; Everything you need to know about traction; Getting the right valuation for your business; Funding pathways for early & growth stage companies; Raising capital with Joelson; How to access alternative funding; Strategic term sheet negotiation.

- Developing your People Strategy
Mindful Productivity; How to Build Your Team & Protect Your Business; Leadership Shift as You Scale; Creating an Inclusive Start-Up.

The Business Growth Programme team collaborated with the wider L&P financial, business services and technology sector focused event on Cybersecurity, as part of the London Technology Week. We also collaborated with the wider L&P sector leads and programmes in the organisation of a networking event at the Barbican that had a few distinguished guest speakers, including the Deputy Mayor for Business.

Other highlights included the BGP Connect networking sessions, the impact cohort recruitment launch campaign in collaboration with Impact Hub, sector meetups with the global head of UX research for Google and Founders Factory, and a meet the investor session with True Altitude.

Trade & Growth: Mayor's International Business Programme

TARGETS

- Total number of active companies on the programme: **769 / 1165**

KPI's (2021/22 To Date)

- **C1:** 598 / 900
- **C8:** 1470 / 1200
- **GVA:** £48.5m / (£35m-£55m)

ACTIVITIES

- Building your Board
- **Cohort 21 Launch**
- Meet a US Fintech Unicorn - Varo Bank
- Meet the Markets -An Introduction to the Nordics
- 'Office Hours' with Wilson Sonsini
- Physical Product Roundtable
- **R.E.A.C.H (Race, Ethnicity and Cultural Heritage)**
- Relative Market Attractiveness
- Share Options Masterclass
- Talent Planning for Ambitious Companies
- The Lean Story Canvas - Designing your Story for Global Growth
- US Expansion Dinner
- Ask Me Anything – GrantTree

ACTIVITIES

- **Female Founders session with Partners**
- How to Build a Powerful International Reputation
- Managing Overseas Offices
- Meet the Corporate - Capita Scaling Partner
- Shared Connections & Mentor Mixer
- The Blueprint to Building High-Performing Global Teams
- The Power of a Pitch Deck & Visual Design
- US Expansion Dinner
- What's Next for Digital Shopping
- **Trade Mission – Slush (Tech Conference held in Helsinki)**
- 'Office Hours' with Wilson Sonsini
- MIBP China Market Attractiveness
- Perfect your Pitch

Open Innovation Fellowship

HIGHLIGHTS

- Launched **cohort 3** of the Open Innovation Fellowship with 12 new Fellows from:
AztraZeneca, Barclays, Boeing, Infosys, Fidelity Investments, Slalom, Virgin Media O2, London Fire Brigade, UST, Kennedys Law, UNICEF and TD Securities.
- Secured 7 new Fellows for cohort 4 in the first 4 weeks of 2022 including: McDonalds, Microsoft, Scottish Power, Open Reach, Alcatel-Lucent, WiPro and Novartis.

ACTIVITIES

- Appointed and onboarded Andrew Tibbitts as new Head of Innovation Programmes.
- Restructured outreach and sales process for OIF with 100% of new companies joining cohort 4 from cold outreach.
- Renegotiated consultancy agreement with RCA resulting in a cost saving of saving £9,500+VAT per cohort.

ACTIVITIES

- Hosted a reception for Fellowship leads, cohort 3 and OIF alumni in January 2022.
- Delivered 4 modules of cohort 3 welcoming diverse speakers from across the London ecosystem including IAG, IBM, World Bank, Channel4, Imperial and Queen Mary.

Q3 2021-22 - Business Marketing (FDI & CVB)

INTERNATIONAL

Good News-Room

We continued to use our WhatsApp network of almost 2,000 business influencers to share positive stories about London's business ecosystem.

Sustainability campaign (Oct-Nov)

We launched a campaign to promote London's strengths for cleantech to an international FDI audience, as well as promoting London & Partners as an authority for London-based businesses by creating the London for Sustainable Business guide. The marketing campaign was supplemented with a PR report on investment into climate tech, which was the most successful Business PR campaign of the year to date.

Healthtech campaign (Nov)

Using SVC2UK's focus on healthtech as a springboard, we delivered a campaign showcasing London's strengths in this rapidly-growing subsector. Targeting an international FDI audience, activity included a paid social campaign on Twitter and LinkedIn and a PR data story highlighting that London attracted \$2.9bn of VC investment into healthtech 2016-2021.

DOMESTIC

Open Innovation Fellowship

Ongoing support for the Open Innovation Fellowship, driving awareness of the programme and related events.

SVC2UK

We supported the annual SVC2UK Summit through marketing collateral such as event brochures, postcards, photography and filming, as well as promoting the Summit via social media, newsletters and comms to partners and stakeholders.

CONVENTION BUREAU

Trade shows

We ran two marketing campaigns supporting our presence at IMEX America (Nov) and IBTM World (Dec), working with PR and our partners to get the #LetsDoLondon messaging out in market as well as supporting it with an organic social media campaign and newsletters.

View from the Markets



China

HEADLINES

- China's GDP expanded 8.1 percent in 2021, growing the fastest in nearly a decade and landing well above the government's annual target of achieving a growth rate above 6 percent.
- China's 5G connections are expected to reach 865 million by 2025, accounting for 40 percent of the global 5G connections, and it will account for 47 percent of total connections in China. It's the world's largest and most advanced standalone 5G network, covering all prefecture-level cities, more than 97 percent of counties and 40 percent of towns.
- In late Dec the People's Bank of China's has cut interest rates in a bid to counter the slowdown of the country's economy. Central bankers cut the benchmark one-year loan prime rate to 3.8pc from 3.85pc, the first time it has reduced rates since April 2020 when the pandemic peaked in the country.

FDI & Trade

- 15 FDI wins from Chinese companies till end of Q3, contributed £40.9 m to London.
- Three webinars were arranged in Q3 for the London tech companies under MIBP China platform and companies from new cohorts to cover topics: How Best Market in China, China Market Attractiveness etc.
- China team launched the London Sustainable Guide short Chinese version through social media platform and is well received by business contacts.
- China team joined DIT China Hangzhou trip with other UK region's business reps, visited life science companies and promoted London as the investment destination in this sector.

ACTIVITY

- Bingbing and Shenzhen team attended the BEYOND International Technology Innovation Expo in Macau from 2 to 4 Dec, the largest tech event in Greater Bay Area this year. Bingbing joined the Impact Investment Panel in Global Investment Summit and promote London's leading role in sustainable/impact investment.
- China team supported SVC2UK 2021 online webinar and invited Chinese VC investor to speak in 'Entering the Metaverse: The Next Engagement Frontier' section.
- China team proactively participated, spoke and supported a series of business events in various cities and online the 2021 International Cultural & Creative Industry Development Forum(Huangshan), Shenzhen World Innovative Cities Forum (SZ) , 2021 China Consumer Economy Forum(Beijing), Guangzhou International Convention Service Conference (Guangzhou), London's talent and job opportunity webinar, The 5th China (Shenzhen) Innovation & Entrepreneurship International Competition UK Division etc.

Europe

HEADLINES

- The EU economy grew by 5% in 2021 after a heavy pandemic decline in 2020. Pre-Covid levels are expected to be reached and overtaken in 2022.
- Venture capital investment in Europe and Israel rebounded and crossed the €100 billion mark for the first time with some of the region's biggest economies doubling and tripling their fundraising totals ie: Estonia, Lithuania, Romania, Spain, Germany. Top 5 leading tech hubs remain London, Berlin, Stockholm, Munich, and Paris.
- Brexit continues to stir upheavals between the UK and the EU, with France, the current holder of the EU Presidency, taking the strongest position.

FDI

- 23 European companies with a combined GVA of £18mn have invested in London in this FY.
- FBST, Urban and Creative are the leading sectors.
- The team continued to operate closely with stakeholders from across the tech ecosystem as well as government. As a consequence of our activities and the decline in Corona travel restrictions, we see a huge surge of incoming tech missions to the UK and London specifically. We are currently engaging with 15 incoming and 3 outgoing missions.

ACTIVITY

- In Q3, the team attended a variety of physical events such as:
 - Websummit
 - Slush (including an MIBP mission)
 - The Next Web Amsterdam
 - Medica
 - Impact Festival etc
- We are currently running a cyber security mission with a physical stop in France and virtual stops in Germany, Israel, The Netherlands, Austria etc.
- We are preparing a number of selective Roundtables involving London ecosystem players such as TfL, investor Saul Klein, Peer2Peer matchmaking for cyber etc
- Working with 15 incoming missions and work with three coinciding triple A European tech events to create synergies

India

HEADLINES

- UK and India launched formal FTA negotiations in January 2022. Both parties are working towards an enhanced agreement with ease in visa restrictions
 - All .
- Visa fees for students is expected to be reduced from the current £1400. Students may be given the right to stay and work for three years after they graduate

FDI

- 16 Indian companies with a combined GVA of £11mn have invested in London in this FY till date
- Ed-tech and healthcare sectors have seen a lot of interest from Indian companies
- Two Indian unicorn companies have invested in London including BYJU's which is the world's largest ed-tech company
- MIBP- India programme is working well with MIBP companies engaging with Indian investors and mentors to access the Indian market. Increasingly MIBP companies also showcase and speak at events hosted in India (through L&P)

ACTIVITY

- In addition to various virtual events, L&P India team is now attending in-person events
- India team worked with a leading industry body ASSOCHAM to promote London and MIBP companies in India. L&P was the country partner for this event and Deputy Mayor for Business Rajesh Agrawal delivered the keynote
- In February 2022 London will be the Country Partner for Kerala Government's flagship tech event KSUM. Speakers from L&P have been invited to speak and four MIBP companies will be showcasing their products at this virtual event.
- The team in Bangalore and Mumbai participated at a NASSCOM event to showcase London to leading tech companies in India

North America

TARGETS

- Achieved a record FDI GVA in a FY of £43m from a total of 27 projects.
- Trade GVA of £7.8m YTD. 78% of target of £10m.
- 198 new FDI opportunities created YTD. 79.2% of target of 250.
- 196 referrals to Inward Investment Partners (IIPs). 78.4% of target of 250.

FDI & TRADE

- 9 projects closed in Q3 for a GVA of £19.4m.
- By Sector: Creative £16.8m; FBST £1.7m and Urban £0.9m.
- Largest Sub-sectors: Film & TV Production £11.9m; eCommerce £2.6m; Marketing & Advertising £1.8m and Financial Services £1.7m.
- By Sub-territory: Southwest £14.9m; Northwest £2.6m and Eastern Canada (East) £1.8m.
- Largest wins. Pixomondo from Los Angeles, £10.5m GVA creating 100 year 1 jobs in Barnet. Faire from San Francisco GVA of £2.6m creating 100 year 1 jobs in Westminster. Clearco from Toronto, GVA of £1.8m creating 12 year 1 jobs in the City of London.
- 62 new FDI projects created.
- 66 new IIP referrals.
- MIBP wins included GripAble (ILS) and AccuraCast (Urban)

ACTIVITY

- Inbound in-person missions to London from Atlanta, British Columbia, Jacksonville, Illinois and Minnesota.
- Virtual event "How to Successfully Scale Your Business into London from the US and India" joint with L&P India.
- Virtual trade mission to London from Washington D.C..
- In-person launch of Tech London Advocates Arizona Chapter (James).
- IMEX North America in Las Vegas (James, Josh & Stephen).
- "The Brits Are Back" reception with British Airways at the Empire State Building.
- Thanksgiving & Holiday parties at Barclays Rise in New York.
- AI Summit and Propel by MIPIM (Proptech) in-person in New York.
- MIBP - Meet a US Fintech Unicorn - Varo Bank.

Sectors



Creative

HIGHLIGHTS

- There were eight creative project wins in Quarter Three with a total GVA of over £20m which includes a significant US VFX with £10m GVA and 300 new jobs. This brings the total for the year to 15 FDI projects and over £53m GVA.
- £650k GVA secured through 2 creative Trade clients total GVA for the year from the Growth team is £589k
- 41 new creative opportunities were created
- Recruited 15 MIPB companies

NEXT QUARTER

- Physical Roundtable 3
- Tune of Innovation
- Digital shopping campaign launch
- CreaTech Ones to Watch reception
- Creative Industries Meet Up with The Future Factory

ACTIVITIES

- 10 creative companies attended Slush 86% confident they will win business due to attending
- Delivered XX virtual sector events including:
- Hybrid Virtual Production Panel with Pixomondo, Garden Studios, Epic Games, Imagination with North American audience on Zoom and live panel in London
- What Next for Digital Shopping with Snap, Farfetch, True, IMRG with over 80 delegates across FDI, MIBP and BGP
- Delivered film/VFX messaging, PowerPoint, infographic, sector page on website and provided training to all overseas offices

ACTIVITIES

- Attended GLA Creative Cities Challenge
- Attended Film London Animation Roundtable
- Attended CIC Marcoms meeting
- Attended Games London Advisory Board
- Help curate and host panel for Beyond on London Global Hub for Games with UKIE, Taylor Wessing, Amiqus
- Meetings with stakeholders included Film London, GLA, West London Business Alliance, Enfield Council, Steel Media, Global Victoria, CIC, ukie, Taylor Wessing, Fashion District, Games London

Finance & Business Services and Technology

HIGHLIGHTS

- There were 6 FBST FDI project wins in Q3 contributing over £2.6m GVA. The total FDI FBST GVA to date is £31.9m
- FBST MIBP contributed £4.1m GVA
- FBST BGP contributed £1.1m GVA to date
- 42 new FBST opportunities were created
- Recruited 15 FBST BGP companies and 16 MIBP companies

NEXT QUARTER

- Fintech Trade Mission to the UAE (February)
- Holding a Fintech club event focusing on Innovate Finance Global Summit (March)
- Cybersecurity Trade Mission to Europe (January and March)
- Meet the Corporate: Turkish Bank (March)

ACTIVITIES

- MIBP, FDI, BGP held a Fintech Club event in November to celebrate its One Year Anniversary focused on SMEs and Insurtech – 74 sign ups
- Held the MIBP US Fintech Trade Mission in October
- FDI supported Canute, an in person inward investment tech delegation from Denmark in November
- MIBP held a Meet the Corporate event with Varo Bank in October
- FBST MIBP held a Shared Connections networking event in October

ACTIVITIES

- FBST BGP Meet the Start-Up: Invigorate event in November
- BGP & MIBP Meet the Corporate event with Google in November
- FBST BGP ran a Meet the VC: Eliska Mallickova in December
- MIBP and FDI attended Slush in Helsinki in December taking a tech mission to the city. FDI generated leads along with representatives from our markets team
- FDI attended an event with our commercial partners
- Meetings with stakeholders including Open Banking Excellence, DIT Australia, Taylor Wessing & Tech Nation

Innovation & Life Sciences

HIGHLIGHTS

- Video campaign highlighting Diversity & Inclusion in the AI in Life Sciences Ecosystem
- Networking event in partnership with Queen Mary University in Nov 2021
- FDI Wins:
 - BGI Shenzhen – Genomics Research Lab - £1.5m GVA
 - Byju: World's largest EdTech company – India- £750k GVA
- Trade Wins:
 - Gripable (Health): £2.1m GVA
 - Note Taking Express (Education): £500k GVA
 - Farmatrust (Bio/Pharam): £941k GVA

ACTIVITIES

- Video campaign results: 20K+ social media impressions, 5.6K+ video views, 566 organic social media engagements
- Networking event: 40 attendees who helped multiply the social media campaign, as well as networking

ACTIVITIES

- MIBP Innovation and Life Sciences companies had in-person meeting in October, hosted by Ciklum.
- Connected with Minneapolis delegation in London to explore opportunities in Innovation and Life Sciences sectors.

NEXT QUARTER

- BETT 2022 Education show – postponed to March 2022
- Supporting DIT Digital health mission from Nordics & Israel coming to London (Whitechapel QME) on 14 March
- Planning for Life Sciences VTM to North America in April
- Working with MedCity on alignments for next financial year

Urban

HIGHLIGHTS

- Delivered £3.6 million in GVA this quarter from FDI, with 5 Contestable successes.
- Two key FDI successes were the landing of a shared mobility business from China with a GVA value of £2.2 million and data & analytics company from N America with a GVA value of £722k.
- Created 17 new Urban FDI opportunities
- Delivered £1.1 million GVA from T&G companies (£219.2k MIBP and £880.2k BGP).
- Recruited 16 urban companies for MIBP and BGP cohorts (6 and 10 respectively).

NEXT QUARTER

- Participation in 3rd party events including - Real Estate Live, Capital West London Growth Summit Autonomy 2022 and Cleantech Forum Europe.
- Organising Let's Talk London Sustainability event as part of BGP Impact Cohort
- Updating London for Mobility collateral

ACTIVITIES

- MIBP Trade Mission to SLUSH in December
 - 3 urban companies
 - 86% of mission participants are confident they will win business because of the mission
- Organised 4 urban sector events:
 - Bespoke webinar for Berlin Brandenburg Energy & Mobility Network
 - Future of European Cleantech webinar
 - Meet the Stakeholder - Reach/ Second Century Ventures
 - London goes to SLUSH pre-mixer

ACTIVITIES

- Participation/ engagement in 3rd party events:
 - MOVE London – exhibition stand and 3 speaking opportunities
 - SLUSH – MIBP Mission
 - Propel by MIPIM NYC
 - CoMotion LA
 - Real Estate Live – marketing partner
 - CREtech London – marketing partner + speaking opportunities
 - Cleantech Forum Europe – community partner
 - GovTech Summit – community partner

Visitor Economy



Conventions & Business Tourism

ACTIVITY	KEY WINS	BIDS
<ul style="list-style-type: none"> Attendance at ClicGlobal Incentive Summit - October 2021 USA; 20 121 appointments with ket incentive buyers IMEX America 2021 ; attendance with 3 London partners; 150 total appointments over 3 days; 200 new leads and 1 event confirmation CVB Partner day – Insights, Green London, Data Meeting with DCMS /ABPCO/VB re post Brexit travel & entry issues The Meetings Show – London area, speaker panel Association of British Professional Congress Organisers Festival of Learning event Association Excellance awards ICCA Congress European Hub attendance MIA Ignite conference attendance IBTM Barcelona, London presence on VisitEngland stand Sustainability ongoing activity for Green London for events Mash Media – Conference News 2 page spread on London CVB for UK Planners. Renaissance Paris, client event 40 buyers 	<p><u>Associations</u></p> <ul style="list-style-type: none"> Ecocity Builders from the USA , 1000 x 3 days June 23 £395k GVA Barbican Intl Society of Ultrasound in Obstetrics & Gynaecology (ISUOG) from the UK , 2000 x 3 days Sept 22 £751k GVA <p><u>Corporate</u></p> <ul style="list-style-type: none"> Avantax top producers from USA. Wealth Management company 500 x 5 days 3262k GVA Titanic – the Exhibition, from Fever Up (Spain) , Public Exhibition at Dock X Dec – Mar 22 £1m GVA Altitude X – Technology Exhibition - Peak – Manchester based Tech coprorate, 2 x days with 500 pax per day – Printworks – 05/04/22 - 06/04/2022 - £95,000 GVA 	<ul style="list-style-type: none"> ISDE (Esophagus) 2024 – lost due to cost AAIC (Alzheimer's) 2026 – submitted in January WCA (Audiology) 2028 – submitted in January New Bid Knee Society 2024 World Humanitarian Forum 2022 – support to retain in London

Major Events

DELIVERED/SUPPORTED

- Supported GLA with Borealis. Sourced venue for VIP reception
- Facilitated speaker for London at Formula E stand at COP26 (Laura Citron)
- Supported the Boat Race in venue procurement for press launches

WON/BIDDING

- Contributed to bid for Eurogames 2025
- Contributed to bid for Ryder Cup 2031

OTHER

- Steering groups for key accounts inc Laver Cup, RLWC
- Exploratory conversations with Sport Climbing, eSkootr Championships, WWE
- Attended EGX, ESI London
- Reviewed and updated Prospecting work for new business opportunities

Leisure Marketing summary

Domestic (to update for Q3)

The Let's Do London domestic campaign continued through Q3 with a focus on:

- Winter Lights / Xmas activations
- City of London / Borealis campaign

Final results have now been confirmed as follows:

- £70m additional consumer spend based on 280k additional visitors to London with an ROI of 18:1.
- 95% reach within our target audiences via our paid media spend.
- 1 in 3 of our target audiences are able to recall the campaign creative (difference between those who can or cannot recall the campaign).

International (to update for Q3)

Commissioned by the London Tourism Recovery Board, L&P will deliver an international visitor recovery campaign in 2022.

The campaign will drive incremental visits and spend from US, France and Germany. Paid media will drive both inspiration (awareness) and visits (conversion) working closely with partners, stakeholders and the wider tourism industry to fast-track the recovery of the international visitor economy to 2019 levels. Campaign launch is currently planned for mid-April to mid-May subject to timings for confirmation on funding.

Key considerations / status:

- Final budget to be confirmed (mid Feb) and will inform strategic approach including markets, audiences and industry funding model.
- Wavemaker appointed as L&P's media agency via a direct award, M&C Saatchi appointed as creative agency further to a RFP under CCS framework.
- Campaign planning underway – refining target markets, channel partners, audience segmentation, messaging hierarchy, in-market testing and timings.

Visit London channels performance

Social media engagement and growth

- Visit London social channels generated **8.6 million engagements** in Q3.
- Visit London gained over **48k new followers** across Instagram, Facebook, TikTok and Twitter channels (3.2 million total followers).
- We hit our Visit London paid and organic targets for the year this quarter, surpassing **21.5 million engagements** in total for 21-22.

Social media content

- The Christmas campaign generated over **4.5 million engagements** during this quarter, proving to be a great fit for the Visit London audiences.
- The Christmas at Kew Gardens video performed particularly well, generating over **1.2 million views** on Facebook alone.



London Brand

London Brand - PR

CONSUMER PR SUMMARY

This quarter saw continued focus on the Lets Do London campaign targeting UK wide audiences to visit London

Activity included:

- Supporting the Pop-Up London press launch during the autumn half term
- Targeted press trips for the Winter Lights season press trips - resulting in national and regional coverage
- Supporting coverage for the festive bus wrap campaign in partnership with TfL
- Promotion of Borealis in the City of London

BUSINESS PR SUMMARY

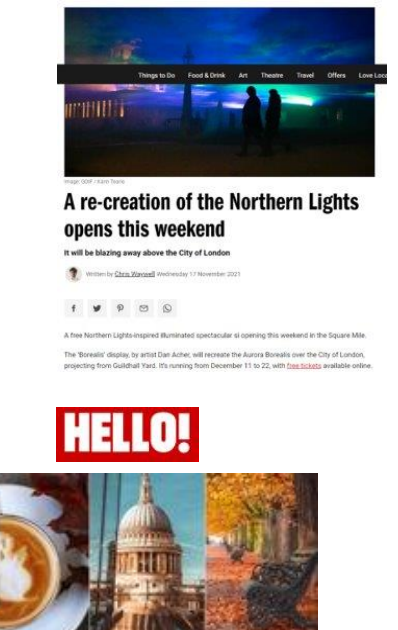
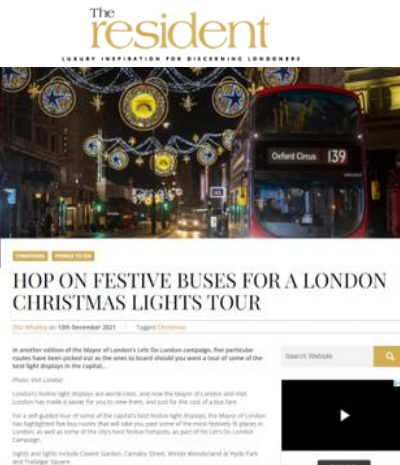
This quarter saw a strong focus on the COP26 conference taking place in London, with an integrated marketing PR campaign, along with PR activity around annual events in the tech/business. Coverage was achieved across all core international markets.

- In the lead up to COP26, the PR team launched a report and press story in partnership with Dealroom to shine a spotlight on London as a leading hub for climate tech. This delivered excellent press coverage including firsts in top tier titles such as Fast Company
- To coincide with the Silicon Valley Comes to UK conference, the L&P press team developed a story to promote the growth of London's health tech sector.
- Released press story to events trade press to coincide with IMEX America conference, encouraging international meeting and event planners to consider London.

Q3 PR results:

Total pieces of coverage: 665
Global audience reach: 2,632,390,146
Global engagement: 21,059,121

London Brand – PR: Consumer press highlights



London Brand- PR: Business press highlights



London becomes top hub for healthtech, investments increase to \$1bn



As per the latest data from London & Partners and Dealroom, the UK and US are driving forward the rapid growth of the global healthtech sector. It shows that the \$51.3 billion funds have been pumped into global healthtech startups in 2021. Notably, this is up from 280 percent in 2016.

UK and US drive global growth in healthtech sector

19/11/2021 - 9:50AM

RELATED TOPICS

Surveys & research



The UK and US are driving forward the rapid growth of the global healthtech sector, with latest data from London & Partners and Dealroom.co showing a record USD\$1.3 billion has been pumped into startups already this year, up 280 per cent on 2016 levels.

Les Echos

London is now Europe's climate tech powerhouse

Frankfurter Allgemeine

ZEITUNG ● FAZ.NET

Klimaschutz-Start-ups sammeln 32 Milliarden Dollar ein

Maddyness

2021, une année record pour les investissements dans les Climate Tech

sifted/



Sustainability/Climate Tech/Analysis/

In data: The big money behind London's climate tech ecosystem

A new report has detailed the staggering amounts of money being raised for climate tech in London as well as other European hubs

CITYA.M.

16-12-2021

The cities of the world will give us the entrepreneurs to solve the climate puzzle

LAURA CROON



Getty Images/Chris Wedel. The man is a portrait of the capital's network of venture capitalists by 2020 and the city's status by 2025. (Photo by Laura Croon/Getty Images)

Investment in climate tech companies has increased five-fold since the Paris Agreement was signed in 2015. This year, there has been venture capital investment in climate tech than in all of 2020. That's good news – but it's not enough.

Cities have questions to answer for their role in creating pressures on the climate – but they also provide solutions.

Only with the world's best entrepreneurs can we tackle climate change. That innovation needs investment and support to scale the challenge. London is brilliantly placed to do that: we have the entrepreneurs, the capital, the global connections and the support networks. But London must work with other world cities to scale innovation at the speed needed to achieve our shared climate goals.

imex
america NEWS CENTRAL

DESTINATIONS ACCOMMODATIONS & VENUES ASSOCIATIONS MORE

Published: Nov 9th, 2021

A welcome trend for London



London events are increasing exponentially in the wake of the pandemic, signifying that event planners are putting their faith back in London.

CMW
CONFERENCE & MEETINGS WORLD

Number of events in London increase 231% month-on-month

Europe Events

by Marion Puzard November 11, 2021 No Comments



New data has revealed that the number of events in London, UK is increasing exponentially. The data has been released by London & Partners' meetings and events benchmarking partner, Venue Performance, and shows London venues increased the number of events they ran by 231% in September 2021, compared with August 2021.

THE ECONOMIC TIMES

India among world's top 10 for climate tech investment: Report

VentureBeat

Report: Climate tech investments surge fivefold since Paris Agreement

Income Growth Opportunities



Commercial & Partnerships

ACCOUNT MANAGEMENT

Tourism Partnership Programme:

Income achieved: £ 646k (target of £600k) against a continued backdrop of sector uncertainty.

Wide range of content delivered to partners including the following events: Social Media Club with Tik Tok; Convention Bureau Day – London's Sustainability Story and email comms

London Tourism Awards launched generating 42 entries (LTA will be held in Q4 at The Guildhall).

Planning for Tourism Means Business, our flagship tourism conference.

A range of new business development for FY22/23

Inward Investment Partnership Programme:

Income achieved: £409 (against target of £400k)

BAU account management and comms activity.

Account Management team are continuing to work with colleagues across the business to improve processes in order to continue to demonstrate value to partners.

Income Generation

To allow us to coordinate to development of our income growth opportunities, we have adopted a portfolio approach. This includes the necessary tools and governance to allow us to assess, develop and approve all income opportunities and track outcomes once live.

How we manage the income growth portfolio

Identifying new opportunities – New opportunities identified are progressed through existing governance structures to determine whether to proceed or not with the case. If an opportunity is approved, it is added into the portfolio. The portfolio is overseen by the CEO and managed by the Finance Director and the Strategy Director.

Governance - All projects must be approved through our existing governance before any commitment of resources/costs.

Tracking progress – Each month, a detailed dashboard is developed and discussed in a Business development group. This allows for regular scrutiny to be applied

Reviewing and prioritising our portfolio – The portfolio is reviewed regularly by our Finance Director and Strategy Director. This is reported back to our Management Committee to support any prioritisation decisions as needed. This has resulted in some project being paused and others being accelerated.

Key challenges and risks to delivery

The key challenges to delivery relate to several common areas:

Resourcing – Capacity across the business is constrained and there is a need to prioritise effectively to ensure best use of resources.

Management Capacity – Management capacity is needed on multiple project as well as BAU.

Project management capacity – Project management capability is important to deliver on some of our larger projects. Internal training is being delivered to support.

Overlap of customers – A number of our income opportunities target the same customer groups and there is a risk of not being coordinated in our sales approach. The corporate engagement team will play a key role in mitigating this.

Corporate Engagement and Income Generation

- Our priority for Q3 has been to continue supporting several income generating partnership opportunities, including London Leaders Network, Open Innovation Fellowship and the Sustainability Programme.
- The Corporate Engagement team have successfully secured three partners for the London Leaders Network. They are:
 - HCL – Founding Partner – an Indian multinational information technology services and consulting company
 - Personio – Founding Partner – a German HR software company
 - WeWork – Founding Space Partner (subject to final contract) - WeWork is an American commercial real estate company that provides flexible shared workspaces for technology startups and services for other enterprises.
- The CE team supported the well attended London Leaders Network community event in November at the Barbican where Rajesh presented.
- In collaboration with London First, Compass Group and JLL, London & Partners co-hosted the Bringing COP26 to London Reception. This pre-COP26 networking reception has seen business leaders and public sector stakeholders hear inspiring speeches and take part in cross-sector discussion to celebrate the role of London in meeting the UK's 2050 net zero carbon commitment. The CE team has played an instrumental role in supporting this event which proved to be a huge success.
- The CE team also supported the Mayor's C40 event for International Mayors.
- The CE team collaborates with the GLA Business Engagement team and the Deputy Mayor for Business on specific client meetings and has provided support, examples include meeting with KPMG, Intuit and Amazon.

Strategy & Operations



Strategy & Corporate Affairs

SUMMARY

- Throughout this report, it is evident that L&P continues its strong performance, and the strategy-led Q3 Business Plan Review has proven valuable to optimise delivery and utilisation of budgets and resources across the company.
- As in previous quarters it highlights the relationship between capacity/spend/ income and the challenge to pace the organisation. As reflected throughout this quarterly report, the Corona Plan B had a significant impact where we had to reduce and postpone planned activities impacting both costs and income.
- For members and partners, the directorate has delivered key insights reports, such as the Tourism Insights Webinar that are highly valued.
- Internally, the directorate continues to support the wider business by injecting knowledge and insights and being a critical friend on activities requiring cross-company coordination.

STRATEGY & PLANNING

- **Undertaken Q4 review of the 2021/22 business plan** to validate our year end position on key deliverables, outcomes and finances.
- **Prepared the 2023/24 business plan** for L&P Board approval in February.
- Ongoing support and trouble-shooting on **Income Growth Portfolio**.

SUSTAINABILITY

- **Formally pledged to Race to Zero** through the UK SME Climate Hub
- **Ran a dedicated #SustainableLondon campaign** in the lead-up to/during COP26, consisting of:
 - A FDI campaign promoting London as a global climatetech hub
 - A brand campaign to support L&P's mission to create sustainable economic growth resulting in 34K+ quality engagements, 3.7m+ press engagements and 143 pieces of coverage
- **Co-hosted and presented at a number of sustainability events:**
 - BEIS: Your Business Journey to Net Zero London event
 - Business Growth Impact Cohort launch event
 - Future of European Cleantech webinar
 - Bringing COP26 to London reception
 - Virtual Connections Café – a Journey to Net Zero
- **Published multiple assets incl. a London for cleantech proposition, Sustainability guide for business and a report on global investment trends in climate tech**

Strategy & Corporate Affairs

STAKEHOLDER RELATIONS

- Continued to work with the GLA Oversight Committee and related follow-up regarding inquiry into L&P Governance
- Witness evidence provided to two GLA Economy Committee Sessions on Tourism Recovery and Financial Services post Brexit respectively in NLA's
- Continued engagement with London Assembly Members
- Continued engagement with central government across relevant policy issues
- Increased dialogue with Devolved Nations and regions in relation to HMG's levelling up agenda
- Submission to the APPG for London as a Global City inquiry
- Supported speaking engagements for CEO, including London First's Sustainability Reception, Formula E COP26 Session and SVC2UK.
- Supported COP26 mayoral and deputy mayoral briefings throughout the week.
- Continued working with internal teams on securing Mayor and Deputy Mayor involvement including: TiE London, West End Future Occupiers programme and ASSOCHAM,

RESEARCH & INSIGHTS

- Delivered the year end tourism insights webinar to partners showcasing the latest trends in domestic and international tourism and their sentiment towards travel.
- Conveyed the latest London business trends and insights to our FDI partners via an insights webinar.
- In collaboration with Dealroom.co created and released a report on the boom in climate tech investment to coincide with the upcoming 2021 UN Climate Change Conference in Glasgow.
- Increased awareness and usage of the Insights Exchange with partners and colleagues through the delivery of presentations and training sessions.
- Published the Q3 Attractions Monitor which acts as a summary of the performance of attractions in London from July – September.
- Supported the business with their business planning activities

Operations

FINANCE

- Continued delivery of improvements to our financial systems, including building string mechanisms for improved financial control and support for business decision-making.
- The goal is to increasing provide high quality management support to the business to maximise the efficiency with which our financial power is deployed.
- A key part of that is the Quarterly review process through which we apply a cohesive finance/people/planning/systems lens to our in year performance to allow us to effectively make judgements about any necessary in year change.

TECHNOLOGY

- We have undertaken a review of the technology in the office and have upgraded it, including a refreshed wifi network which will both improve in-office connectivity and security.

HUMAN RESOURCES

- Like many organisations we have experienced a period of high staff turnover as we see the jobs market reopen after two years of pandemic impact. Changes to processes earlier in the year have allowed the team to effectively manage this period, which we anticipate to be a short term challenge.

FACILITIES

- In Q3 we have to take the company back to home working. We are now able to do this well, and did so with limited productivity impact in the short term.

Top 3 risks

Risk Identified	Mitigation	Probability 1 Low to 4 High	Impact 1 Low to 4 High	RAG
Global Economic and Political Situation Cause: Continued global economic and political volatility Risk: 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
Future Funding Cause: Our core platform costs and salaries increase year on year but our grant is not-index linked. Risk: 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
Staff Welfare Government guidelines change again as cases rise impacting on employees willingness to return to the office There is a risk staff morale and engagement worsens, with higher stress levels and impacts on morale and wellbeing. This could lead to a less productive and creative workforce impacting overall performance	Additional support has been provided to staff to manage welfare. Staff workload is being managed by implementing a new flexible resourcing programme. Refurbishment of new offices in 169 Union Street is complete with staff returning to the office on a phased basis starting with 2 days a week from 19 th July. Concerns about rising COVID case numbers and test and trace notifications and "pings" impact on resourcing levels.	3	3	A

Finance highlights – Income Q3 2021/22

	2020/21 Actuals Prior Year	2021/22 Actuals Q3	2021/22 Budget Q3	2021/22 Forecast Full Year	2021/22 Budget Full Year
	£000	£000	£000	£000	£000
Income - GLA Funding					
GLA Grant - Core	13,136	8,378	8,377	11,170	11,170
GLA Grant - other	280	3,172	3,000	3,324	3,000
Total Income - GLA Funding	13,416	11,550	11,377	14,494	14,170
Income - Non - GLA Funding					
Other Grants	1,281	812	1,163	1,235	1,545
Mission Driven Activities	1,485	1,753	1,261	2,072	1,628
Commercial Ventures	2,343	821	1,069	1,739	1,976
Other Income	61	0	0	0	0
VIK	2,337	4,748	2,744	4,748	3,010
Total Income - Non GLA Funding	7,507	8,134	6,237	9,793	8,159
Total Income					
Total Income	20,923	19,684	17,615	24,287	22,329
Total Income Less VIK	18,586	14,936	14,870	19,539	19,319

Summary

- L&P has an Q3 outturn position of a £41k deficit against a budgeted deficit of £433k.
- Income is ahead of plan by £65k although this is due to the phasing of the London Recovery budget (showing a £714k fav. Variance). Excluding this, shows that income is £649k behind plan.
- Whilst costs are already lower than budgeted by £326k, this also includes additional spend on London Recovery which has been offset by additional income. Excluding this from the position means that the underlying cost base is £1,040k lower than budgeted.

GLA Funding

- GLA Core Grant funding as budgeted and agreed with GLA
- GLA recovery funding is ahead of plan by £118k due to phasing of the plan and the final value of the grant being higher than budgeted.

Other Grants

- ERDF funding £350k lower than budgeted because of lower than planned activity

Finance highlights – Income Q3 2021/22

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Mission Driven Activity

- Mission Driven activity £492k higher than budgeted due to:
 - Unbudgeted Tourism industry contributions of £597k towards the London Recovery campaign. There is an equivalent increase in expenditure to offset this amount. Excluding this, the underlying position for Mission Driven Activity is £105k behind plan.
 - Unbudgeted Business Tourism income from the NorthStar Campaign in North America offset by significantly reduced partnership income for IMEX Las Vegas. (£93k adverse). This reduction in partners was offset by a significant reduction in overall expenditure.
 - Partnership income higher than budgeted by £30k which is a significant improvement from Q2 (£9k adverse) as additional partnerships have been sold through Q3, particularly in Tourism.
 - MIBP Sponsorship revenue higher than budgeted by £12k as new sponsorship agreements have been agreed and invoiced.
 - Royal Docks £41k lower than budgeted following a reduction in the scope of support provided.

Finance highlights – Income Q3 2021/22

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Commercial Ventures

- Commercial income is £248k lower than budgeted due to:
 - LPV recharges being lower than planned due to vacancies and lower than planned e-commerce platform costs (£103k adverse)
 - Delays in launching London Leaders Network and slower the planned uptake. The platform and programme launched in December rather than September as previously planned. This combined with slow uptake has meant that we are £30k adverse to plan.
 - HUMAN was budgeted to take place in December and an income target of £117k was included in the plan. This has not taken place and further activity on HUMAN has now ceased.

Finance highlights – Costs Q3 2021 / 22

Costs

The following commentary provides an overview by each directorate within L&P. The overarching reason for the underlying favourable variance (excluding London Recovery costs) to budget is ongoing deferral and downscaling of activity leading to costs being lower than normal as uncertainty over the pandemic continues to impact delivery.

Business Growth

- £587k lower than budgeted as a result of:
 - £201k favourable variance on ERDF programmes as a result of reduced events and trade mission costs.
 - £38k favourable variance on International travel as a result of ongoing restrictions.
 - £171k favourable variance in international offices following a decision to downgrade or exit from permanent office spaces and move towards more flexible shared working arrangements. Ongoing restrictions have also resulted in reduced Business Development costs (fav. £53k).
 - £86k favourable variance on SVC2UK as the cost of running the summit was significantly lower than planned and deferred related activities.
 - £32k favourable variance on FDI as conferences, events and business entertainment activity has been significantly lower than planned due to restrictions with many activities moving to virtual.

	2020/21 Actuals Prior Year	2021/22 Actuals Q3	2021/22 Budget Q3	2021/22 Forecast Full Year	2021/22 Budget Full Year
	£000	£000	£000	£000	£000
Expenditure					
Business Growth (incl MIBP, BGP)	662	613	1,201	893	1,572
Commercial	7	21	92	63	159
Destination	58	203	472	333	508
Marketing	1,581	4,435	3,853	4,917	4,117
Strategy	238	164	226	270	303
Operations & Governance	2,924	1,220	1,326	1,741	2,160
Salaries	13,002	8,320	8,133	11,100	10,804
Total Expenditure	18,471	14,977	15,303	19,318	19,622
Surplus / (Deficit) pre tax	115	(41)	(433)	221	(303)

Finance highlights – Costs Q3 2021 / 22

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Commercial

- £71k underspent due to significantly reduced events costs on partnerships programmes and limited spend on other commercial areas whilst the Director and Managing Director posts remained vacant during Q3.

Destination & Major Events

- £269k underspent primarily due to:
 - Euros spend reduction as a decision was made to reduce our presence/attendance at the events. This led to lower costs and various refunds on tickets previously purchased (£80k).
 - Business Tourism sales activity and events have been deferred as a result of the ongoing uncertainty around restrictions and the impact on Business Tourism (£28k).
 - Reduced presence at IMEX Las Vegas as a result of lower partnership income has resulted in a favourable variance against plan of £162k. This offsets the income shortfall. There are likely to be some additional costs as we review the status of the current stands and potentially dispose of any remaining net book value (c£20k).

Finance highlights – Costs Q3 2021 / 22

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Surplus / (Deficit) pre tax	115	(41)	(433)	221	(303)

Marketing

- £581k ahead of budget as a result of the increased funding for the London Recovery Campaign which has been spent (£714k) and the VisitBritain grant funded activity for which there is additional income to offset (£55k).
- After excluding the above, there is an underlying £187k underspend. This primarily relates to:
 - Business Marketing, where activity has been lower than planned although there is an expectation of increased activity in Q4 (£32k favourable)
 - CRM, Platform and marketing tools (£140k favourable) as a number of system changes initially planned for implementation this year have been delayed. The most significant of these is the sitecore upgrade which is now planned to occur in FY 2022/23.

Strategy

- £62k underspent against budget. This is due to ongoing deferral of some research activity which has led to reductions in data source requirements as well.

Finance highlights – Costs Q3 2021 / 22

	2020/21 Actuals Prior Year	2021/22 Actuals Q3	2021/22 Budget Q3	2021/22 Forecast Full Year	2021/22 Budget Full Year
	£000	£000	£000	£000	£000
Expenditure					
Business Growth (incl MIBP, BGP)	662	613	1,201	893	1,572
Commercial	7	21	92	63	159
Destination	58	203	472	333	508
Marketing	1,581	4,435	3,853	4,917	4,117
Strategy	238	164	226	270	303
Operations & Governance	2,924	1,220	1,326	1,741	2,160
Salaries	13,002	8,320	8,133	11,100	10,804
Total Expenditure	18,471	14,977	15,303	19,318	19,622
Surplus / (Deficit) pre tax	115	(41)	(433)	221	(303)

Operations & Governance

- £106k underspent against budget. This is due to:
 - £91k underspend on Finance, primarily due to lower than planned depreciation charges and increased VAT recovery rates. Changes to depreciation has arisen as a number of planned IT system upgrades and hardware refreshes have been deferred either to later in this financial year or to the next financial year.
 - £104k underspend related to prior year accruals for the office move and dilapidations. £60k of this was not required as an accrual at the year end and is presented as an unadjusted journal within the Audit Findings Report. £44k relates to costs which on review and discussion with the supplier were capitalised in this financial year.
 - Offsetting the underspends above, we are overspent on IT (£56k) and HR (£54k). The IT costs are higher than planned due to increased licensing costs as well as various business critical projects that have had to be implemented (e.g. Sharepoint refresh, cyber essentials). HR is overspent primarily due to recruitment costs and increases in HR Services fees.

Salaries

- £187k overspent against budget. This is due to actual vacancy rates being lower than planned and the cost of short-term cover for those members of staff on parental leave.

THANK YOU

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& PARTNERS