

London Assembly (Plenary) Meeting – 2 November 2016

Transcript of Agenda Item 3: Question and Answer Session – London & Partners – Opening Statements

Tony Arbour AM (Chairman): The function of the meeting initially today is to put questions to the Chair of London & Partners and the Acting Chief Executive. Good morning to you both.

Andrew Cooke (Acting Chief Executive, London & Partners): Good morning.

Tony Arbour AM (Chairman): This will be a question-and-answer session with the Deputy Mayor for Business, who is the Chair of London & Partners, and Andrew Cooke, the Acting Chief Executive of London & Partners, on the work of London & Partners. There will be four questions in total, which Assembly Members will have tabled. There will be supplementary questions after each question has been answered.

I would like to ask you, gentlemen, whether or not you would like to make opening statements. Can I say to you, Deputy Mayor, it is a pleasure to see you at your first meeting of the Assembly?

Rajesh Agrawal (Deputy Mayor for Business and Chair, London & Partners): Thank you very much.

Tony Arbour AM (Chairman): Do you want to kick off with a statement?

Rajesh Agrawal (Deputy Mayor for Business and Chair, London & Partners): Yes. Good morning, everybody. I am Rajesh Agrawal. I am the Deputy Mayor for Business and I am the Chair of London & Partners. This is my first political appointment. I come from the business world.

London & Partners is the Mayor's official promotional organisation. It was created in 2011 to promote London as the world capital of business, the world's top international visitor destination and the world's leading centre of learning and creativity. It is a not-for-profit company limited by guarantee, funded by the Mayor of London and London & Partners' network of commercial partners.

I want to start by thanking the Assembly for giving us the opportunity to come here today. It is timely that we should be having this question-and-answer session about London & Partners now. Firstly, we are dealing with the implications of the European Union (EU) referendum vote. Secondly, we are facing increasing competition from other cities. The promotion of London has, therefore, become even more important. This is also recognised by the Mayor in *A City for All Londoners*, published last week. Competition from other parts of the world has increased greatly, which ups the ante when it comes to international promotion. London needs to be continuously and strongly promoted to maintain its global position, especially in the light of the EU referendum.

London & Partners has a fundamental role to play in this. The key thing is to ensure that in a post-Brexit world we maintain London's competitive position and London & Partners will be critical to ensuring that we get the right positive messages about London to the rest of the world. I will work with them to make sure that they have a strategy and the tools they need to bring even more international investment to our city, including

large global sport and cultural events. In response to the EU vote, London & Partners has been working closely with us on the Mayor's "London is Open" campaign to show the world that London continues to welcome global visitors, businesses and students.

Due to this changed context and alongside the new administration's priorities, two months ago the Mayor initiated a review of the funding and governance of London & Partners. The purpose of this review was ensuring the Greater London Authority's (GLA) funding contributes to the best possible promotion of London through being responsive to these challenges and how London & Partners can best support the Mayor's strategic objectives, which we believe is through London & Partners focusing on its strengths, which is the promoting of London as the best city in the world in which to invest, work, study and visit. We are currently finalising the review recommendations and they should be published in the next two to three weeks. We will of course share these with the Assembly as soon as they are available.

I am now going to hand over to Andrew to share with the Assembly some more of the details of London & Partners' work.

Andrew Cooke (Acting Chief Executive, London & Partners): Thanks very much, Rajesh. If I may, I would like to give you some of the highlights of what London & Partners' promotion has delivered so far.

Since we were founded in 2011, we have added over £1.2 billion to London's economy on a Greater London Authority (GLA) investment of £48 million by attracting tourists, conventions, major events, businesses and international students to the city. We have created or supported 38,000 jobs in London and helped over 1,300 companies to set up or expand in London. On top of that, we have generated more than £500 million of positive publicity for London, particularly focusing on the city's strengths as a cultural powerhouse, which is the main driver for tourism and vital in terms of attracting businesses and as a place to live, as a technology hub - it is our fastest growing cluster, creating one in three new jobs - and also as a centre for life sciences, following significant public investments in new facilities for research and development.

We have also leveraged additional funding for promoting London. This year, for the first time, we will have more funds from non-GLA sources than from the GLA. When we were first founded, non-GLA funding accounted for about a quarter of our funds and so we are augmenting and leveraging the GLA grant very effectively.

We have also become a more effective and efficient organisation over the last five years, improving our return on investment from 13:1 to 18:1. As we have matured, we have also become an employer of choice. We have moved up the not-for-profit rankings of the *Sunday Times* Best 100 Companies to Work For. Last year we were 86th and this year we are 44th.

This work has really helped London to perform strongly. We are on the third record year for tourism. A record 31.5 million domestic and international tourists came to the city in 2015, an increase of 20% on five years ago. We are retaining status as the number-one ranking for international students, helped by London being the only city with four of its universities being in the top 50 worldwide and London being the leading destination for foreign direct investment (FDI) in Europe. In 2015 London attracted twice as many investment projects as its nearest European city, Paris.

However, as Rajesh [Agrawal] says, we cannot be complacent; otherwise, London loses out. For example, whilst we are doing extremely well in terms of tourists coming to the capital, in the global context we are actually losing market share, with much weaker growth than European city competitors. All of this equals less

spend in the London economy. Following the decision to leave the EU, as Rajesh has said, our job is even more important to show the world that London continues to welcome global visitors, businesses and students.

Tony Arbour AM (Chairman): Thank you very much.