



LONDON & PARTNERS

2011-2012 BUSINESS PLAN

Management summary – version 2.0

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1. OVERVIEW

This document is a management summary of the first year business plan for London & Partners. The document includes the vision, mission, objectives, strategic framework and year-one priorities for the agency, with reference to the medium and longer term strategy. A comprehensive slide pack is also available including the background market context that has informed the plan and detailed plans for each of the organisation's functions including key objectives, KPIs and activities for the first year.

This one year plan will be followed by an in-depth three year plan for the remainder of the funding agreement to be developed once the organisation is up and running.

2. INTRODUCTION

1. Budget and entity

On the 20th December 2010 Boris Johnson – Mayor of London, confirmed funding for the international promotion of London of £56 million over a four year period. The new agency, London & Partners Ltd, was registered on 14th January 2011 as a private company limited by guarantee.

The name of the company reflects its intention to work in partnership with organisations in London and across the world to deliver its objectives. The agency will work closely with relevant stakeholders to champion London as THE destination for visitors, businesses and students. The name clearly states from day one what is important and how the agency plans to deliver mutual benefit - for the city and its partners. Working in Partnership is and will always be at the heart of the organisation.

2. Operations and effectiveness

London & Partners will build on the excellent work to date of the staff and Boards of the existing promotional bodies, as well as of the London Development Agency and leverage the efforts of national agencies including UKTI and Visit Britain. Operating efficiency and economic value for London are at the heart of the rationale for action and underlying principles, as follows:

i. Rationale for action

- Enable the development of a single, integrated strategy to promote London and maximize its impact.
- Communicate a compelling London value proposition with a single voice and brand.
- Maximise the impact of our work by sharing skills and experience across a wider range of activities.
- Reduce duplication, create greater efficiency and deliver value for money whilst also allowing flexibility.
- Co-ordinate promotional activity in the run-up to the 2012 Games.

ii. Underlying principles of intervention

- To ensure that London's positioning and reputation are led by the Mayor and addressed through clear and co-ordinated activity, influencing and leveraging a wide base of promotional initiatives.

- To translate enhanced reputation and brand for London into economic advantages (jobs, investments, skills, economic growth) and a range of future opportunities for London.
- To be flexible, to address changing circumstances and major opportunities as they arise in the future with adaptable and responsive arrangements.

3. MANDATE

Together with the committed budget, the Mayor of London provided the following mandate to London & Partners, in line with the GLA's Economic Development Strategy. The Mayor's objectives for the agency are to:

1. Promote London as the world capital of business, the world's top visitor destination and the world's leading international city of learning and creativity:
 - i. Targeting established and fast growing international businesses to encourage them to set-up global, European or UK headquarters in London, encouraging the promotion and growth both of London's existing global leading sectors and also of potentially growing and emerging sectors.
 - ii. Encouraging the retention of Foreign Owned Businesses in London by delivering business growth support.
 - iii. Attracting leisure and business visitors to London, providing compelling reasons for them to spend more, stay longer and return.
 - iv. Enhancing the efforts of London's HEIs to attract overseas students and leveraging London's global alumni network to capitalise on tourism and inward investment opportunities.
2. Work closely and collaboratively with a wide range of other public and private institutions to ensure there are consistent and effective messages promoting London as a leading place to study, invest in and visit:
 - i. Consolidating and strengthening messaging under a single London brand.
 - ii. Developing, promoting and safeguarding the London brand, ensuring that it reflects the breadth of the city's talent base and the richness of its offer.
 - iii. Maximising a wide range of show-casing opportunities, such as the Mayor's programme of cultural campaigns and festivals, major indigenous events (such as London Fashion Week, the London Film Festival and the London Design Festival), and London's global screen presence as a means of promoting the capital's cultural vibrancy and creativity.
3. Take full advantage of the opportunity of the 2012 Olympic and Paralympic Games and its legacy to promote London to the world, working with LOCOG and other key partners:
 - i. Showcasing London and selling London's proposition to the world's media and key target investors.
 - ii. Ensuring a welcoming and affordable visitor experience.

4. SCOPE AND REMIT

The remit of the new agency will be to promote the whole of London's economy, where there is a good public sector rationale to do so, building on the excellent work to date to promote tourism, inward investment and higher education by Visit, Think and Study London. Currently there is one member – the Mayor. Discussions are ongoing with organisations representing the tourism industry and business more generally about becoming members. The intention is that the agency will be majority business led.

The core remit of London & Partners is to:

- promote London to potential tourists, foreign investors and international students
- persuade them to chose London over competitor locations to visit, invest, and study
- deliver a suite of added-value services through a variety of channels including public and private sector partners
- enhance their customer experience to increase their loyalty and their likelihood to stay longer/return/ expand their activities.

London & Partners will generate unique insight and share intelligence with GLA and other stakeholders in order for them to shape the London business environment and make it a more competitive destination. It will act as the voice of its core audiences but is not a lobbying organisation.

Whilst the main focus of the agency will be on the international promotion of London, certain segments will also focus on domestic audiences such as leisure tourism and supporting London based companies to maximise opportunities around the 2012 Games. Appendix IV highlights the rationale for focusing on domestic as well as international leisure tourism audiences.

International Trade services are currently delivered in London on behalf of UKTI by GLE Enterprises. Given that trade and investment are two sides of the same coin, London & Partners will look to work closely with the London trade team to maximise synergies ad share sector expertise and knowledge.

5. VISION, MISSION, OBJECTIVES AND KPIS

Vision

'That London will be recognised globally as the best big city on earth'

Mission

Passionately champion London's excellence with one confident voice to business, students and visitors

1. Objectives

The key objectives for the organisation are as follows:

1. To generate incremental economic value for London by:
 1. Attracting and generating spend from students and visitors
 2. Attracting, accelerating and expanding mobile investment in London
 3. Leverage private sector investment and expertise
2. To maintain or enhance the position of London in leading rankings to be:
 1. The world's no. 1 destination for international visitors and students
 2. Europe's no. 1 destination for FDI

3. A top 10 global destination for events and conferences
3. To be recognised by our clients, staff and stakeholders as a world class organisation
4. To showcase the London brand worldwide

2. Key Performance Indicators

In year one London & Partners will work with the GLA to agree a common set of measurements for the new agency looking at overall GVA. Until this measurement and methodology are approved, London & Partners will be measured against historical key performance indicators as highlighted below:

2011-2012 Objectives	Measures
1. To generate incremental economic value for London by:	to be developed in 2011-2012 with GLA
1. Attracting and generating spend from students and visitors	Event driven economic benefit
	Event enquiries
	Conversions
	Leisure Economic Benefit ROI
	# of students coming to London that were influenced through marketing activity
2. Attracting, accelerating and expanding mobile investment in London	FDI Economic Benefit ROI
	# of projects/completions
	# of jobs (year 1 inc Safeguarded)
3. Attracting private sector & other non-grant funding	Value commercial revenue (£)
2. To maintain or enhance the position of London in leading rankings	
1. The world's no. 1 destination for international visitors	#1
1. The world's no. 1 destination for international students	#1
2. Maintain Europe's leading position for FDI	#1
3. Improve global destination ranking for events and conferences	among top 10 by 2015
3. To be recognised as a world class organisation	
by our clients	satisfaction rate
by our staff	satisfaction rate
by our stakeholders	satisfaction rate
4. To showcase the London brand worldwide	to be developed in 2011-2012 with GLA - could be an aggregation of existing ranking tracking specific attributes on perception
red	to be developed

6. MARKET CONTEXT AND STRATEGIC FRAMEWORK

1. Market Context

The following PESTLE and SWOT matrices identify and analyse the external context and internal factors that identify opportunities and threats to London & Partners

Factor	Positive	Negative	Uncertain
Political	<ul style="list-style-type: none"> ▪ Mayor of London a strong voice for Leisure and business tourism, FDI and higher education and need for continued public investment in London. ▪ Boris Johnson managed to secure funding for transport in London ▪ 2012 Games provides a unique opportunity to collaborate with national government on increasing economic growth in London over next 3 years. ▪ Creation of London & Partners shows commitment to the promotion of London. 	<ul style="list-style-type: none"> ▪ National policy measures are eroding London's attractiveness: immigration ... (see regulation) ▪ A lower settlement for London & Partners than bid for. ▪ National policy encouraging FDI to other parts of the country through tax breaks. 	<ul style="list-style-type: none"> ▪ Impact of austerity budget on UK's economy in the long run.
Economic	<ul style="list-style-type: none"> ▪ Lower cost of living in London, previously been a big negative ▪ The London economy is consistently above the UK average in all economic indicators ▪ Regeneration of East London (inc. area around Olympic Park and Tech City) provides an opportunity for increased investments. ▪ Current predictions from the International Monetary Fund are for global activity to expand by 4.8% in 2010 and 4.2% in 2011. ▪ From 2011 to 2012, the recovery in FDI flows is set to gather momentum. Global inflows are expected to pick up to rise further to \$1.3–1.5 trillion in 2011, and head towards \$1.6–2 trillion in 2012. ▪ Visitor expenditure forecast to increase by 3% 	<ul style="list-style-type: none"> ▪ UK weakest of major G20, with growth at -0.3% in Q3 2009 ▪ Bankers bonus tax, 50% personal rate, and 'non-dom' tax has threatened entrepreneurialism ▪ No clear proposition or incentives for 2012 legacy makes the opportunity a little ambiguous. ▪ Retail sales are a bellwether of consumer sentiment – early 2011 these have recovered in emerging economies but have been lagging in advanced territories. ▪ These FDI prospects are, however, fraught with risks and uncertainties arising from the fragility of the global economic recovery. 	<ul style="list-style-type: none"> ▪ The role of LEP/SRP and their FDI/business support remit. ▪ Will cancellation of Western congestion charge extension re-stimulate those areas? ▪ Change in FDI delivery in UK with UKTI appointing a 3rd party contractor. ▪ Unknown impact of Visit Britain business visits and events unit shutdown ▪ Unknown about Japan's situation as 4th source market for FDI to London
Social	<ul style="list-style-type: none"> ▪ Unemployment has created a deeper and wider talent pool ▪ With over 42 Higher Education Institutes (HEIs) London's academic excellence is underpinned by the greatest concentration of HEIs in Europe 	<ul style="list-style-type: none"> ▪ Immigration cap is seen as hindering FDI (48% think it will impact their business <i>FDI Barometer</i>) ▪ Impact of cuts has already led to student demonstrations, which may well spread / intensify. 	<ul style="list-style-type: none"> ▪ Over the next ten years BAME (Black, Asian and Minority Ethnic) groups will account for 80% of the increase in London's working age population

Factor	Positive	Negative	Uncertain	
Technological	<ul style="list-style-type: none"> ▪ London is Europe's largest online and end-user market due to its high concentration of businesses especially FS and creative industries. ▪ London is at the forefront of mobile, broadband and wireless technologies and is one of the largest and most advanced telecoms markets in the world. 2012 Games will provide an opportunity to showcase this advanced technology to an international audience. ▪ 'Tech City' initiative showcases east London's new technology cluster. ▪ Social media usage is increasing in all segments with growth potential in online travel bookings and online advertising especially paid search, online video and mobile 	<ul style="list-style-type: none"> ▪ Targets set by the Digital Britain Report are highly un-ambitious compared to existing standards in international competitors ▪ Concerns about the technological infrastructure of the city, especially power 		
Legal (Regulation)	<ul style="list-style-type: none"> ▪ UK still ranks highly for 'ease of doing business' ▪ To date the regulatory backlash to the financial crisis has been moderate and sensible domestically ▪ London is introducing strong environmental regulation to become a low carbon capital e.g. the £100m London Waste and Recycling Board fund; a decentralised energy programme; and a transport strategy including promotion of electric vehicles 	<ul style="list-style-type: none"> ▪ Stable regulatory environment has suffered greatly in recent years, e.g. PBS, CFC ▪ The Tripartite financial regulation system has been roundly criticized and is perceived as having failed ▪ There is a rising threat of draconian EU financial regulation ▪ Potential financial impact of a reduction in non-EU students on Higher Education Institutions (HEIs) in London. The Government has proposed reducing the number of non-EU students permitted to enter the UK under the Tier 4 student visa entry route. ▪ Visas hurdle impacts India, China and Russia, all of which are being eyed as hot opportunities in the medium to long term prospects for London Leisure tourism. 	<ul style="list-style-type: none"> ▪ Public pressure may force creation of new banking-related legislation. Impact? ▪ Unknown financial impact of the reduction in the number of non-EU students allowed to study in 	
Environmental / infrastructure	<ul style="list-style-type: none"> ▪ London is growing quickly due to population migration and urbanization ▪ The Outer London commission aims to develop policy and transport linkages in the main development corridors into the surrounding regions ▪ Green Enterprise District new development, major opportunities for land sales and rent ▪ London won £35million government funding for smart grid project –being managed by UK Power Networks ▪ London managed to secure budget for crossrail and the tube upgrade 	<ul style="list-style-type: none"> ▪ Limited procurement opportunity for investors with the RE:FIT and RE:NEW programmes as supplier framework for governmental project has already been approved ▪ Limited incentive at UK level for renewable energies compared global competition ▪ Green Enterprise District prices will remain more expensive than anywhere in the UK ▪ Airport capacity issues 	<ul style="list-style-type: none"> ▪ There will be a development focus on the strengthening of 'metropolitan town centres' as sub regional hubs ▪ Uncertainty around future and attractiveness of incentive measures such as feed-in tariffs, heat network policies, green deal and carbon reduction commitments 	

Strength	Weaknesses
<ul style="list-style-type: none"> • Strong expertise from each organisation in their respective segment • Commitment and passion of staff • Pride in the quality of outcomes achieved • Client testimonials & track record E • Market & customer insight • Experience of international business • Non-executive Board experience • Access to multiple business & industry expert networks • Commercial Partner knowledge & capacity C • Private sector culture & ethos 	<ul style="list-style-type: none"> • Clarity about product portfolio – organisation versus product • Fragmented approach/silo business models/ KPIs driving behaviour • Knowledge dispersed in “people’s head” • Little understanding of competition in some segments B • No consolidated market landscape analysis or integrated business planning process • Diminished resource and historical budget cuts may impact capacity to ramp up • No consolidated KPIs – no common measurement for London & Partner’s, no agreed methodology for GVA calculation (Leisure ROI not believed/ No common national evaluation methodology C for leisure marketing) • No differentiated benefit for partners’ tiering (gold, silver, bronze) • Income targets and types spread across the whole organisation leading to conflicts and non-collaboration across departments. • Different usage of CRM systems (communication/retention vs. sales management) E • No coherent partnership schemes selling cross segment opportunities to partners • Different culture, policies and processes
Opportunities	Threats
<ul style="list-style-type: none"> • ‘London’s future’ - urbanization, regeneration, recovery & growth • For the 21st year, London has been voted the number one European City for Business¹ A • European City of the Future, for the 3rd time² • Best Conference and Best Incentive Destination 2010 and offers something for everyone regardless of age, taste or nationality.³ • More cohesive promotion of London – single brand • 2012 related business opportunity around procurement & legacy D • Integration of all 2012 family • Digital convergence and greater collaboration driving growth in ICT • European HQs for non-European companies as they globalise • Green agenda and supporting policies stimulate the market B • Creative cluster gaining momentum and traction 	<ul style="list-style-type: none"> • Business attractiveness being eroded by UK policy – personal and corporate tax, immigration, company legislation • UK economic recovery lag limits local market potential for investors • EU regulation impacts financial centre attractiveness A • Indigenous skills and innovation perceived as limiting • Entering the age of austerity funding is tight and will remain so • More aggressive competition <ul style="list-style-type: none"> • in FDI from Paris, Ireland and Switzerland • in Business tourism from Dubai, Bahrain, Far east • in High education New York and Sydney • Olympic displacement threat (estimated loss of £450m leisure visitor spend pre-Games) D • No clear proposition or incentives for 2012 legacy makes the opportunity a little ambiguous. • Losing some traction with our leisure campaign partners to VB. • Potential change of Mayor C • Uncertainty around approach future roles, remits and delivery mechanisms UKTI and Visit Britain • Greater competition for private sector support and investment

¹ Cushman & Wakefield, *European Cities monitor 2010*
² *European Cities & Regions of the Future awards 2010*
³ *C&IT Hotlist 2010*

2. Strategic framework

Bringing together the conclusions from the analysis of external and internal factors above, we have identified the key issues facing London & Partners in 2011/12. It sets out the five key areas that will define our focus for the year which have been clustered in the following 5 areas:

- A. Competitiveness** - Despite its leading position, London experiences some erosion in its competitiveness and attractiveness applying, by differing degrees, to all of its key audiences - international investors, students, business and leisure tourists.
- B. Budget austerity and focus on efficient delivery** - Funding is tight and will remain so – with a reduced grant for London & Partners than was bid for taking into account whilst also needing to take into account previous budget cuts and subsequent loss of capability to the previous organisations. It will be important for London & Partners will have to identify and maximise synergies and refocus on its core delivery in an efficient manner
- C. Organisation credibility and value add for its stakeholders** – London & Partners is operating in a fast changing stakeholder ecosystem. While inheriting a strong track record from the historical entities (Study, Visit and Think) the new agency will need to build its reputation and justify its existence by rapidly demonstrating its value add.
- D. 2012 is both a threat and an opportunity** – while representing an incredible exciting opportunity for the city, its inhabitants and investors, the 2012 Olympic and Paralympics games are also seen as disruptive and could cause displacement.
- E. Becoming a world class organisation** - Merging three organisations will cause major disruption. Maintaining “business as usual” whilst preserving talent, knowledge and expertise will be critical.

These strategic pillars are shown graphically in the chart below:

Issue/Opps	Demonstrate hunger for work - are we too complacent? Recognise the threat across all markets. Focus on the differentiation of London	Funding is tight and will remain so - we need to maximise the agency's effectiveness. Need to make connection between the work we do and the investment we create	Fast changing London stakeholders ecosystem. New agency, need to build reputation and justify existence Speed of transition from strategy to execution is key .	2012 is both a threat and an opportunity . Stakeholders are looking for help to maximise opportunities and mitigate threats	Merging 3 organisations will cause a lot of disruption. Maintaining talent, knowledge and expertise is critical.
Imperative	Maintain and increase London's competitiveness	Focus on priority segments	Review and engage stakeholders	2012 and beyond a unique opportunity	Maintain momentum and staff engagement
Strategy	Promote London as the leading destination for Businesses, Visitors and Students by leveraging the capital's inherent and historical assets and dispersing negative perceptions	Focus the business, investment and resources on high value/profitable segments by developing and delivering relevant value propositions to targeted audiences	Strongly engage with stakeholders, commercial partners, customers by delivering value add through our unique insight, expertise, offering and connections	Maximise the opportunity around the 2012 games by focussing effort and resources before, during and beyond games time , integrating propositions, communications and services for the different audiences	Become a world class organisation by implementing quality assured policies, processes and integrated systems and leveraging “best practice” employment strategies to be recognised as an employer of choice.

7. YEAR ONE KEY ACTIVITIES AND SYNERGIES

Year one key priorities

London & Partners propose to specifically run activities to address each key strategy.

1. Promote London as the leading destination for Businesses, Visitors and Students by leveraging the capital's inherent and historical assets and dispersing negative perceptions
 - i. The London & Partners marketing and communications teams will **champion London with a unified brand, set of audience relevant messages and consistent tone of voice**. Never before has London had a single promotional voice and visual identity presented by a one agency and supported by the launch new londonandpartners.com website.
 - ii. **Limited Edition London**: A multi-media global campaign aiming to mitigate the effects of displacement caused by visitors staying away from the Olympic host city due to fears of overcrowding and expense. Limited Edition London will promote events, exhibitions and activities that will only happen in the city from the summer of 2011 to the summer of 2012. The core thought: *"don't defer your trip – there are hundreds of once in a lifetime reasons to visit London now"*. The campaign will launch in the UK in summer 2011; In long haul markets in autumn 2011; In Europe in autumn/winter 2012.
 - iii. **Record London***: A global PR campaign aimed at driving strong media presence for London throughout the first 6 months of 2012 and giving consumers once-in-lifetime reasons to come to London in 2012. The campaign will aim to create unique "once in a lifetime" events in the city that are accessible to everyone to have a go at.
 - a. The campaign will deliver cut through photo opportunities and topical media stories for domestic and international media. Campaign will launch January 2012 and commence July 1st 2012. There may be a pre-launch at the end of 2011 subject to the Mayor's availability.
****This campaign is not in the public domain and in the interests of intellectual copyright protection, will not be announced until November 2011.***
 - iv. **World capital of Business Campaign**: roll out London messaging: Why London for Business/ for FDI. World capital of Business will be a pervasive campaign, executed across all channels and in priority markets through sales trips in country. The core messaging will be supported by thought leadership reports we publish such as **FDI Barometer** and **London focus** around **business life cycle** and **benchmarking reports** providing evidence of London's strength as a business environment.
 - v. The Business Tourism sales teams will promote London and all of it's inherent assets through a attendance at **focused Business Exhibitions** (such as IMEX US (Las Vegas), Destinations Showcase (Washington DC), CIBTM (China), ICEX (Frankfurt), EIBTM (Barcelona)), **and scheduled sales trips**. London will be presented as an exciting, vibrant destination and our exhibition presence will ensure a 'route to market' for our partners.
 - vi. **Promote London as a leading destination for international students** by increasing and maximising online presence (Google AdWords and Microsoft online adverts) and developing a network of alumni in key markets to organise alumni led events.
 - vii. To support the roll out of global campaigns, the digital team will extend into linkedin, facebook, twitter, youtube, flickr, and other **social media networks** to supplement London & Partners reach and engage with customers in a meaningful way.

2. Focus the business, investment and resources on high value/profitable segments by developing and delivering relevant value propositions to targeted audiences
 - i. In order to **focus the business on priority segments**, London & Partners will consolidate existing knowledge at company level and conduct research to size the market opportunity and growth expectations of those segments. A matrix of priority and secondary markets and sectors has been identified below with synergies within Business Tourism and FDI identified in these markets (China, NA, India) and sectors (ICT, FS, European HQ). The in-depth customer understanding will be supported by integrating existing CRM systems to allow greater segmentation of B2B audiences.
 - ii. **Value propositions will be developed** for priority sectors and executed in priority markets (*please refer to Appendix II for more details*).
 - iii. The segmentation exercise will also apply to way the **commercial partners' relationship** is managed by identifying cross selling opportunities and tailoring the differentiated propositions to a tiered partnership model.
 - iv. London & Partners will **research and target specific major events**, working with London stakeholders to develop compelling bids to **win future major events and conventions for London post 2012 (e.g. World Athletics Championships 2017)**. The team will test specific opportunities with the rights-owners and sponsors of the following events;
 - UEFA Champions League Festival, Hyde Park (May 2011)
 - Wimbledon Championships (June 2011/12)
 - IRB Rugby World Cup, New Zealand (October 2011)
 - Heineken Cup Final Rugby, Twickenham (May 2012)
 - v. **Lead generation** will be performed in all priority markets through a combination of contracted territory managers generating new projects into the pipeline and agencies that will generate new prospects and new projects into the pipeline. The primary focus in year one will be for FDI with aim of introducing Business Tourism in future years.
 - vi. Smaller non-contestable FDI investments will continue to be handled by a **Fast Track team** to efficiently handle the volume of enquiries with **Touchdown London** continuing to provide a soft-landing and make it easy for small investors to make the initial commitment to have a presence in London.
 - vii. New resource effective mechanisms, including digital channels, will be identified to maintain contact with **SME Investors** once they have established in London whilst the Business Growth Team will focus the majority of its effort on key accounts in priority sectors (ICT, Financial & Business Services, Creative Industries, Retail, Leisure and Entertainment, Infrastructure, Food and Drink, Healthcare and Environmental).
3. Strongly engage with stakeholders, commercial partners, customers by delivering value add through our unique insight, expertise, offering and connections
 - i. In order to demonstrate quantifiable achievement a strong emphasis will be put on **developing a set of common metrics for London & Partners** to calculate job creation, GVA and ROI across the organisation's activities.
 - ii. London & Partners will also **work closely with national stakeholder such as UKTI and Visit Britain**, to leverage partnership and common objectives and **provide unique and**

- authoritative insights** on international business and tourism to these stakeholders by monthly newsletters, reports, webinars etc.
- iii. London & Partners will **continue to raise the profile of London as an event destination** by developing relationships with industry stakeholders, associations and partners; to collectively enhance London's major events strategy, and to win more business for the future.
 - iv. **Develop the organisation's reputation** as experts on international business and tourism by providing insight and intelligence through the development of appropriate thought leadership material, disseminating the results of the FDI Barometer and other primary research to stakeholders and partners.
 - v. **Engage with commercial partners**, ensuring London & Partners' private sector ethos and credibility is maintained through the transition period. Hold focus groups with existing partners **to re-design a London & Partners partnership scheme** that will deliver value for them and mitigate attrition.
 - vi. **Conduct surveys of international students** in London at key events to generate insight and help improve the offer.
4. Maximise the opportunity around the 2012 games by focussing effort and resources before, during and beyond games time , integrating propositions, communications and services for the different audiences
- i. London & Partners will **maximise the global media opportunity** that being host city for the Olympic and Paralympic Games gives us; face the associated threat of displacement and deliver a coherent Visitor Welcome in 2012.
 - ii. **Co-ordinate the 2012 hospitality programme across London** with key agencies planning the Games and act as key information source for events and tourism industry on games time impact on business. The hospitality programme will provide a unique opportunity for London & Partners to engage with the international community and sell the Olympics' legacy proposition, generating jobs, business and project beyond 2012. The agency will partner with the London Business Network (LBN) to ensure London business community and London boroughs are fully informed of the plans and opportunity during Games time and develop the London Business Club@London2012 in partnership with UKTI. The team will also support GLA to deliver London House at City Hall as well as NOCs, overseas cities and Olympic sponsors in their hospitality plans for Games time.
 - iii. **Develop and execute the strategy for maximising the operation and use of the London Media Centre** by developing strategic partnerships with international media using the centre and provide access to the city to build relationships and drive coverage through all media channels.
 - iv. Marketing activity includes: **a comprehensive visiting journalists programme** from January 2012 to maximise the platform that is the "London Media Centre"; extensive **distribution of London content onto london2012.com** and other media brands and collaboration on mobile apps; **tackle displacement in leisure tourism with the "Limited Edition London" campaign**; **deliver the 2012 Visitor Welcome project** to ensure every visitor touch point has been identified and pro-actively targeted to be part of the most comprehensive visitor welcome training scheme London has ever seen.
 - v. **Develop and promote the business and events legacy proposition** for the Olympic Park and surrounding area in partnership with OPLC for priority markets and promote it through different channels: webinars, shows, sales mission. This will be set within the broader context

of promoting East London as a focus for growth and opportunity including propositions being developed for London – Tech City and the Royal Docks.

5. Become a world class organisation that people want to work for
 - i. **Develop and implement harmonised policies and procedures** across all business areas of London and Partners together with an **ISO accredited quality management system** to drive and measure continuous improvement.
 - ii. **Review the office layout** at London & Partners to ensure it is fit for purpose and provides an inspiring and functional workplace and client-facing facilities.
 - iii. **Scope, procure, develop and deliver integrated IT systems** for CRM and intranet.
 - iv. **Implement a robust management process** that focuses on operational agility by ensuring we have effective systems in place to identify, quantify and respond to opportunities and mitigate threats.
 - v. Continue to deliver the staff engagement programme developed in the transition phase to **manage the change process effectively** by leveraging the commitment, passion and pride of staff.
 - vi. Develop and implement HR policies and initiatives that **improve staff retention, morale and productivity**.
 - vii. **Initiate a culture of holistic information and knowledge sharing** by developing methodologies and tools for managing the information needs of the organisation.

Synergies

There are clearly natural synergies in bringing two organisations together in terms of rationalising back office, premises and certain marketing activity. The business planning process has also highlighted a number of synergies with business audiences as highlighted below:

- **China** – As an emerging market, it has always been traditionally difficult to penetrate from a business events perspective, however using the Inward Investment team to source incentive or business meeting opportunities could potentially open more doors, hence London & Partners would propose using the overseas office to focus on Business tourism as well as FDI.
- **USA** – key market for both sectors FDI and Business tourism – joint collaboration would be explored for events and in territory marketing.

On the cross functional side, the **2012** programme also represents a unique opportunity to coordinate, integrate and act as the point of contact for the 2012 agency family to deliver truly cohesive and integrated value propositions to customers and stakeholders. London & Partners will co-ordinate work streams making the 2012 opportunity an articulated and coherent platform by developing strong partnerships with international media, the Olympic family, government sponsors and other private sector partners to leverage the 2012 Games opportunities, increasing the levels of FDI , delivering extensive media coverage and tourism benefits for London.

8. BUDGET AND HUMAN RESOURCES

Indicative budget

The table below provides a view of the indicative budget for year one.

INCOME	£
Grant	15,000,000
Leisure Marketing - match funding	500,000
Business Tourism - match funding	500,000
Commercial ¹	2,171,000
London Councils	95,000
LTGDC	35,000
TOTAL	18,301,000

PROGRAMME SPEND	£
Operations (excl deprn) ²	1,800,000
Strategy	345,000
Marketing	4,724,000
Communications	643,000
Digital	566,000
Sales - FDI	800,000
Sales - Business Tourism & ME	1,600,000
Commercial	70,000
2012	535,000
Overseas offices	207,000
Depreciation	244,000
Staff ³	6,767,000
TOTAL	18,301,000

Budget Notes

Income

- Grant: Due to the transition costs in the first year and cost of 2012 programmes in years 1 and 2 of the business it has been agreed that a higher grant of c. £15m will be drawn down for the first two years. This will reduce to £13m per annum in years 3 and 4 when greater levels of commercial income can be generated once a more clearly articulated proposition can be presented to the business community and there is more confidence in the agency's ability to deliver benefit to the private sector.
- Commercial Income: Three scenarios (Ambitious, conservative, worst-case) have been developed for commercial income for the first year of London & Partners. The budget has been developed based on the conservative estimate which takes account of attrition of commercial partners, lower income through digital activity and the need to focus commercial activities that are aligned with the organisation's core objectives. Benefits in Kind have been shown in Income and Expenditure.
- Grant from London Thames Gateway Development Corporation of £35,000 to fund London & Partners membership of "The View" Marketing Suite overlooking the Olympic Park.

Expenditure

4. Operations: all VATable expenditure has been budgeted inclusive of VAT. The amount of recoverable VAT that it is estimated that London & Partners will be able to reclaim has been included in this line.
5. Staff - The staff budget has been based on the staff transferring across to the agency on day one and transition to the revised structure and headcount identified for London & Partners taking indicative salaries, Bonus, NI and pension contributions.

Organisation Structure

The following is proposed subject to consultation post transfer:

- CEO
- Director of Marketing
- Director of Communications
- Director of Sales (Business Tourism & Major Events)
- Director of Sales (Foreign Direct Investment (FDI)) until 31/12/11
- Director of 2012
- Director of Digital
- Director of Commercial
- COO/DCEO [Operations (HR, IT, facilities, Finance, Quality Management, Business performance), Strategy, Propositions & Insight].

Rationale for the proposed structure:

- **Marketing and Communications** has been split to allow an appropriate focus on the Communications function given its importance to London & Partners remit
- **Sales** – Until 31 December 2011 the FDI and Business Tourism sales teams will run concurrently to take advantage of the continuing secondment of the secondment of the current Sales Director at Think London. This will give time to determine synergies within the two teams and determine the optimum structure in the future.
- **2012** has been established as a separate directorate given its importance and focus of activity in the lead up to the Games. By definition this will be a time limited function with legacy activities being subsumed into marketing and sales functions from 2013 onwards.

The proposed structure will be brought to consultation post April 1st. Currently London & Partners anticipate a small number of changes to take place with a 2 week consultation period commencing on 4 April. **Organisational chart available on 4th April 2011.**

Staffing Levels

Part of the rationale behind creating a single promotional agency was to reduce duplication in activities and find greater efficiencies. This will have an impact upon resource requirements.

It is envisaged the final headcount for London & Partners will be between 110 and 120 staff (of which around 10 will be overseas). This compares with 160 employed by Think London, Visit London, Study London and the LDA on international promotion at the start of 2010/11.

9. OUTPUTS

The table below highlights key performance indicators that are required for high level public and local and national Government reporting. London & Partners will also put in place a full set of internal business management and efficiency metrics, such as pipeline management, website traffic, accurate budget management, Advertising Value Equivalents (AVE) that will be reviewed through a performance dashboard by the executive team on a regular basis.

LONDON & PARTNERS KEY OBJECTIVES 2011-2012	L&P CONTROL	GLA KEY PERFORMANCE INDICATORS		2011-12 TARGET
		DIRECT OUTPUT	ULTIMATE OUTCOME	
1. To generate incremental economic value for London				
Attracting and generating spend from students and visitors	Medium	1. GVA and Benefit Cost Ratio of London & Partners activity. - To be reported for leisure tourism marketing campaigns from April 2011 - GVA and BCR of other business activities (breakdown TBC once methodology developed)		Not available
Attracting, accelerating and expanding mobile investment in London	Medium	2. # of inward investment completions		192
		3. # of jobs created and safeguarded		3455
Attracting private sector & other non-grant funding	High	4. Additional Resources Attracted (£)		£3.1million
2. To be recognised as a world class organisation				
by clients	High	5. L&P internal and external stakeholder satisfaction (%)		>80%
by staff				
by stakeholders				
3. To showcase the London brand worldwide				
	Medium	6. London's global image and reputation		Not available
4. To maintain or enhance London's position in leading rar				
	Low		World no. 1 destination for international visitors	World # 1
			World no. 1 destination for international students	World # 1
			Europe's no. 1 destination for FDI	European # 1
			Top 10 global destination for conferences and events	Global top 10

APPENDIX I: RISK REGISTER

Risk area	Risk identified	Risk rating	Mitigation strategy
External Market	<p>Increased Competition</p> <p>All areas of London & Partners business are under increased competition</p> <p>New competitors are constantly emerging.</p> <p>London's attractiveness is being eroded</p>	High	<p>Ensure that the London's offer and proposition is well understood and articulated.</p> <p>Embed the London and London & Partners brand in the organisation and the market.</p> <p>Ensure maximum leverage of the London brand and messaging to achieve pan-London wide branding and profile of London as a world city.</p> <p>Ensure that London competes on its strong proposition, supported by strong research and that "negative noise" is minimised.</p>
External Event	<p>Terrorist attack on London, outbreak of contagious disease, volcanic ash etc</p>	Medium	<p>Develop Business Continuity Plan and test.</p> <p>Co-ordinate response with GLA and partners.</p> <p>Contingency in marketing budget to respond to event that impacts on tourism flows to London (e.g. volcanic ash etc).</p> <p>Switch on domestic market opportunities to counterbalance the loss on overseas audience triggered by external threats.</p>
	<p>Change of Mayor</p>	Medium	<p>Ensure strategy aligned to any new objectives through regular discussion with GLA</p>
	<p>London & Partners office or systems disabled by terrorism, fire, flood</p>	Medium	<p>Develop Business Continuity Plan and test.</p>
Financial	<p>Private Sector income</p> <p>Private sector income and Benefits in Kind are important in order to augment the GLA grant and provide value for money.</p> <p>A reduction in the financial support received from partners would significantly affect the ability of London & Partners to operate as desired</p>	High	<p>Ensure that the benefits of membership are fully articulated but not overplayed</p> <p>Introduce new partner programme.</p> <p>Focus on retaining existing partners with a programme of business development to recruit new partners.</p> <p>Re-define the London & Partners offer/proposition to clarify the enhanced added value generated through the single agency.</p> <p>Conduct activities to build the credibility of the new agency.</p> <p>Build on existing linkages with London business organisations by consulting on strategy and having regular dialogue around issues affecting London's competitiveness.</p> <p>Ensure that commercial programmes are complimentary not competitive</p>
	<p>Financial legacy from transfer of agencies assets and liabilities to London & Partners</p> <p>It will be important to ensure there is clarity of the financial legacy resulting from the transfer of the existing</p>	Medium	<p>Conduct appropriate due diligence to ensure that financial risks are known and quantified with appropriate mitigation strategy in place.</p> <p>Put in place appropriate financial controls and procedures.</p>

Risk area	Risk identified	Risk rating	Mitigation strategy
	agencies to London & Partners		
	<p>Ensure Grant Agreement from GLA is appropriate and not onerous</p> <p>Funding will be paid monthly in advance with reconciliation against expenditure that has been incurred.</p>	Medium	<p>Ensure close dialogue with GLA in drawing up the grant agreement and that the management will be light touch.</p> <p>Work with GLA to define appropriate KPIS and metrics to demonstrate London & Partners added value and return on investment</p>
Stakeholders	<p>Relationship with the Mayor and GLA</p> <p>The relationship with the GLA is key to the success of London & Partners.</p>	Low	<p>Establish a true long-term partnership with the Mayor, his advisors and GLA working towards achieving a joint vision for London.</p> <p>Set up regular review meetings with appropriate officials in the GLA to review performance.</p> <p>Be clear about the scope and remit of the new agency to ensure that its activities are not diluted by having to take on non-core functions.</p>
	<p>Relationship with UKTI</p> <p>Think London enjoyed a close working relationship with UKTI. It is important this is maintained within London and Partners.</p> <p>The change in structure and strategy at UKTI with a third party contractor being responsible for delivery in English regions and co-ordination with the devolved administration and London could impact this relationship.</p>	Medium	<p>Maintain close liaison with UKTI as it implements its new delivery mechanism.</p> <p>Build a relationship with the new delivery partner as soon as the contract is awarded.</p> <p>Ensure UKTI staff is effectively briefed about London & Partners the continued delivery of FDI services for London and the London product.</p>
	<p>Relationship with Visit Britain</p> <p>Given changes in Visit Britain's remit and potential duplication of activity it will be important to maintain and develop a close working relationship.</p>	Medium	<p>Maintain close liaison with Visit Britain as it implements its new strategy.</p>
	<p>Channel Marketing</p> <p>There is insufficient budget to develop a holistic channel marketing function in year one but consideration should be given to introduce in future years.</p>	Medium	<p>In year one the channel marketing function could not be resourced fully and the pragmatic approach is to focus on lead qualification by hosting resources in the sales team and working with the digital team on analysing the pipeline and customer base to run targeted campaigns.</p> <p>This should only be considered as an interim solution and needs reviewing in the 3 year plan for 2012-2014.</p>

Risk area	Risk identified	Risk rating	Mitigation strategy
Operational	<p>Development of an integrated management and staff team</p> <p>Any merger is high risk and considerable time and effort needs to be devoted to managing the change process effectively achieving the desired outcome whilst maintaining a high level of staff engagement.</p>	High	<p>Executive Away-days to review strategy and determine effective management processes</p> <p>Clearly communicate the change process to staff and key milestones of the journey.</p> <p>Maintain the work and engagement of the Staff Engagement Team and Change Champions throughout the first year of operation to implement programmes that unite the organisation and help develop and embed the culture and values of the agency.</p> <p>Arrange an all staff conference and team-building activities for the first six months of the agency.</p> <p>Ensure a smooth transition from an interim to permanent CEO.</p> <p>Implement cross-team projects to break-down silo mentality.</p>
Operational	<p>Staff retention</p> <p>Both Visit London and Think London have lost significant numbers of staff in recent months due to uncertainty over future arrangements for the international promotion of London. The further loss of key staff with long-term client relationships and retained knowledge would significantly impact upon the ability of London & Partners to operate effectively.</p>	High	<p>Succession planning for key executives & staff</p> <p>Ensure that there are clear and demonstrable career progression pathways.</p> <p>Investment in training and staff development.</p> <p>Put in place effective processes to manage the leaving process to ensure that knowledge is transferred.</p> <p>Development of the intranet to capture tacit knowledge more effectively.</p>
Knowledge	<p>Loss of knowledge</p> <p>As L&P's major asset is expertise and human capital and expertise, there is a critical need for implementing resourcing knowledge management as soon as possible as knowledge is fragmented, knowledge could be lost by staff attrition leaving the company with their gathered knowledge</p>	High	<p>Knowledge management needs to be well resourced and embedded in company culture and supported by senior management</p>
	<p>Maintaining Momentum</p> <p>The transition to a single agency with its necessary focus on internal activities may lead to a loss of momentum in business performance.</p>	High	<p>Ensure that objectives, KPIs and targets outlined in the business plan are cascaded down the organisation and included in individual objectives.</p> <p>Ensure appropriate systems are put in place to regularly monitor business performance and appropriate mitigation strategies developed to respond to underperformance in individual areas.</p> <p>Ensure the agency focuses on core activities that deliver against its objectives.</p>
	<p>Effective balance of resources</p>	Medium	<p>Develop a common methodology for measuring</p>

Risk area	Risk identified	Risk rating	Mitigation strategy
	It will be important that as the agency develops it continues to review the most appropriate balance of resources against its core activities and can re-prioritise and adapt to changing circumstances		<p>ROI across the core activities of London & Partners.</p> <p>Regularly review performance with key stakeholders.</p> <p>Closely monitor the competitive landscape and market conditions to spot potential threats and opportunities and respond accordingly.</p> <p>Develop a more rigorous three year business plan for the remainder of the grant agreement based on lessons learnt in the first year in close collaboration with key partners.</p>
	<p>Process and Systems integration</p> <p>There will be a requirement to put in place new policies and procedures for the new agency as quickly as possible and integrate key systems.</p>	Medium	<p>Prioritise key systems to be integrated and use experienced project manager to develop project plan.</p> <p>Develop systems and processes in line with ISO 9001/2008 quality management procedure.</p> <p>Recruit a team of internal auditors to help develop common processes and audit regularly.</p> <p>Develop a common intranet on which to store and share all relevant policies, procedures and processes.</p>
2012	<p>2012</p> <p>Sponsorship not secured for Games time Business Programme</p> <p>Insufficient funding for event management company.</p> <p>Lack of interest in Games time hosting programme by guests in target markets.</p> <p>LMC doesn't happen –</p> <p>LMC services not delivered to relevant standard</p> <p>Key media, NOC and sponsor relationships not created</p> <p>NOC programme incomplete exterior agencies.</p> <p>LMC programme not strong enough</p>	Medium	<p>Identify funding available from L&P/GLA and prepare a Plan B (scaled down) programme – with fewer guests.</p> <p>Games time programme scaled back with less events and smaller guest list.</p> <p>Ensure there is a good B list including BG clients who are more likely to join the programme at relatively short notice.</p> <p>Ensure funded and resourced properly</p> <p>LMC project managed by staff with relevant experience and resource</p> <p>Resource 2012 dept properly to allow development and delivery.</p> <p>Resource department to allow co-ordination and communication of the process with Event Solutions team</p> <p>Focus L&P on 2012 as key aspect of London delivery over next two years.</p>

APPENDIX II: PRIORITY SECTORS/MARKETS BY AUDIENCE

Priority sectors by audience and proposition roll-out

2011 - 2012 priorities	Audience Segmentation				
	Inward Investment	Business Tourism	Business Growth (FDI)	Commercial partners	Students
European Headquarter	■				
R&D	■				
Creative industries	■		■		
ICT	■	■	■		
Financial Services					
Business services (legal)	■				
Environmental tech	■				
Automotive		■			
Pharmaceutical		■			
MBA/ Business related					■
Commercial Partners tier 1				■	
Commercial Partners tier 2				■	
Commercial Partners tier 3				■	

proposition - segmentation	Proposition
■	new creation (blue print development)
■	new creation + activation (deliverable creation + campaign execution)
■	activation - deliverable creation + campaign execution
■	update and maintain channel education on proposition

Priority country by audience segmentation matrix

2011 - 2012 priorities	Audience Segmentation							
	FDI	Business Tourism	25-35 SINKS and DINKS	55+ empty nesters	35-70 yrs inc LGBT	25-44 yrs inc LGBT	Growth markets – trade activity	Prospective undergraduate and postgraduate students
USA	■	■			■			■
Australia (asia)	■	■			■			■
Belgium		■				■		■
Canada	■	■						■
Greater China (incl. Hong Kong)	■	■					■	■
France	■	■			■			■
Germany	■	■			■			■
India	■	■					■	■
Ireland		■						■
Italy	■	■			■			■
Japan	■	■						■
Latin America (Brazil & Mexico)	■	■					■	■
Middle East	■	■						■
Netherlands	■	■			■			■
Nordics	■	■						■
Russia		■					■	■
Scandinavia		■						■
Singapore	■	■						■
Spain	■	■			■			■
UK		■	■	■				■
Others (Nigeria, Malaysia)								■

Legend	Segmentation
■	Primary (receive proactive marketing spend & leadgen activity)
■	Secondary (multiplier engagement in London)
■	Emerging/growth markets
■	Leisure tourism
■	FDI/ Business tourism
■	Higher Education

Note: SINKS: Single Income no Kids; DINKS: Dual Income no Kids; LGBT: Lesbian, Gay, Bisexual, Transgender

APPENDIX III: FUNCTIONAL PLANS: SCOPE AND REMIT

A. MARKETING AND COMMUNICATIONS

Vision: that the marketing and communications team produce innovative, effective and award winning marcomms and that our work is recognised by our customers, stakeholders, industry experts and peers.

Mission: passionately champion London & Partners' and London's qualities to defined audiences on effective platforms with innovation and charm.

Marketing

The marketing function will deliver a range of cross agency services and house the business marketing, leisure marketing team along with the functional lead for higher education promotion. The function will support the organisational objectives in: attracting, accelerating visitor and investment spend; attracting private sector income; establishing and maintaining London's position; being recognised as a world class organisation and showcasing the London brand worldwide.

SCOPE & REMIT

- **Marketing** to business tourism, leisure tourism, higher education, inward investment, major events.
 - Define and segment and target those audiences that offer optimum marketing return for London across higher education, domestic and international leisure/business visitors and inward investment sectors.
 - Promote the aspects of London that are most relevant and motivating to each audience and adhering to the agreed brand values
 - Utilise the agency's digital platforms (mobile and web) as core media channels.
 - Use the single agency's service platforms such as business venue search, accommodation bookings, commercial partner's self-service, academic course finder, mobile apps to promote the organisations services and breadth of London offer.
 - Cater for key international audiences by creating multi-country/language vehicles.
 - Exploit the opportunity for hosting and hospitality brokerage due to our Olympic host city status by promoting London as a city with diverse and unique venues.
 - Collaborate with LOCOG and other key London trade partners to promote the London experience and showcase our proposition via tour operators and group sales agents.
 - Provide powerful metrics based on research, consumer behaviour and campaign evaluation.
- **Event and Exhibition services** for: Partnership, Corporate, leisure, business, inward investment, higher education.
 - Identify exhibition and event based platforms.
- **Brand management:** Publications, fulfilment and distribution, Image library, graphic design/bid documents.

Communications

SCOPE & REMIT

- **Communications and PR** for: business tourism, leisure, corporate communications, higher education, inward investment, major events.

- Ascertain the channels through which these customers can most effectively be communicated with.
- Create communication vehicles that are appropriate for each audience using relevant product as featured above.
- Exploit the opportunity that mass media coverage due to our Olympic host city status affords.
- **Public Affairs and Stakeholder relations**
 - Manage the agencies reputation via effective engagement with media, stakeholders and key political influencers

B. COMMERCIAL

Vision: *To be the organisation that any company based in London involved in tourism, international students and FDI wants to be a part of, as measured by membership retention rates and annual survey.*

Mission: *To provide and develop robust income streams for the business which delivers reliable year on year growth based upon an ingrained companywide commercial ethos. Additionally to become the centre of excellence and go to people within the business for membership management, partnering and commercial deal negotiation.*

SCOPE & REMIT

- Lead Relationship Management of the FDI and tourism focused memberships.
- Membership business development activities.
- Development and implementation of commercial revenue generating schemes in line with the overall objectives of the business.
- Re-design and launch of new membership models across both sectors within 12 months. Address post 2012 tourism period.
- Ascertain revenue streams across the business and align these with commercial and/or business objectives. Where necessary bring these directly under the remit of commercial.
- Develop and launch CRM that is fit for purpose and utilised by the whole organisation.
- Ideally bring Digital Sales in to Commercial.
- Marketing and invoicing (including chasing of invoices) activity to be moved to marketing and finance.

C. STRATEGY, PROPOSITIONS AND INSIGHT

Vision: *be recognised as the knowledge authority on London by our clients, stakeholders and peers, known for our market intelligence, unique insight and thought leadership.*

Mission: *to advocate the skilled use of intelligence to support London & Partners' external and internal clients' needs, enhance business decision-making and drive organisational performance.*

SCOPE & REMIT

- Business planning & Strategy Development
- Business performance analysis
- Segmentation & Proposition development

- Market intelligence and sector knowledge
- Competitive Benchmarking
- Information/sources management
- Knowledge management
- Sales research (for customers and commercial partners)
- Primary & Secondary research
- Thought leadership

D. SALES (FDI, BUSINESS TOURISM AND MAJOR EVENTS)

Vision: *be recognised as the leading business facilitation agency for London, known for our ability to engage and excite our stakeholders, and to help businesses to realise their potential.*

Mission: *to create jobs and economic benefit by facilitating the connection of London to its core markets across inward investment, business tourism and major events, promoting London as the first choice of destination for business.*

SCOPE & REMIT

London & Partners sales activity is essentially relationship driven - where it can typically take anything from 2 to 5 years for a major event or new FDI to be won, from the start of the bidding process

Territory management

- Responsibility for overseeing geographical or sector specific market; setting business strategy, sales activities, events and exhibitions, and driving marketing / partner campaigns where match funding may be achieved.
- Work alongside Partnership team in providing partner support.
- Typically based in or close to market
- Responsible for early sell cycle progression to “project” or “enquiry” stage

Business development

- Working alongside territory/sector teams to develop prospect accounts and events; client presentations; client show rounds; ongoing account management
- Responsible for delivery of projects, closure of final sell stages to “completion” or “conversion”
- Complex project delivery and lighter touch “Fast Track”
- Typically based in London

Business growth

- Ongoing customer support for existing accounts – event solutions team providing a bespoke service for event enquiries, FDI team to new arrivals to ensure company retention and growth.

E. 2012

Vision: *to use the opportunities from the 2012 Games to showcase London and deliver huge economic benefit to the London economy by 2016 across all areas of business.*

Mission: *to develop strong partnerships with international media, Olympic family, private sector and government to leverage the 2012 Games opportunities, increase the levels of FDI , deliver extensive media coverage and tourism benefits for London.*

SCOPE & REMIT

- Develop and execute strategy for maximising the operation and use of the London Media Centre;
- Activate linked services to the LMC, such as city camera positions, to maximise city coverage
- Develop strategic partnerships with international media using LMC and access to the city to build relationships and drive coverage through all media channels;
- Co-ordinate the LMC programme of content from all agencies
- Manage LMC suppliers to deliver world class offering from London for the venue
- Develop 2012 messaging and legacy proposition for Sales teams to support the creation of additional FDI projects and completions;
- Deliver the fourth annual Chairman’s Club for 2012 sponsors in partnership with Deloitte;
- Develop and execute 2012 business events (Countdown to 2012 campaign) focused on the legacy opportunity (in partnership with OPLC).
- Lead on the Games time business hosting programme for the Mayor of London – working closely with the GLA;
 - Work in partnership with the Sales teams to build the Games time guest lists;
 - Identify key sectors for Games time showcasing in line with the legacy proposition and priority sectors for the business. Identify key partners in each sector to help deliver Games time programme;
 - Work with GLA to secure sponsorship for the Games time hosting programme
- Develop the London contribution to the Business Club@London2012 in partnership with UKTI and LBN;
- Partner with London Business Network to ensure London business community and London boroughs fully informed of plans and opportunity during Games time
- Support t NOCs and overseas cities looking for locations for hospitality in Games time;
- Co-ordinate hospitality activity across London with key agencies planning the Games;
- Lead on non Olympic family accommodation advice working with Digital Team
- Act as key information source for events and tourism industry on games time impact on business

F. DIGITAL

Vision: *meet customer needs through world class digital services that reflect the unique qualities and appeal of London*

Mission: *to make it easy for people (business prospects, visitors, students) to get the most from their time in London and provide value for money through partner services and offers*

SCOPE & REMIT

- Support all of L&P’s digital ambitions and provide strategic direction for all digital investments. Produce websites + offsite content (social channels, mobile apps, etc.). Manage email marketing across organisation. Manage IT and hosting. Manage search marketing across all territories to ensure positive ROI. Support leisure & business marketing campaign activity
- Create/curate content (incl. text, images, video and UGC) on and offsite for all audiences in English and selected foreign languages

- Manage product and customer data through VLAD and WT VDM
- Design & develop websites and mobile apps
- Provide functional online services such as partner/customer registration, venue search and booking, accommodation booking, ticket sales, product owner front end, academic course finder, mobile apps, APIs
- Direct and report on all paid search marketing activity
- Train and support email marketers elsewhere in organisation
- Train and support social media users elsewhere in organisation
- Train and support content owners elsewhere in organisation
- Manage online inventory to optimise revenue through 3P advertising and transactions
- Sell sponsorship of online assets
- Distribute content and data to 3P websites to extend reach
- Conduct online customer surveys and report on all behaviour via analytics tools

G. OPERATIONS

Vision: *to provide world-class support services to London & Partners*

Mission: *to enable London & Partners to operate efficiently by delivering value for money support service; use an accredited quality management system to monitor, benchmark and improve its effectiveness; and best practice HR policies so that London & Partners is an employer of choice.*

SCOPE & REMIT

- **Facilities** - managing all property and office related services at the company's London offices and oversight of overseas accommodation needs
- **Finance** – reporting, analysis & transaction processing
- **Legal, governance and procurement** - leading on all legal matters, providing secretarial support to the Board & managing London & Partners procurement policy.
- **Human Resources** – supports the organisation in achieving the skilled, flexible, and motivated workforce it requires to deliver its' business objectives.
- **IT** – Develop, manage and support the agency's IT infrastructure and systems
- **Performance Management** - using an ISO accredited quality management system and providing a full range of operational support and management reporting to the Business, Executive, Board and stakeholders.

APPENDIX IV: DOMESTIC VS INTERNATIONAL TOURISM

The domestic market is crucial to the long term health of the London visitor economy. The city receives approx 11 million domestic visitors and 180 million day trippers per year. Although international visitor markets deliver higher length of stay and per head spend, they do not book in the same volumes as the domestic audience and cannot book and visit with the immediacy of the domestic market.

London's competitive set within the domestic market are not other UK destinations. London is competing with other European cities - Paris, Rome, Barcelona, but in addition over the last 5-10 years we have seen London's domestic visitors fall as outbound travel has increased due to the phenomena of low-cost airlines and the destinations they cover. In the 12-months to Q3 2010, there were 55.4 million trips abroad by UK residents. Aggressive route development and marketing by low costs carriers - particular from northern England and Scotland to multiple destinations in mainland and eastern Europe - have resulted in London's position as the only weekend shortbreak destination for the UK market being challenged. With the squeeze on household budgets, one could argue that the short-break will become even more popular as people 'cash-in' their main holiday, for shorter duration breaks.

**QUARTERLY REPORT
APRIL-JUNE 2011**

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1. Executive Summary

London & Partners has performed strongly in its first quarter despite the challenges presented by Visit London entering administration.


The objective for the first quarter has been to maintain the momentum of promotional and delivery activity for target audiences as set out in the business plan whilst putting in place structures, systems and processes that will support full integration and ensure the business has a firm foundation for the future. This has included a comprehensive business transformation programme focused on reviews of key activities and business functions to determine what changes need to be made in order to realise the ambition of the organisation which is to deliver greater economic benefit than the previous arrangements.

Performance against KPIs has been strong illustrated by the graphs in Section 1.2 Key achievements include:-

- FDI is ahead of target creating 2140 year one jobs.
- Business Tourism bookings are on target with £20m bookings confirmed.
- Commercial revenue started the year slower than initially anticipated due to the impact of Visit London going into administration but has recovered in line with the budget phasing with a total of £463k committed in quarter one..
- Plans to launch the “Limited Edition London” leisure marketing campaign in September are on track with £300k of match-funding secured against a target of £500k.
- Web traffic is above target despite issues caused by administration. New registrations are expected to increase substantially once the planned marketing campaigns are activated.
- Excellent progress has been made with the full integration agenda, with a number of workstreams underway that will promote full integration and business synergy.

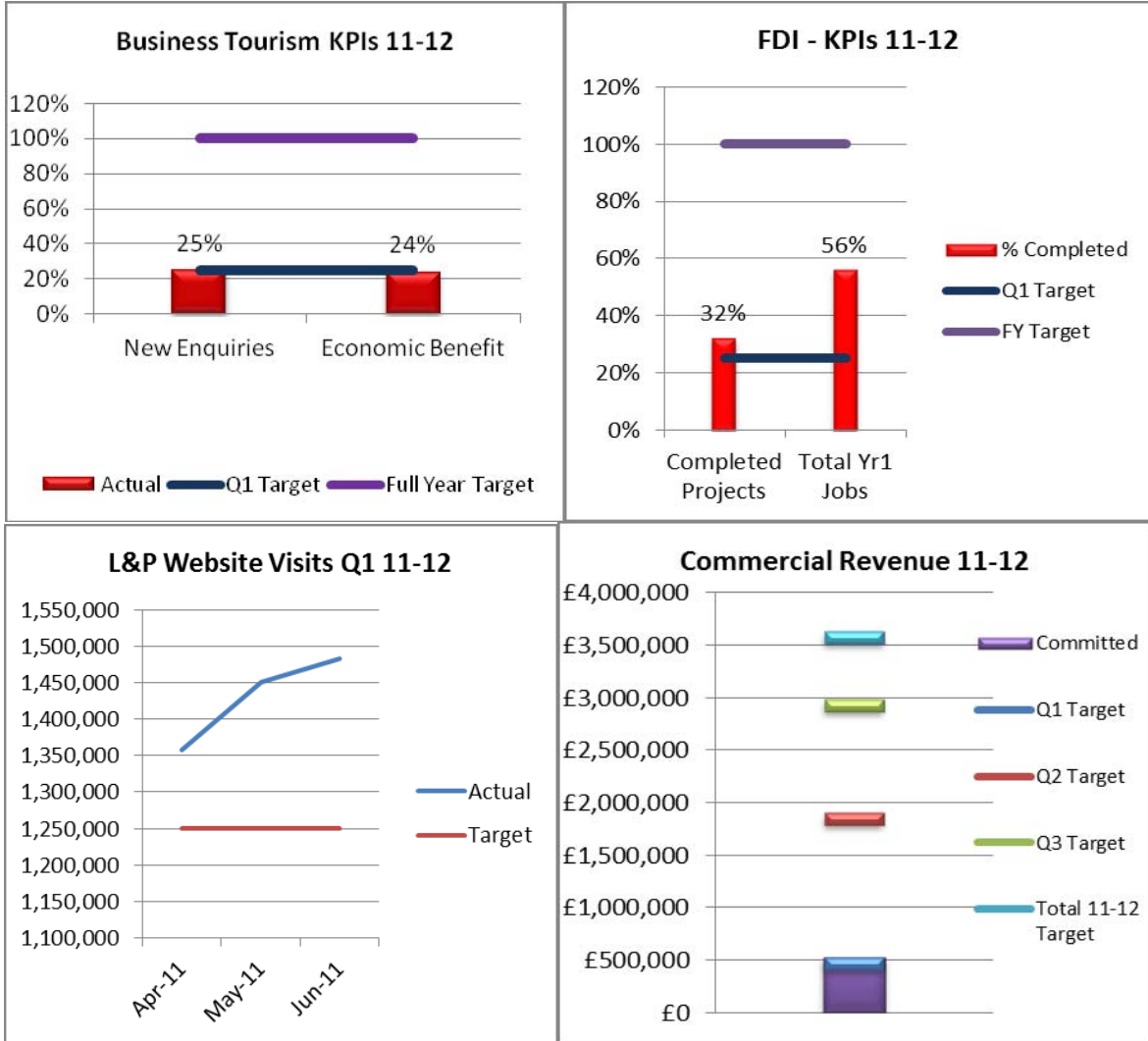
The chart in 1.1 provides a list of activities delivered against the London and Partners five strategic imperatives.

1.1. Deliverables against Business Plan

Strategies	Progress RAG	Key activities delivered against strategic imperatives
<p>World Capital of Business Promote London as the leading destination for Businesses, Visitors and Students by leveraging the capital's inherent and historical assets and dispersing negative perceptions</p>		<ul style="list-style-type: none"> • Successful launch of London & Partners in London and China with positive media coverage. • HE reception for international students with Mayor. • Successful IMEX trade fair in Frankfurt generating enquiries with an economic value of £15m. • Limited Edition London Campaign to launch in September with £300k match-funding secured (annual target is £500k). • Strong FDI performance in the first quarter (62 completed projects and 2140 jobs against annual target 192 completions and 3046).
<p>Focus on Priority Segments Focus the business, investment and resources on high value/profitable segments by developing and delivering relevant value propositions to targeted audiences</p>		<ul style="list-style-type: none"> • Work begun with GLA to review methodology to measure ROI to assist in prioritisation of resource in the future. • Segmentation and Proposition Manager recruited to take forward proposition development. • ICT brochure produced to support the value proposition and particular focus on Tech City. • Development of proposition for Royal Docks and more broadly East London in conjunction with key stakeholders.
<p>Review and Engage Stakeholders Proactively engage with stakeholders, commercial partners and customers by delivering value add through our unique insight, expertise, offering and connections</p>		<ul style="list-style-type: none"> • Tourism partners invoiced for £1.09m plus £150k of revenue committed from FDI partners. • Majority (70%) of platinum sponsors already indicated their commitment to renewal. • Discussions underway to agree MOU with UKTI regarding new delivery arrangements. • 4th wave of FDI Barometer findings launched with event attended by 40 stakeholders. • Successful engagement with 32 partners participating at IMEX and AIBTM trade shows. • New stakeholder engagement strategy in development.
<p>2012 and beyond – a unique opportunity Maximise the opportunity around the 2012 games by focussing effort and resources before, during and beyond games time, integrating propositions, communications and services for the different audiences</p>		<ul style="list-style-type: none"> • All aspects of 2012 programme proceeding against plan. • Displacement research undertaken and plans to mitigate on track with scheduled launch of Limited Edition London and World Record London. • 2012 accommodation landing pages developed in conjunction with LOCOG who are referring traffic. • 5000 job target from 2012 campaigns achieved. • Games time hospitality plans on target and support being provided for NOCs sponsors and LOCOG in developing their hospitality programme. (4 new hospitality houses confirmed in the quarter).
<p>World Class Organisation Become a world class organisation that people want to work for by leveraging existing best practices</p>		<ul style="list-style-type: none"> • New organisation structure in place following transfer. • 13 posts recruited in last 2 months including CEO. • Development of L&P employment terms and conditions underway. • Business transformation programme underway. • 95% of 60 day plans delivered and implemented to time • Harmonisation and integration initiatives proceeding on time and within budget.

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1.2. Business KPIs



2. FDI Sales

2.1. Summary

The Global investment team have had a strong first quarter against the background of significant cuts in lead generation spend through 2010/11 and a reduction in headcount resource over the 12 months preceding June 2011. Sixty two projects have completed in quarter generating 2140 year one jobs – a creditable 56% of the yearly target.

To respond to the challenges of spending and resource cuts, the team had been refocused in the last 9 months of the previous fiscal year at Think London into cleansing the pipeline and opportunity progression. The result is strong positioning to exceed target across all regions in 2011/12 and some breathing space to rebuild the team for a growth year in 2012/13 through the Olympics.

In 7 out of 8 priority markets we now have project generation agencies engaged and will have Spain on board early in Q2. Recruitment of staff to fill vacant positions has also been successful and we look forward to being back at full strength before the end of Q2.

Discussions have been on-going during the quarter in developing a memorandum of understanding with UKTI as to how London & Partners will work with PA Consulting who have been appointed as the national contractor co-ordinating FDI delivery across the UK and having responsibility for managing all projects in England with the exception of London. The team have also been working in close collaboration with the GLA and UKTI in the development of Tech City and supporting the proposition for the Royal Docks and the wider East London area.

2.2. North America

A very successful first quarter resulted in 10 new investment successes delivering 278 first year jobs and 2 large business growth projects delivering a combined 535 jobs for a total of 813 jobs against an annual target of 1204 for the year. Notable projects include the launch of the Mars M&M's world store in Leicester Square which at 35,000 square feet is their largest store and the first one away from the US. At a cost of some £10 million the store will employ 180 people and was opened by Mayor Boris Johnson on July 6th. Other successes include West Coast retailer Toms Shoes and Indeed, an online recruitment site from Boston. Both will create 10 year one jobs. Business growth projects included the new Marriott St Pancras which launched in April employing 235 jobs and the US funded new high street bank Metro Bank which will create some 300 new jobs in London as they launch many new branches over the next 12 months.

2.2.1. West Coast

The San Francisco office contributed 36 new projects into the pipeline in Q1 from a range of sectors. The team attended market events in Los Angeles, Orange County and Seattle. The highlight of the quarter was a very successful event in San Francisco, co-hosted by London & Partners and commercial partner, Fitzgerald & Law that funded the event: 'Hats Off to London'. This was positioned within Brit Week and attended by 71 target companies, venture capitalists and key multipliers with whom we are now planning future events.

2.2.2. East Coast

The New York office contributed 17 new projects this quarter. Neil Smullian attended a UKTI Tech City event in NYC that featured a recent London & Partners completion and that resulted in new projects, leads and relationships for London & Partners. Neil also attended the UKTI Washington DC Tech City Event on June 9th.

2.2.3. Agencies/Strategy

The North America Sales Team has also re-engaged with the lead generation agency Odell Simms and Lynch (OSL) with an element of the contract focusing on putting together a robust 2012 Games invitation list. The team has also commissioned a strategic marketing firm based in California to develop a series of events over the balance of the year to drive leads and projects and promote the new London & Partners brand across the US and Canada.

2.3. EMEA

EMEA reported a total of 118 inward investment jobs and 517 business growth jobs Q1 against an annual target of 716. Most notable completions were Boulangerie Paul (France) with 300 jobs and Ferrovial (Spain) with 110 jobs. 50 new projects were generated in Q1, 15 of which have the potential to deliver more than 5 jobs in year one.

Project generation agencies have been put in place for France and Germany with recruitment for Spain ongoing. The team undertook trips to France, Germany and undertook a launch event in Spain. Approximately 50 meetings took place during these trips.

We have had a busy schedule in London, hosting inward visits and delegations from various countries, including Israel, Spain, France, Nordics and Benelux. We attended the AGMs of the Chamber of Commerce: Spain, France and Italy and attended the 40th year anniversary of Banco do Brasil in London and the Annual gala of the German Chamber.

2.4. APAC

Asia Pac reported a total of 225 inward investment jobs and 472 business growth jobs against an annual target of 1124. The expansion of Worley Parsons was a highlight creating 400 jobs. Total new projects generated in Q1 were 73, 29 of which have the potential to deliver more than 5 Year 1 jobs. The region has successfully recruited a new Head of Asia Pacific, a Chief Representative for India, a Chief Representative for China, an agent in China, a territory manager for India based in Mumbai, as well as two agents in Delhi and Mumbai.

We have undertaken 2 trips to China to appoint the Chief Representative and to launch London and Partners. These were successful generating a total of 36 meetings and 28 media interviews. The new proposition for London & Partners covering business, tourism and higher education was particularly well received. India had a very good start to the year and has delivered 29% more than the Q1 job target.

London & Partners launched successfully in Australia in May/June in tandem with CeBIT -the number one business event in the Asia Pac for Information and Communications Technology. Client meetings enabled major leads to move along the sales pipeline e.g. Slater & Gordon and Hollard Insurance were converted to projects as a result of the visit with a potential of 166 year 1 jobs, 400 safeguarded jobs, and around 1,200 year 3 jobs).

There have been many activities in London, particularly around engagement with the local chambers and embassies and stakeholders.

2.5. Fast Track

The first quarter of London & Partners' existence saw a very strong performance from the Fast Track team. A total of 30 projects were completed for a total of 189 Year one jobs, which represents respectively 31% and 39% of the annual stretch target for the team.

A total of 74 new projects were added to the Fast Track pipeline during the quarter, compared to 61 in the final quarter of Think London's existence.

The first SME Networking event of the London & Partners era took place at the London Chamber of Commerce on June 23rd. It proved an excellent start to our relationship with the LCCI and they signed up many of our clients to the free membership deal on the night.

2.6. Business Growth

Business Growth had a very strong quarter one completing 12 successful projects with a combined new and safeguarded job total of over 1500 jobs out of a yearly target of 1942. The dominant market for this quarter was Europe with 6 projects completed and 526 jobs created. Significant completions this quarter were:–

- **Buongiorno**, an Italian mobile technology company who have located their global innovation hub in Shoreditch, creating at least 50 additional jobs and adding significant support for the Tech City initiative as their decision was based on talent, creativity and innovation coming out of the area.
- **Metrobank** who are continuing with their ambitious growth plans as they plan to open another 200 branches over the next 5 years in and around London.
- **Boulangerie PAUL**, who we are continuing to support in their expansion which includes opening stores at the rate of 10 per year as well seeking to grow their bakery.
- **WorleyParsons** who have increased their workforce by 400 people in London through increased business opportunities and the expansion of a new division into London.

The Business Growth team continued to actively engage with stakeholders including the GLA and UKTI, attending the bi-weekly digital taskforce to feed into the digital strategy for London, which also helps us to inform and involve our leading business growth clients in this sector. We have also been collaborating closely with UKTI and specifically the Tech City Investment Organisation (TCIO) to promote the growth of the digital and tech cluster in London.

3. Business Tourism Sales & Major Events

3.1. Summary

Q1 has been business as usual for the Convention Bureau team, with 212 new enquiries 38% of which were converted to definite bookings for partners generating economic benefit of c. £61,946,000. Taking out 2 major Olympic confirmations, results in a year to date total of £20,331,000, which is on line with our annual target of £85million. (The figures are calculated using Visit London's return on investment methodology pending the development of revised KPIs in conjunction with the GLA)

Proactive sales activities have included two major trade exhibitions – IMEX Frankfurt (the world wide exhibition for incentive travel, meetings and events) and AIBTM (the American meetings and events exhibition), Baltimore, which have helped us not only to showcase the London brand worldwide, but also to generate enquires which adds to our objective of generating economic value for London. Both these activities and a number of other sales missions, forums, or campaigns were also supported by partners, with London providing the route to market across a number of territories.

3.2. Europe & UK

Headline activities undertaken include:-

- IMEX Frankfurt Trade Show – 26 stand partners; 250 total appointments; 2000 new contacts; 15 group presentations to hosted buyer groups @ £15million enquiry value
- Norwegian Sales Mission – 3 partners; 15 appointments; 2 evening networking events with UKTI; participation in Visit Britain destination Nordics workshop – 25 appointments
- Munich/Luxembourg/Switzerland sales mission – 5 partners; 25 appointments
- German Sectorial Industry Research campaign – MICE Market Monitor panel focus group with 8 key German buyers
- Online German Marketing campaign – generating 250 contacts
- Presentations/networking Events –COBCOE(Council of British Chambers of Commerce); Spanish Chamber of Commerce; Breda University Tourism Students; Visit Sweden 2012; SITE GB
- Sites – 2012 ATR Group; Russian Hosted Buyer group
- UK - Guide Live client forum; Eventia Conference
- Major Association Bids currently in progress include Lung Cancer; ICAD (Alzheimers Association); Europerio

3.3. Long Haul

Headline activities undertaken include:-

- AIBTM – US Trade Show – 6 stand partners; 70 appointments
- Incentive Travel Exchange – US – with 2 partners; networking/face to face client meetings
- US pre IMEX Hosted Buyer Group
- Brazil pre IMEX Hosted Buyer Group

3.4. Major Events

The major events team has continued to research new opportunities to bid for legacy events beyond 2012, particularly with a view to the Olympic Park and have maintained account management activities with a number of ongoing event partners. This quarter saw the culmination of the work in bringing the Sport Accord Convention to London in April, where we welcomed 2000 delegates, across 120 international sporting federations, 250 international media. 80% participated in Olympic park tours as part of the OPLC park legacy for sporting events.

Future projects that we are developing include – Annual Cycling event 2013 onwards; World Athletics Championships 2017; Pan London Music event; Post 2012 Live Site Concept; World Capital of Culture.

3.5. 2012

2012 activities across hospitality programme support for Olympic stakeholders, (NOC's, sponsors, LOCOG) and in developing our own London client hospitality programme for games time ids progressing on time and within budget. 4 new hospitality houses have been confirmed in this quarter (Italy, Africa, Belgium, and Jamaica) and we are working on briefs for a further 7 in quarter 2.

The FDI 2012 team achieved a 5000 job target from the 2012 campaigns. To date, 5226 jobs have been created from 106 different companies setting up or expanding their presence in London. The Games Time Hospitality programme is under development with separate sector-focused programmes. The team is working closely with UKTI to ensure London is linked to the national agenda and the respective programmes and guest lists are complementary. Guest lists are being developed with the sales teams and overseas lead generation agencies.

Additional activities undertaken include:-

- Joint Visit Britain/London & Partners LOCOG Authorised Ticket Retailers seminar – London & Partners organised and hosted evening reception;
- Attending Rights Holders hospitality meetings - Cadbury, CBS Outdoor, Adidas ,Neilson;
- Delivering 2012 legacy presentations – Event organisers summit, The Guide Live, Greenwich Council, Business Travel Market, BSI Client Forum ;
- Publicity through a live interview on CNBC in June to discuss the Barometer findings on business attitude towards the 2012 Games;
- Presentations to overseas Embassies in London in June on Games time activities.

4. Marketing & Communications

4.1. Summary

The Marketing and Communications team faced a number of challenges as a result of Visit London going into administration. These were mostly linked to the non-transfer of assets and the inability to novate supplier contracts. In spite of these challenges, the team procured all 6 agencies required to deliver the quarters activity, namely PR, media planning and buying; US marketing for FDI; advertising, digital media, public affairs and corporate communications.

Key achievements for the Marketing & Communications teams include:-

- **The leisure tourism marketing and PR team** have secured over £580,000 of match funding to date and are preparing to launch the agency's first global marketing initiative in September.
- **Marketing Communications** have delivered cross-agency PR results for all divisions and are on track to deliver a solid year round programme of corporate communications and public affairs briefings cross-agency.
- **The Business marketing team** has been reviewed and re-configured and is now delivering B2B marketing activity for both FDI and business tourism.
- **The Events team** have been working on finding innovative solutions to assets problems by hiring alternative infrastructure and are now successfully co-ordinating all London & Partners' event needs.
- **The brand team** successfully re-branded the agency and all assets within 60 days. Robust guidelines and templates are now in place for internal and external users. The team also deliver all design and collateral requirements for all of the agencies teams with production of bid documents and annual guides now under way.
- **London Media Centre:** Invitations to register for the 2012 London Media Centre (LMC for non-rights holding media during the summer of 2012) go out on July 19th and the LMC guide for media filming in London is in the final stages of production and will be launched at the World Press briefing in late July.

4.2. Leisure & Tourism

- **Olympic Displacement:** London is the first city to undertake consumer research to understand how we can attempt to mitigate the effect of Olympic displacement on leisure tourism. The research results from Wave II s have informed London & Partners campaign strategy going forward and are also being distributed to key stakeholders and partners. Potential loses of £760m are forecast from now until the start of the Games. Our leisure tourism strategy is being focused to create a heightened sense of urgency to visit during 2011-12.
- **Limited Edition London.** This is a key campaign to address the issues raised by our research. Limited Ediiton London is a campaign highlighting one-off events, exhibitions, festivals, offers which will create calendar of unique and one-off experiences that visitors can only experience in London 2011-12.. The concept was tested during focus groups in spring 2010 and resonated well with our target audiences. Planning and preparation for the campaign is progressing well with commercial partners being secured (including £125k from BA, Europe, £82k from Ryanair, £90k from Paris and Eurostar. The campaign will launch in September in the UK and USA and in October in Europe (France, Germany, Spain, Italy, Netherlands, and Belgium).
- **Trade Events:** The leisure team attended Asia Pacific trade event: "Destination Britain and Ireland" and European trade event: "City Fair" meeting with tour operators and travel agents from around the world. 3 travel agent training sessions were undertaken in the Punjab, India.

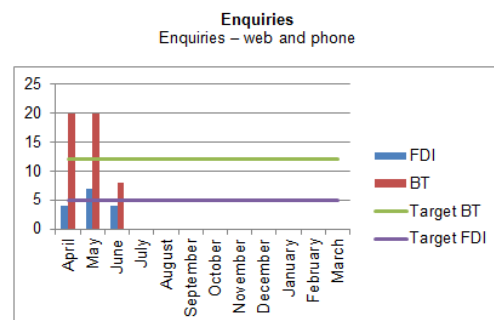
4.3. Marketing Communications

- The Communication's team successfully launched London & Partners to media and stakeholders at an event at City Hall with the Mayor on April 1st. Positive coverage was secured in the Financial Times and Evening Standard as well as key trade media.
- Two business trade shows IMEX (Germany) and AIBTM (US) were attended. The main press focus was the launch of London & Partners (IMEX) and the "scratch and sniff guide to London" featuring parks and gardens, fish and chips and strawberries and cream.

- International PR agency (Euro RSCG) was recruited following a competitive pitch. The agency is tasked with international media relations for all business areas. Activity already supported includes the launch of the China office, Australia office, FDI barometer and distribution of leisure focused newsletters.
- The agency's leisure tourism PR agency (Cake) was recruited following a competitive pitch. The agency will be responsible for delivering campaigns for both Limited Edition London and World Record London.
- Corporate press releases have included launching London & Partners, announcing the confirmed executive team and the announcement of new CEO Gordon Innes.
- The agency's stakeholder plan has been drafted and is being expanded to create a cross-agency stakeholder strategy.
- Parliamentary briefing session with All Party Group on Urban Regeneration, Sport and Culture successfully arranged for engagement with key stakeholders and influential parliamentary audience.
- Excellent progress is being made on the London Media Centre project which will launch in July 2012. The centre will be located at One Great George Street in Westminster. Registration for the centre opens on July 19th 2011 and the broadcasters will be provided with a London & Partners produced comprehensive filming guide to London at the World Press briefing on July 26th.
- The activity programme for up to 6,000 journalists that we hope will register at the centre is also under production and draft one will be published at the end of this year.

4.4. Marketing – Business: FDI and Business Tourism

- **Business Marketing team:** Following a comprehensive review of business marketing, we have successfully created a new Business Marketing team, responsible for integrating FDI and Business Tourism marketing
- **Online Enquiries:** We have seen a good start to enquiries generated via the website, see chart, including 5 FDI enquiries converted to projects.



- **Business tourism trade shows:** This quarter we supported the sales and events team in marketing our attendance at IMEX Frankfurt, including creating Tech City presentation material, and AIBTM Baltimore, helping generate 320 appointments across both shows.
- **London & Partners launch in market:** We launched in Australia and China. China included a high profile C-level business reception, to engage with our targets whilst also generating media interest. We also used the FDI Barometer messaging to support our launch in these markets.
- **London Chamber of Commerce (LCCI) free membership to FDI SMEs:** We have maintained our successful quarterly SME events, holding the first London & Partners one in June at the LCCI, coinciding with the official launch of the LCCI offer. We had a great turnout of around 75 people, with almost 50% take up on the offer.
- **Online:** We are working with the digital team to integrate the content from thinklondon.com into londonandpartners.com. For business tourism, we have begun requirements gathering for the new website.
- **Internal:** We have continued to manage the London & Partners Intranet (SPIKE) and its development and roll out across the organization, including staff training sessions.

4.5. Marketing – Events

- In light of the administrator’s ownership of the Visit London exhibition stand, the events team had to source alternative solutions for the business tourism team’s attendance at IMEX Frankfurt. A temporary solution was hired in with only 1 exhibiting partner noticing the change in stand.
- The team delivered the agency’s first attendance at Baltimore based AIBTM.
- The agency’s events and exhibitions requirements have been scoped out for the year and delivery plans have been put in place.

4.6. Marketing – Brand

- Phase 1 brand roll out undertaken across all agency touch points.
- Brand Guidelines and templates have been published for internal and external stakeholder use.
- Internal brand workshops have commenced to educate staff about brand values, use of templates and application of the London logo and London & Partners logo.
- Partner Manual has been produced to support the Commercial team in renewals from Partners.
- London & Partners have been approved by LOCOG for 2012 Host City logo usage. In reality, there are very limited contexts where it will be utilized but it is now present on key web pages and can feature at events.

5. Digital

5.1. Summary

The start of Q1 brought specific challenges of the Digital Team as Visit London’s digital assets (websites, code, data, databases, tools) were not transferred to London & Partners. After a gradual and painstaking process of gaining permissions and licences, operations are almost back to normal and ownership expected to be transferred imminently. Despite these issues the team has made excellent progress with many projects and web traffic has remained strong. The table below summarise the key statistics.

VL.com Q1 metrics	Actual	Target	Comment
Traffic	4,292,387	3,750,000	
New registrations	5,215	25,000	Will increase when marketing campaigns are activated
Commission	152,177	133,750	Some revenue was paid direct to VL
SEO traffic %	77.2	65	Will decrease when paid search is activated
Uptime %	92.2	99.7	Huge problems in April and May - now stabilised

5.2. Digital review

A comprehensive strategic and operational review of the digital team has commenced and will be completed by the end of July.

5.3. Cross-team working

In order to identify synergies and improve the organisational understanding of what value the digital team can add to functions who had not previously worked with us (for example FDI),

we held workshops with teams across the organisation to capture their digital requirements and discuss ideas. These results are being fed into the digital review.

5.4. Project highlights

- **Websites** - www.londonandpartners.com phase 2 development is almost finished and is due for launch w/c 18 July. Business (FDI), Media Centre, About Us and Travel Trade have all been migrated to the new adaptive layout which will allow users to view content on many devices, from wide screens to mobiles.
- **Booking** - Eviivo accommodation booking has been decommissioned and in the interim traffic has been diverted to 3rd parties. Booking levels have remained at similar levels and the new Expedia white label site, which will be launched at the end of July, should deliver a substantial improvement.
- **Email marketing and promotions** - Exact Target, our email marketing platform provider, was contracted in May. The tool was rolled out across the organisation and with training and support where required. B2B email templates were redesigned and more improvements will follow. All B2B and B2C email programmes have been restored and a cross-departmental comms plan has been produced. Promotions remained strong and the Royal Wedding competitions drove the highest ever number of entries, 85k in total.
- **Marketing campaign support** – digital support for Limited Edition London has been scoped and scheduled. We are advising on digital creative elements and are consulting with the marketing team on paid search, media plans and digital assets.
- **2012** - we produced 2012 accommodation landing pages on vl.com, including the generation of Google map files for dynamic mapping. LOCOG are pleased with the results and are referring traffic. The pages also received positive coverage in the Evening Standard. Other 2012 projects in the immediate pipeline include: 2012 consumer email comms plan, 2012 editorial plan, London app, Games Time Hosting Programme microsite and London Media Centre landing pages.
- **Registration and user data** – we re-engineered user registration back end code to allow more modular, flexible registration and moderation of distribution lists in preparation for new London & Partners sites.
- **Social media** - a social media working group has been set up to identify and enable social media owners across the organisation. Twitter and LinkedIn workshops have already taken place and Facebook is next.
- **London Events Culture Calendar (LECC) and Culture Diary** – Provision of support to GLA on LECC and Culture Diary.

6. Strategy, Insight & Propositions

6.1. Summary

The Strategy team has made significant progress on delivery of objectives. Key achievements for the team in Q1 included:

- Business performance analysis/evaluation: continued engagement with GLA economics to develop a measure for economic impact. A methodology has been agreed and rolled out for leisure tourism and an initial discussion on FDI and alignment with UKTI has taken place. Next step: roll out to Business tourism
- Proposition development: We are working with UKTI to clarify how we can cultivate proposition development by using a cluster approach and sector prioritisation.
- A research project is underway to understand how and why business tourism customers make decisions, the result should assist us in understanding how London & Partners can influence prospects to choose London over its competition.
- A segmentation & propositions programme manager was recruited and will start mid-August 2011. The role is key to developing a high quality proposition package for partners.
- The creation of an FDI brochure: 'Why London for Information and Communications Technology (ICT).

6.2. Primary and secondary research & thought leadership

FDI Barometer - The results of the 4th wave of the FDI Barometer which measures the confidence and sentiment of overseas-owned businesses in the capital. Key findings of the survey were:

- Overseas businesses in the city reveal that confidence is high that the 2012 Olympic and Paralympic Games will bring long term benefit to the capital.
- 86% of interviewees feel that the 2012 Olympic and Paralympic Games will have a beneficial effect on London, while 75% expect the legacy of the Games to provide long-term benefit to the capital.
- Over 70% of interviewees consistently cited proximity to markets and customers as the principal reason for their London presence.
- Great transportation links, availability of skilled labour and access to clients are key factors contributing to London's position as a leading business destination.
- Economic prospects also looked promising, with the majority of respondents reporting that they expect rises in revenue and gross profit over the next 12 months.

The findings have been well disseminated through a range of PR activities and a breakfast to inform stakeholders about the event is scheduled for 13th July.

6.3. Research request support for client and partners

200+ requests for information, intelligence and predictions on London tourism activity have been handled during the quarter with increased demand to support the promotional/PR collateral being issued to support London 2012. The Royal Wedding also generated much interest in forecasts of visitor activity. Initial indicators are that the event did relatively little to

boost numbers to attractions, theatres or retail. Annual figures for London's 2010 overseas and domestic tourism were released with positive trends for London.

38 FDI research requests were completed during in the quarter – maintaining the level seen in the previous quarter (37 requests). There were a number of completions of note where the research team had made a significant contribution including: Haier Group, Ferrovial Agroman and Adslot.

6.4. Knowledge management and Information sourcing

The team has continued to review the information sourcing strategy, to identify key priorities and has conducted a budget review to identify current knowledge gaps and priorities. It has also begun discussions with UKTI to identify any potential overlaps in information sourcing strategies and the potential for joint negotiations in order to achieve efficiency savings.

6.5. Benchmarking and Competitive watch

The benchmark report/databook - **“London in a Competitive Market”** has now been updated with the inclusion of data sets for Tourism, Leisure, Business Tourism and Education. The document is available on London & Partners' intranet for all staff to use as an **Internal Knowledge Building Tool**. The document will be regularly updated and the next round will include new data on the ICT and Creative sectors along with further substantiation for the leisure tourism and MICE segments. This report is also being prepared to be published externally.

7. Commercial and Higher Education

7.1. Summary

- 1,200 tourism partners have been invited to join London & Partners. £1.19m has been invoiced to date.
- FDI Partnership has been launched mid-June. £150k revenue has been confirmed.
- The Digital revenue budget has been achieved despite the challenges posed by the administration issues.
- We have reached outline agreement with London Higher in relation to staff resources from 1 October
- The License agreement for the Study London web site to be taken forward with agreement in Q2.
- The Study London team have been fully integrated and are now working across organisation.
- Launched FDI London Chamber of Commerce free membership package.

7.2. Partnerships

Following the merger, the effectiveness of the commercial team was impacted by the inability to use Visit London assets to promote partners. The tourism partnership was launched on the 14th June with partners offered a 2 month discount to reflect this period of inactivity. Generally this has been well received with partners keen to see us back in action although some 4-5 months behind a typical annual schedule. We have invited some 1,200 partners to re-join with a collective invoice value of £1.19m with a budget forecast of £905k.

The department has made good progress recruiting new partners, many of whom had been waiting for the results of the merger and clearer indication of the remit before committing. A particular highlight was the restaurant group D&D who were re-recruited in June after they had cancelled their previous membership before the merger.

A number of workshops were held with partners primarily involved in the FDI market and a proposition developed reflecting these requirements. Whilst it could be advantageous to London & Partners to consider running one partnership scheme incorporating both FDI and Tourism the feedback received from partners was unenthusiastic. The ethos that we have adopted is that joining as a partner in your primary area of importance opens up the other areas of the organisation. Invitations to become FDI partners have been issued to Think London's previous partners making sure that we retain the specialism and expertise. To date we have invoiced circa £150k against an annual budget of £235k. Once this initial period is completed we will invite those that have indicated a desire or interest to join. Currently there are 6 new partners confirmed.

The commercial team is taking active steps to be able to sell the totality of the offer across the organisations range of activities. The team has also been keen to break down in-house barriers over ownership of relationships and to ensure a clear line of sight for revenue generation across the business. It has been engaging with relevant teams ahead of recruiting new partners to ensure that the team is not over-committing and have cross-organisational buy in to timetables and implementation plans.

7.3. Digital Revenue

This has held up well considering the very real impact that the inability to use Visit London assets placed upon us. This is likely to come in just slightly under budget. Discussions have been held with the merchandising agent which was licensed by Visit London. As there is only a small on-going administration cost to London & Partners we have decided to continue the commercial relationship for an initial 12 month period. Currently it is unclear what revenue this is likely to generate but there is no income forecast currently for Year 2011/12 income budgets.

7.4. Higher Education

The Higher Education (HE) team have reviewed areas across the organisation where synergies can be achieved. This initial activity centred around the launch of London & Partners in Beijing where a student audience was invited alongside those in industry and tourism. We are currently exploring opportunities with the business growth team as to how we seek to engage them with the universities. This has been an area where FDI clients are looking for significant help with the brokering of both introductions and seeking closer ties with HE establishments. In one case, it has enabled us to help structure an institution's courses so that they are better aligned to produce graduates in the skills required by the industry.

Following a successful launch of the alumni programme in May, extensive work has been undertaken across the organisation which has identified significant areas for collaboration across all London & Partners departments. The team is working with Leisure Tourism to launch a campaign targeting friends and families of overseas students. The aim is to increase the number of visitors and their spend. With Business Tourism they are engaging with academic staff and researchers to see how to tap into their networks to bring more academic events and conferences to the city. We launched the International Students In London alumni at an event at City Hall on the 20th May. Our greatest advocates are those

that have studied in London, they come from the top of their countries socio/economic demographic and as they return home they will become ambassadors for the London educational and business environment.

Discussions are continuing with London Higher to resolve the staffing issues from 1 October 2011. Progress is also being made on the structure of the subsequent relationship which will be concluded in Q2.

8. Operations

8.1. Summary

As with other parts of the organization the Operations team was significantly impacted by Visit London going into administration. This threw up significant challenges particularly in the IT and Finance functions. A series of comprehensive 60 day plans were developed to ensure systems and processes were in place and that key activities were undertaken to ensure operational effectiveness by the end of the quarter. 95% of all activities outlined in the 60 day plan were achieved on time and within budget.

A business transformation programme has now been initiated to manage a number of programmes across the business with the key drivers being effective integration of activities, cost efficiency and to identify synergies across the promotion and delivery of the key audiences.

8.2. Finance

The finance team were required to spend the majority of April providing financial statements to the administrators. Despite this much has been achieved in the first quarter including:

- Roll out of purchase order and expense system and policies
- Budget created for 2011/12 and cash flow forecast by month
- Financial ledgers created for London & Partners
- Adaptation of month end procedures and accounts format for London & partners and preparation of management accounts for April and May
- Agreement of transfer arrangements for London & Partners International
- Review of overseas office reporting
- Review of partner expenses and cash advances
- Liaising with administrator and business re creditors

Work in progress includes:-

- Ongoing training for non-finance staff
- Reviewing arrangements for implementation of new payroll system and other systems improvements
- VAT detailed proposal for HMRC

8.3. Governance

London Chamber of Commerce and British Hospitality Association have been confirmed as members of London & Partners alongside the Mayor of London. The Society of London Theatres have expressed their desire to become a member and discussions are on-going with other business organisations.

Sub-committees for the Board have been formed covering Remuneration, Audit & Finance and Nominations. A skills matrix has been developed to inform the recruitment of additional Board members.

8.4. Business Performance

A management process has been implemented across the organisation to ensure strategy is converted into action and progress is monitored on a regular basis. KPIs for business units have been agreed and a monthly dashboard to monitor performance set up. A standard communications cascade has been implemented to ensure consistency of communications across all areas of the business.

Registration for ISO 90001 has been transferred from Think London to London & Partners for the promotion of inward investment services following an external audit in early April. A project plan has been developed for the phased roll-out of the quality management system across the other areas of the business has been developed. The programme will be integrated with Visit London's intention to secure the environmental standard ISO 14001.

8.5. IT/Facilities

The plans for integration of Think London and Visit London's IT systems were significantly impacted by Visit London's administration. All systems were transferred to ex-Think London servers until there was clarity over the ultimate ownership of assets. The migration to a new single domain was undertaken at the end of June with minimal disruption and downtime.

A longer term IT strategy has been developed to ensure the IT infrastructure and system meet the needs of the business and to identify and prioritise the development and integration of future systems. A timeline for activities to be undertaken in the first year has been developed with work commencing on scoping the integration of CRM systems.

The relocation of all staff to Visit London's previous premises at More London went smoothly with plans being considered for re-modelling the office to meet the new requirements of the organisation.

8.6. HR

The successful TUPE transfer of all staff into the organization was completed in April. This was followed by a re-organisation of London & Partners structure to ensure it was fit for purpose. The new structure was fully operational on 3 May.

London & Partners then embarked on a recruitment campaign, a new Chief Executive was recruited in May, and a further thirteen vacancies were successfully recruited to in May and June.

A comprehensive review of staff benefits was undertaken with childcare salary sacrifice, season ticket loan and bicycle loans schemes all reviewed, launched and operational. A new pension scheme is currently being tendered for and work on a new set of terms and conditions and policies and procedures are near completion. Work on the first stages of the harmonisation of terms and conditions is nearing completion.

The implementation of a new electronic HR/Payroll/employee self-service system has commenced which will cut down on staff administration costs and increase efficiency.

Permanent HR resource has been recruited to replace the resource from the LDA and temporary staff that managed the transition process.

8.7. Business Transformation

The programme vision encapsulates how London & Partners will be once the business transformation work is complete:

'We will maximise the benefits of working together as a single agency. Our dedicated teams of staff will use our resources to deliver best value for the city and our stakeholders.'

To achieve this, the programme has seven current project strands and there has been good progress made on each:

- **Culture & Values** – workshops have begun to facilitate the development of a common set of organisational values which will underpin a high performance culture
- **Sales Integration** – mapping of the Business Tourism sales processes is underway in order to achieve a consistent approach across business to business sales
- **Digital Review** – an external consultant has been brought in and started the Digital Review which will provide recommendations at the end of July
- **Suppliers & Procurement** – analysis of the supply chain is underway and will result in a clear approach to future procurement and supplier management
- **Opportunities for Synergy** – this work is being taken forward under four themes: Stakeholders, Big Clients, Revenue Opportunities, Utilising our assets
- **IT** – Our IT Strategy is complete and the first deliverables of a single domain and workstation replacement have been completed
- **Business Marketing Review** – this review has been completed and changes made to the team to enable them to support work across FDI, Business Tourism and Major Events

1. Overview

The last quarter has been one of **consolidation, re-launch and transformation**. London & Partners appointed a new Chief Executive and three new Non-Executive Directors to its board.

The company started to develop an **integrated strategy** to deliver the greatest impact on GVA for the London economy. We are determined that the strategy, which we plan to complete in the next quarter, should have **buy-in from the London family**. We also started to develop a new strategy to roll out the London brand and build London's reputation globally.

We responded to the **London disturbances** by providing messaging and spokespeople to media outlets in priority markets. And we are now supporting the Mayor's efforts to support the affected areas, through advice and promotion.

We "**re-launched London**" as the world's premier leisure tourism destination, with a global marketing campaign. "**Limited Edition London**" was designed to combat the risk of leisure tourism displacement before and during the 2012 Games. Since the launch, www.visitlondon.com has seen a significant increase in traffic with **7 million unique hits** in the year to date.

We continued to influence and **support inward investors**, who, this quarter, brought 1076 additional jobs to London. We promoted regeneration opportunities at the **Royal Docks** to the developer market in China and we engaged more than 35 companies looking at **Tech City** and the **Olympic Park**. We contributed to work by London's Academic Health Science Centres to build a world-class life sciences proposition for London.

We worked with HM Government to persuade a **major international economic forum** to come to London – and our fingers are currently crossed. We helped **more than 150 events organisers** make the most of London's venues, restaurants and supply chain and we developed a new strategy for bidding for major conventions.

This quarter, our study team engaged 3570 overseas students – a 20% year-on-year increase – and sent more than 700 enquiries to higher education institutions. The team also started to **support English language schools** adversely affected by recent changes to visa rules. And the team is working to make London a **global talent hub and centre for R&D activity**.

Our major events team **won the 2013 ITU Triathlon World Championships Grand Final, 2014 World Irish Dancing Championships and ESHRE (European Society of Human Reproduction and Embryology)**, demonstrating that London is one of the most exciting events destinations in the world. It also bid to host the 2017 International Association of Athletics Federations World Championships.

Working with the Mayor, No.10 and UKTI, we agreed a **single strategy to maximise the business benefits from the 2012 Games**. We also started discussions with the OPLC about ways to **maximise the legacy** from the city's investment in the Games.

The company achieved some (annual) **£1.9 million efficiency savings** through the consolidation of facilities and budgets, supply chain rationalisation, use of internal capabilities and reduced duplication.






We started to identify **new ways of working** to promote London more effectively and exploit the synergies between our business lines. For example, we joined up with a leisure partner to deliver a campaign targeting overseas students, and we launched a digital platform to access foreign student alumni for international business investment opportunities.

We doubled efforts to **re-engage our partners and stakeholders**. We re-launched our leisure partner newsletter and, in the next quarter, we will invite our key partners and stakeholders to strategy workshops.

Finally, but importantly, **we invested in our staff**, developing our corporate culture and company values (**ambitious, high performing, creative and collaborative**), working on a staff development strategy and rolling out management training.

Next, our focus will be delivering this year's business targets; developing a new evidence-based strategy which has the city's buy in; maximising the games legacy; and transforming our organisation to be **truly world-class**.

2. Key Deliverables against Business Plan (Andrew to complete)

Strategies	Progress RAG	Key activities delivered against strategic imperatives
<p>World Capital of Business Promote London as the leading destination for Businesses, Visitors and Students by leveraging the capital's inherent and historical assets and dispersing negative perceptions</p>		<ul style="list-style-type: none"> • Successful launch of Limited Edition London resulting in 12000 web registrations • Bid submitted for 2017 IAAF World Athletics Championship • FDI performance, 3216 jobs created vs. annual target of 3046 • Web traffic for Study London at 68,000 per month against target of 60,000.
<p>Focus on Priority Segments Focus the business, investment and resources on high value/profitable segments by developing and delivering relevant value propositions to targeted audiences</p>		<ul style="list-style-type: none"> • Economic consultants retained to determine net benefits of each business line for the London economy and the incremental benefit of London & Partners intervention. • Segmentation and Proposition Manager undertaking programme of proposition development. • Discussions with GLA regarding propositions for Croydon and Tottenham post riots. • Workshops planned for all audiences to develop strategic priorities.
<p>Review and Engage Stakeholders Proactively engage with stakeholders, commercial partners and customers by delivering value add through our unique insight, expertise, offering and connections</p>		<ul style="list-style-type: none"> • Stakeholder Management Strategy in development • Meetings held between CEO and top stakeholders • Stakeholder event planned for 16 November. • Conversations on-going with Visit Britain and Visit England to align activities. • Positive conversations with UKTI to progress MOU. • Commercial partner revenue on target to exceed annual forecast. • 3 new platinum partners and 6 new FDI partners recruited.
<p>2012 and beyond – a unique opportunity Maximise the opportunity around the 2012 games by focussing effort and resources before, during and beyond games time, integrating propositions, communications and services for the different audiences</p>		<ul style="list-style-type: none"> • 30 2012 related FDI projects generated against annual target of 50 • Games time hospitality plans on target and plans in development for staff resourcing during Games time. • London Media Centre launched.
<p>World Class Organisation Become a world class organisation that people want to work for by leveraging existing best practices</p>		<ul style="list-style-type: none"> • New organisational values launched • New Pension launched • Majority of business transformation programmes are on track • Strategy development slightly behind schedule due to time taken to recruit suitable economic consultants. • Pay benchmarking process undertaken and harmonisation of terms and conditions.

3. Leisure Tourism

Performance against KPIs

- **ROI for Limited Edition London** evaluation to be completed post campaign, in 2012
- **Match/VIK status:**
 - BA Europe, £125k
 - Radisson Edwardian, £160k USA, £20k EU
 - BA USA, £70k
 - Eurostar, Paris Ile de France, £66k
 - Ryanair, £83k
 - ANZ \$50k, LGBT USA
 - Various partners, UK £15k
 - Total agreed against target £555,000 / £500,000

Description of Key Activities and New Business

- **Launch of Limited Edition London** campaign in US, UK in September. Campaign to launch in France, Germany, Spain and Italy in October. Campaigns include radio, print and online.
- **Limited Edition London** campaign launched in Australia in partnership with Paris Ile De France and Eurostar
- Attended **Destination Britain North America** – conducted presentations and held 50 B2B appointments with key tour operators and press.
- Delivered 3 in house training sessions for NCR Delhi travel agents and road-show in Ahmedabad and Hyderabad, India
- Facilitated 2 x trade familiarity trips (UAE and Germany)

Exceptional Successes (max 3)

- Secured VIK/match funding partners for phase 1 of Limited Edition London; +£55k above target
- Delivery of **joint consumer and trade campaign** with Eurostar and Paris Ile De France – innovative approach to partnership and collaborative marketing.

Examples of synergies, value for money, different ways of working and efficiencies

- In India worked on a radio **promotion with Virgin Atlantic** in collaboration with the Study team and partners, promoting student airfares to London.
- Limited Edition Campaign messaging also being utilised by business tourism team (e.g. at IMEX America 2011)

Marketing, Communications, Digital & Strategy

- Co-ordinated PR launch for Limited Edition London campaign
- Hosted travel and leisure press from US and Europe as part of media hosting programme.
- Distributed monthly consumer news to travel and leisure press
- Distributed seasonal press releases promoting London's leisure sector to domestic and international press

4. Business Tourism inc. Major Events

Performance against KPIs (Paul I will put these in)

- **Enquiries:** 156 confirmed enquiries
- **Economic Benefit:** £84,000,000
- **Revenue:** £205,698 ytd vs. target £85m
- **Conversion:** 34% vs. 40% target
- **2012 jobs created** – 5920 vs. 10,000 target by 2017; 30 2012 projects for FDI pipeline vs. annual target of 50
- **Awards:**
 - C&IT Hot List Gold – London Best Conference destination
 - C&IT Hot List Silver – London Best Incentive Destination
 - M&C Magazine US -Gold service Award L&P 2011
 - Meetings & Incentive Travel USA -Platinum Award for best CVB 2011

Description of Key Activities and New Business

- **USA** – Attended a number of trade shows e.g. (AIBTM , IMEX , ITE trade shows, Trailblazers, ITW, Incentiveworks, MPI Web)
- **UK** – City Airport/Cityjet European agent workshop, Guide Live client forum, C&IT Client Forum, UVL Expo, Event Organisers summit
- 2012 -LOCOG Chef de Mission seminars; London Hospitality Programme – clients targeted, programmes in advanced planning stage, microsite developed
- **5 New City wide** association bids 2014 - 2018
- **Bid submitted** 2017 IAAF World Athletics Championships

Exceptional Successes (max 3)

- 2013 ITU Triathlon World Championships Grand Final – 5,000 pax £4m EB
- 2014 World Irish Dancing Championships - £6m EB
- ESHRE (European Soc. of Human Reproduction & Embryology) 2014, 8,000 pax £12m EB

Examples of synergies, value for money, different ways of working and efficiencies

- FDI/CVB joint presentation **activities re Tech City** – resulting in 6 page article – Digital London – M&IT Magazine
- Digital London Exhibition – **joint collaboration with Convention Bureau (CVB)** and FDI team to assist new start up event at ExCeL 2012
- **World Islamic Economic Forum** – joint collaboration with CVB and FDI team to establish feasibility and bid for 2013 event
- New brochure launched to be used across CVB/FDI sales teams to prompt awareness and new business leads to CVB – **6 Good Reasons Why...**

Marketing and Communications, Digital & Strategy

- Regular press releases – Associations announcements, Incentive award win C&IT Awards
- Submitted entry for Destination Marketing Team of the Year and shortlisted
- Provided support for 2011 BWF World Championships including PR stunt to launch ticket sales. Launched the London Visitor Charter
- Hosted international media on 2012 themed press trips

5. FDI

Performance against KPIs

- **107 projects** have been completed against at target of 192 (56%)
- **973 Inward Investment jobs** completed against target of 1104 (88%)
- **2243 Business Growth jobs** completed against target of 1942 (115%)
- **378 new projects** have been created against a target of 562 (67%)

Performance compared to last year is holding up for new projects and jobs. However a significant drop (57%) in the number of leads being created will potentially impact future pipelines.

End of year forecasts indicate that targets for 2011-12 will be exceeded.

Description of Key Activities and New Business

- Completion of project generation agency recruitment exercise overseas
 - **90% of headcount** lost during merger has now been recruited
 - **Successful mission into China** completed with excellent media coverage of events and project progression in Hong Kong, Shenzhen, Xiamen and Beijing
 - **Excellent cooperation** and exposure with CBBC
 - **Successful mission into US** with Taylor Wessing and Blick Rothenberg, events in SF and NYC, LA leg, excellent attendance at both events and valuable client meetings
 - Cooperation between **UKTI and Business Growth team** on targeting key clients for growth
-

Exceptional Successes

- **Great expansion by 3i Infotec** consolidating already strong position in London, **creating 150 jobs**
 - New investment by **Yammer** the enterprise social media platform as their bridge into EMEA, **creating 15 jobs**
 - New investment by **Context Optional**, providing services to corporations to build, capitalise on and measure the effect of their brand in social media, **creating 18 jobs**
-

Examples of synergies, value for money, different ways of working and efficiencies

- FDI/Convention Bureau joint presentation activities re Tech City – **resulting in 6 page article** – Digital London – M&IT Magazine
 - **Digital London Exhibition** – joint collaboration with CVB and FDI team to assist new start up event at ExCeL 2012
 - **World Islamic Economic Forum** – joint collaboration with CVB and FDI team to establish feasibility and bid for 2013 event
 - New brochure launched to be used across CVB/FDI sales teams to prompt awareness and new business leads to CVB – 6 Good Reasons Why....
-

Marketing and Communications, Digital & Strategy

- **Cushman & Wakefield** annual results – global release distribution
- 2012 jobs creation messaging at **One Year to Go** event
- Support for **Spanish Chamber of Commerce** event
- PR support around key client announcements – **Yammer, M&M World**
- Various trade editorial, opinion pieces written on behalf of GI and Mayor

6. Commercial

Performance against KPIs & Milestones

- **Tourism partnership** - £485k in bank - yearly budget £905k (54%)
 - **£57k confirmed cancelled** from invoice value of £1.193m
 - **FDI Partnership £150k in bank** (£260k invoiced) – yearly budget of £235k (64%)
 - **Digital Revenue £335k in bank** – yearly budget of £530k (63%)
-

Description of Key Activities and New Business

- Exercise undertaken to **chase partner debtors** which should deliver an extra £384k. Excessive time taken to pay by partners will need to be addressed for the coming year.
 - Four **“Meet the team”** partner events have been organised to re-assure partners of our continuing commitment to tourism
 - **Referrals to FDI commercial partners** have dropped by 25% compared to the previous year. FDI are addressing this
 - Working as the accommodation booking partner for LOCOG we have seen about **100 confirmed bookings** for the games-time period
 - Ten Alps have been appointed to **raise advertising income** from the Travel Trade Guide and the Event Planners Guide
-

Exceptional Successes (max 3)

- Warner Bros, Harry Potter experience, Spirit Pubs **are now platinum partners**
 - Oury Clark, Propel London, Railto, Sri, IFA and Jones Lang LaSalle all recruited as FDI Partners.
-

Examples of synergies, value for money, different ways of working and efficiencies

- A number of partners are engaging with us across **multiple business streams** e.g. Blick Rothenberg across FDI and business tourism
 - **Cross-training** will enable the sales team to undertake sales calls for FDI partners in Q3.
-

Marketing and Communications, Digital & Strategy

- Worked with a range of partners for involvement in Limited Edition London PR launch
- Worked with a range of partners on press trips and hosting programmes
- Provided ad hoc quotes for partner press releases

7. Students

Performance against KPIs & Milestones

- **Web traffic:** Target to increase monthly web traffic from 2010/11 average of 50,000 unique users per month by 20% to 60,000 a month. Q2 average is: 68,000
 - **Registrations:** target to increase number of registrations from 2010/11 average of 1,600 new registrations per month by 20% increase to 1,920 registrations per month. Q2 average: 3,570
 - **Referrals:** Target to increase referrals to universities via website. Average 2010/11 referrals of 525 per month to increase by 20% to 650 referrals to universities each month. Q2 average: 752
 - **Annual income target:** £120,000. Income raised to date: £73,850
-

Description of Key Activities and New Business

- The two staff have been TUPE'd to London & partner as of 1 October 2011
 - **Website/assets** also transferred though under licence (to March 2013)
 - The **website will be re-designed** within London & Partners brand/template
 - **Income reserves (c£200,000)** will be transferred post audit in November 2011
 - Edition 16 of *insight*, our quarterly magazine in production. This will be our last print edition – **next edition will be online only**
 - Universities **interested in internships/work experience** within London & Partners, esp. front of house activities.
-

Exceptional Successes (max 3)

- Facilitating collaboration btw c.18 universities in overseas activities. Verbal commitment of c£100,000 contribution (though amount and activities tbc).
 - Signed up a consortium of English language schools and working with them on their online digital presence for £10,000pa
-

Examples of synergies, value for money, different ways of working and efficiencies

- **Assisted with FDI/business growth teams** with their client's needs in the areas of: internships; access to spin-outs/entrepreneurs; country profiles; drama providers; design schools; life science assets; etc.
 - Involvement of a university in the **World Record London** campaign
 - **Olympic press briefing** to all London universities to explain opportunities associated with the London Media Centre (see below).
 - Investigating collaboration with PODIUM, the FE/HE unit for the Olympic Games, to use their directory of experts for use in the Media centre.
 - Made introductions to London Medicine, the consortium of medical schools and medical academia, with a view to **explore promoting the services of the convention bureau.**
-

Marketing and Communications Digital & Strategy

- Drafted and distributed press release about 2012 related activities in London universities as part of 1YTG event.
- Hosted event for university press officers to update on London & Partners and London Media Centre
- Announced London's placement in The Times Higher Education rankings

8. Operations & Business Transformation

Performance against KPIs & Milestones

- **Business Transformation programme** rated 4 work streams as green, 5 as amber and 1 as red
- **Organisational values** launched internally with strong positive feedback
- **Grant Thornton** selected as London & Partners auditors
- General Meeting with members to **re-appoint existing non-exec directors and appoint two new directors.**
- **Management accounts** now being turned around within three weeks of month end
- **Mid year review** underway with training sessions for managers
- **Employee relations issues** - 7 - one of which may result in an ET1 claim - no major financial exposure
- **Absence levels good.** New HR system will improve reporting
- **New pension scheme** implemented

Description of Key Activities

- **CRM project underway**, business case signed off, project resources established and partner selection underway
- **Quality Management** business case signed off and core processes identified. Quality Management documentation revised and ready to roll-out Q3
- IT operating on common infrastructure and implementation of **disaster recovery plan** commenced
- **Economic analysis** to underpin strategy scoped and economic consultants engaged to undertake work
- Cohesive approach to **stakeholder management developed** and plan for implementation has begun
- **Purchase of VL assets** from administrator assistance provided to complete assessment of creditor claims.
- Planning underway for **staff conference**
- Management development programmes designed and first modules launched

Examples of synergies, value for money, different ways of working and efficiencies

- Speed-dating networking event to **cross fertilise ideas** in the organisation
- Introduction of business cases to **better evaluate procurement decisions** and alternative course of action
- **Recruitment process streamlined** - 2 current vacancies
- Implementation of **integrated payroll system**

Financial Data

- **Total non-grant income recognised to date** (including match funding) £1.6m (23% of total recognised)
- **Total programme expenditure** to date £2.5m
- Total other expenditure to **date £4.7m**
- Cash at 30/9/11 of £2.1m and corresponding deferred grant income of £2.8m have arisen due to delayed spending in the first half
- Forecast for full year shows surplus of £0.2m representing reserves transfers to be carried forward.

9. Strategy & Insight

Performance against KPIs & Milestones

- **Strategy Development** – worked closely in Q2 with the exec and business transformation teams in development of strategy and business planning framework
- **Thought Leadership & Primary Research** – evaluation of FDI barometer study undertaken development of proposals for alternative methodologies and re-design of study to deliver added insight.
- **Knowledge Management** – full evaluation of current processes and the flows of information across the company completed in Q2. Recommendations now being developed and team working on Intranet development proposals and implementation of recommendations.
- **Segmentation & Propositions** – initial Leisure Marketing segmentation evaluation undertaken.
- **Supporting internal & external client needs** – 150+ requests for information, intelligence and predictions on London tourism activity have been handled during the quarter. 47 FDI research requests also completed, with completions of note where team made a significant contribution including: Twitter, Forever 21 & Context Optional.

Description of Key Activities

- **Segmentation & propositions development** - segmentation of the leisure marketing segment undertaken, to provide high value insight to the marketing team. Also working on development of the leisure marketing competitor's set.
- **Knowledge Management:** completed first phase of programme. 41 internal and 5 external interviews conducted over 7 weeks to assess current processes/information flows and understand external best practise. Working recommendations now being developed and implementation to begin in Q3 – including Intranet redevelopment.
- Information requests with an emphasis on 2012 increased in Q2 as partners enter planning mode for 2012. The Chinese market also continues to be a regular area of enquiry.
- **A revision to the Oxford Economics** study on the Olympics, initially conducted in 2007 completed. Key finding that the **displacement effect will pretty much neutralize the gain from 'sports visitors'**. Discussing currently the dissemination of this message with main stakeholders, as well as VB, VE and DM&C.
- **Work with GLA Economics** on the evaluation of leisure marketing campaigns underway.
- Team worked with Marketing in Q2 to produce the **FDI ICT Brochure**. Document contains key data on London's credentials as an ICT and digital business location.
- Comprehensive **review of SI&P budget** also undertaken with finance team to re-align with changing priorities and business objectives.

Examples of synergies, value for money, different ways of working and efficiencies

- Collaborative work started on two surveys with the Study London team. One gauging the use of the Study London database and campaign which is currently receiving good responses and another mapping the decision making process adopted by International Students to study abroad.
- Engagement with UKTI Investment Services team on joint information sourcing saving opportunities continued. Resulted in agreement for access to ERI Salary Search tool funded by UKTI, representing a saving of approximately £1,800.

LONDONTM
& PARTNERS

QUARTERLY REPORT

Q3 2011/12

• **Key Deliverables against Business Plan**

Strategies	Progress RAG	Key activities delivered against strategic imperatives
<p>World Capital of Business Promote London as the leading destination for Businesses, Visitors and Students by leveraging the capital's inherent and historical assets and dispersing negative perceptions</p>		<ul style="list-style-type: none"> • Limited Edition London continues to be successful resulting in 80000 web registrations by end of Q3 • Successful bid for 2017 IAAF World Athletics Championship • FDI performance, 3854 jobs created vs. annual target of 3046 • Business tourism confirmed £103.2m business against target of £85m • Web traffic for Study London at 72,000 per month against target of 60,000. • Agreement with organisers of London Stand at MIPIM to adopt London Brand throughout the stand.
<p>Focus on Priority Segments Focus the business, investment and resources on high value/profitable segments by developing and delivering relevant value propositions to targeted audiences</p>		<ul style="list-style-type: none"> • Economic consultants completed research to determine benefits of each business line for the London economy and the incremental benefit of London & Partners intervention. • Detailed SWOT and market analysis of leisure tourism completed • 3 bidders for Royal Docks development identified from Chinese market • Workshops undertaken with for all audiences to develop strategic priorities.
<p>Review and Engage Stakeholders Proactively engage with stakeholders, commercial partners and customers by delivering value add through our unique insight, expertise, offering and connections</p>		<ul style="list-style-type: none"> • Stakeholder Management Strategy in place • Stakeholders engaged in workshops to develop business strategy • Successful stakeholder event on 16 November to promote London brand • Positive conversations on-going Visit Britain and Visit England to align activities. • Commercial partner revenue on target to meet annual target. • Partner renewal target met
<p>2012 and beyond – a unique opportunity Maximise the opportunity around the 2012 games by focussing effort and resources before, during and beyond games time , integrating propositions, communications and services for the different audiences</p>		<ul style="list-style-type: none"> • 72 acceptances to Games Time hospitality programme – on target to secure 240 guests. • Sponsorship for programme secured from EDF and Rio Tinto with Google and Siemens sponsoring technology and environmental days. • Resourcing plans for Olympic period shaping up well with job roles developed and training identified. • Messaging being developed for Games time. • Discussions with East London stakeholders progressing to ensure lasting legacy for the region. • Discussions with OPLC progressing to work jointly in attracting major sporting events to the park
<p>World Class Organisation Become a world class organisation that people want to work for by leveraging existing best practices</p>		<ul style="list-style-type: none"> • Mid year appraisals taken place and learning and development requirements captured. • Good uptake of new pension. • First draft of business strategy completed. • Plan developed for business planning for 2012-13. • Highly successful staff conference with positive feedback.

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Leisure Tourism

Performance against KPIs
<ul style="list-style-type: none"> • Total benefit in kind £555,000 – 11% over yearly target • Over 80000 LEL campaign competition registrations
Key Activities (max 5)
<ul style="list-style-type: none"> • Planning for Limited Edition London phase 2 • World Travel Market – launched travel trade guide • Advent promotion with prizes offered by partners has driven 88625 entries and 1787 registrations • Planning Russian Sales Mission
Risks & Challenges
<ul style="list-style-type: none"> • On-going challenge of displacement – working with the strategy team and key representatives across the industry to assess issues and deliver plans to mitigate further risks
Exceptional Successes
<ul style="list-style-type: none"> • Limited Edition London – 80000 registrations on VL.com • 4583 vs. target of 1700 bookings generated through joint campaign with BA in Europe via booking widget on visitlondon.com • Network radio partners secured in the US for free exposure in exchange for London competition prize (BIK value of £259000)
Examples of synergies, value for money, different ways of working and efficiencies
<ul style="list-style-type: none"> • Working with Study London on “Visiting Friends and Family” campaign in India
Activities undertaken by Marketing , Comms & Digital Teams
<ul style="list-style-type: none"> • Events team delivered World Travel Market. Initial feedback is very positive from stand sharers and partners. • Comms Successful Limited Edition London press trips from Europe and US. • Created press event and messaging at World Travel Market including interviews and speaking schedule. • LEL campaign activity including: Launch of londonandparis.com site and phase 2 activities. • VL.com redesign - research phase

Business Tourism inc. Major Events

Performance against KPIs

KPI	Target	Actual YTD
Confirmed Business	£85m	£103.2m
Enquiry Conversion	40%	31%
Number of enquiries	850	708

- Business tourism have confirmed business of £103.2m of which £39.5m is 2012 business, this against a total target of £85m – 121% of target.
- Enquiry conversion is at 31% YTD vs. a target of 40% - a new team, Olympic enquiries taking longer to convert and the economic climate have impacted the team's ability to meet this target so far in 2011-2012.

Key Activities (max 5)

- Sales Missions to the US – with 6 partners generating 24 appointments
- EIBTM Trade Show – targeted to France, Germany and Spain. LEL hook campaign bolstered by social media. 100 meeting secured – 90% satisfaction rating from attendees
- 72 acceptances to Games Time hospitality programme – on target to secure 240 guests.
- Sponsorship for programme secured from EDF and Rio Tinto with Google and Siemens sponsoring technology and environmental days.
- Resourcing plans for Olympic period shaping up well with job roles developed and training identified.
- Discussions with East London stakeholders progressing to ensure lasting legacy for the region.
- Discussions with OPLC progressing to work jointly in attracting major sporting events to the park

Risks & Challenges

- Cardiology Bid 2015 – TFL support still pending for delegate Oyster cards
- Lost Cancer bid due to exchange rate and healthcare regulations in the UK
- Lost other events due to subvention and cost of hotels

Exceptional Successes

- Won 2017 World Athletics Bid
- Won Europerio 2015 (Periodontology) – 5000 delegates
- Secured mayoral endorsement and TFL sponsorship for Marathon on Wheels event 2013 and onwards

Examples of synergies, value for money, different ways of working and efficiencies

- 2012 – “Are you ready” presentation to FDI and Tourism partners

Activities undertaken by Marketing & Digital Teams

- New Events Online booking tool to encourage self-service

- “6 Good Reasons Why” promotional material to encourage business tourism investment in London
- Marketing delivered two newsletters – one for an Associations audience, one for Event Planners. Open rates were good for both: EP 15.8% and Associations: 13.3%
- Launch of Convention Bureau, Major Events and Partnerships channels on londonandpartners.com
- Launch of london2017athletics.com website

Commercial

Performance against KPIs

The commercial team is on track to meet its targets this year of £3.574m, currently banked £3.2m.

London & Partners Income

Income	Q1	Q2	Q3	Total YTD
E-Commerce	£165,711	£172,965	£141,532	£480,208
Advertising	£0	£0	£50,608	£50,608
Sponsorship	£34,000	£32,439	£81,234	£147,673
Match Funding	£248,283	£36,871	£564,365	£849,519
Benefit-in-Kind	£103,000	£100,564	£118,936	£322,500
Partnership	£41,857	£721,258	£436,405	£1,199,520
Other Grant Funding	£107,005	£18,245	£8,945	£134,195
Other Income ⁽²⁾	£9,254	£1,863	£25,447	£36,564
Total	£709,110.40	£1,084,205.40	£1,427,471.14	£3,220,786.94

1. Other Income includes Boardroom bookings and interest

Key Activities (max 5)

- Development of international merchandising proposal
- Completing new propositions
- FDI selling now within the wider team – two successes to date
- Building a platinum partner list to target for 2013

Risk & Challenges

- Increasing referral levels to FDI partners

Exceptional Successes

- Post Office – new platinum partner bringing in £21.5k in revenue
- Partner renewal target met - £905k

Examples of synergies, value for money, different ways of working and efficiencies

- Assisted the Business Growth team build a relationship with Hilton using commercial contacts

Activities undertaken by Marketing & Digital Teams

- New Partner website launched
- London Brand launched to partners at event in November – great response and uptake on usage
- Launch of partner engagement on social media channels – LinkedIn and twitter

- The FDI International Business Reception will no longer take place due to amended priorities and objectives.

FDI

Performance against KPIs

The FDI team continue to meet their targets with stretch targets predicted to be met across all geographies by the end of the year.

KPI	Target	Actual	% of yearly target	2010-2011
Completed Projects	192	146	76%	199
Inward Investment Year 1 Jobs	1104	1324	120%	1621
Business Growth year 1 Jobs (inc. Safeguarded)	1942	2676	136%	3842

Key Activities (max 5)

- A variety of overseas trips to US, Europe, China and India resulted in 25 leads and 16 projects

Risks & Challenges

- Head of Fast Track left in November 2011
- MOU with UK Trade & Investment still not in place due to unresolved issues
- Head of EMEA to be appointed

Exceptional Successes

- Yelp – Social Networking + local search site (US Business Growth) x 142 year 1 jobs
- CJ Food Europe (Korean New Investment) – Korean Food Distribution company in Europe x 40 year 1 new jobs
- Evolutionary Systems (India) x15 jobs – CRM & ERP Solutions provider

Examples of synergies, value for money, different ways of working and efficiencies

- Tech City Stakeholder Engagement – visits and tours arranged for London Assembly members, Commercial partners, clients and staff
- Presentations to potential clients at Techworld – as part of UKTI organised Entrepreneurs week
- India Launch attended by Gordon Innes, targeting FDI, alumni and travel trade

Activities undertaken by Marketing & Digital Teams

- SME networking event: We pioneered the client pitch approach and had five clients pitching. Attendee satisfaction rating was 85%.
- India programme for CEO: including presentation and speech writing, event logistics and planning. He met with over 200 companies and London & Partners hosted events, plus external speaking platforms.
- UKTI educational emailer: we launched a new e-comms to one of our most important

multipliers, UKTI. The aim being to regularly educate the global UKTI team on selling messages for London. The open rate of almost 20% which is above average.

- FDI blog: we are still building up our online presence and have started an FDI blog

Students

Performance against KPIs

Performance remains above target for all Student KPIs

KPI	Target	Actual	% of target
Web Traffic	60000 unique users per month	72000	120%
Registrations	1920 new registrations	3151	164%
Online referrals via website to universities	650	663	102%
Income	Raise £120k in external revenue	£148k	123%

Key Activities (max 5)

- Preparation for launch of English Language Skills portal
- Collaborating with the International Directors Network (who have contributed £105k to date) on activities in India, China and USA

Risks & Challenges

- Study Website migration to Londonandpartners.com
- Converting HSBC advertising deal

Exceptional Successes

- 15% of student referrals to universities from studylondon.ac.uk are now studying in London. An improvement of 9% on last year

Examples of synergies, value for money, different ways of working and efficiencies

- Hosted discussion with Imperial College London and the FDI teams to explore the potential for FDI clients

Activities undertaken by Marketing & Digital Teams

- Friends and family campaign with leisure marketing

Operations & Business Transformation

Performance against KPIs/Milestones

- Revenue generation for facilities ahead of target
- Staff attrition within target
- Management accounts produced within target deadline
- No unscheduled system downtime
- Disaster Recovery plan completed

Key Activities

- Management development workshops for all managers and heads started in November
- Internal Communications strategy written
- CRM partner procurement process underway
- Continued work to develop intranet
- Business Continuity plan in place
- Revenue of £16k raised from leasing boardroom
- ISO9001:2008 external quality audit passed
- On-going review of finance processes
- Additional high calibre Board members recruited leaving just one vacancy
- Legal procurement concluded – Bates Wells selected
- Support governance and contracting of dot London project

Risks & Challenges

- CRM project delayed due to changing scope of project.
- Work commenced on resource requirement during Games Time

Exceptional Successes

- Very successful staff conference which elicited very positive feedback
- Finance team recognised for 2 awards at staff conference

Examples of synergies, value for money, different ways of working and efficiencies

- Recruitment through our website and partners – no expenditure on recruitment agents
- Savings made of £27k over three years on photocopier contract

Activities undertaken by Marketing & Digital Teams

- Events team support for the staff conference

Strategy & Insight

Performance against KPIs

- The team has continued to deliver against objectives (with key activities identified below)
- Continuing to deliver requests for information, intelligence and forecasting
- Strategy development – internal and external workshops held to garner input
- Knowledge management – analysis completed. Implementation concentrating on intranet development at the moment
- Segmentation and proposition development – initial analysis of leisure tourism sector completed

Key Activities (max 5)

- Internal strategy sessions run for internal and external stakeholders. Competitor analysis developed to support the process.
- Economic Analysis commissioned and completed.
- Initial strategy completed.
- Leisure tourism market detailed report delivered to the leisure marketing team in November
- Knowledge management project implementation on-going
- Displacement research for key stakeholders including the GLA

Risks & Challenges

- Volume of work within the team

Exceptional Successes

- Positive briefing for key stakeholders on displacement
- Economic analysis provides robust evidence base to inform resource allocation

Examples of synergies, value for money, different ways of working and efficiencies

- Student survey resulted in record level of respondents – 15% secured a place via the Study London website.
- Knowledge management is a key company wide project involving all teams.

Activities undertaken by Marketing & Digital Teams

- Working with the digital team to present a case for introducing Yammer as a means of improving communication across the business

Key Performance Indicators

PARTNERS KEY OBJECTIVE&P CONTROL		GLA KEY PERFORMANCE INDICATORS		MEASUREMENT	2011-12 TARGET	REPORTING FREQUENCY	Q1	Q2	Q3	Q4	Total
		DIRECT OUTPUT	END GAME OUTCOME								
1. To generate incremental economic spend from students and visitors		Medium	1. GVA and Benefit Cost Ratio of London & Partners activity. - To be reported for leisure tourism marketing campaigns from April 2011 - GVA and BCR of other business activities (breakdown TBC once methodology developed)	Methodology to be developed by GLAE, working with London & Partners, to assess the economic value of all L&P activities. Methodology to be available by April 2012.	Not available	TBC with GLAE					
Attracting, accelerating and expanding mobile		Medium	2. # of inward investment completions 3. # of jobs created and safeguarded	L&P CRM and client questionnaires	192	Quarterly	62	45	39		146
				L&P CRM and client questionnaires	3491	Quarterly	2163	1076	761		4000
Attracting private sector & other non-grant funding		High	4. Additional Resources Attracted (£m)	Using ARA definition. Investment levered, income and match funding to be reported by source (public/private) and broken down as follows: - E-commerce - Advertising - Sponsorship - Match funding - Benefit in kind - Partnership - Other grant funding	3.1	Quarterly	E-commerce = £165711 Advertising = £0 Sponsorship = £34000 Match Funding = £248283 BIK =£103000 Partnership = £41857 Other Grant Funding = £107005 Other Income = £9254	E-commerce = £172965 Advertising £0 Sponsorship = £32439 Match Funding = £36871 BIK = £100564 Partnership = £721258 Other Grant Funding = £448245 Other income = £1863	E-commerce = £141532 Advertising £50608 Sponsorship = £81234 Match Funding£564365 BIK= £118936 Partnership = £436405 Other Grant Funding = £8945 Other income = £25447		
2. To maintain or enhance London's global image and reputation		Low	Total Additional Resources				474				
			N/A	World no. 1 destination for international visitors	World # 1						
				World no. 1 destination for international students	World # 1						
				Europe's no. 1 destination for FDI	European # 1						
				Top 10 global destination for conferences and events	Global top 10						
3. To be recognised as a work by clients by staff by stakeholders		High	5. L&P internal and external stakeholder satisfaction (%)	L&P client, staff and stakeholder satisfaction surveys - to be conducted by independent research company at end Year 1.	>80	Annually - timing TBC					
4. To showcase the London brand		Medium	6. London's global image and reputation	Methodology to be developed by L&P in 2011/12, working with GLAE, to determine optimum means of tracking and ranking London's position.	Not available	TBC					

London & Partners
2011/12
Analysis of GLA grant spend

	Q1 £'000	Q2 £'000	Q3 £'000	Total Q3 YTD £'000	Full year Forecast £'000	Grant spend Budget £'000	Full year Forecast total cost £'000
Expenditure (including salaries)							
Marketing	763	1,219	2,156	4,138	5,686	5,711	6,121
Business Tourism	501	199	345	1,045	1,853	1,972	2,521
2012	34	85	97	216	582	781	617
FDI Sales (incl overseas offices)	433	365	641	1,439	2,457	2,260	2,613
HE	31	19	67	117	154	157	175
Digital	297	264	286	846	802	899	1,329
London TLD	0	0	30	12	25	0	143
Propositions & Insight	91	33	149	274	443	570	503
Operations	790	756	631	2,177	2,516	2,475	2,981
Transition	336	629	35	1,000	1,000	1,000	1,074
Commercial	0	0	0	0	0	0	978
	<u>3,276</u>	<u>3,569</u>	<u>4,437</u>	<u>11,264</u>	<u>15,518</u>	<u>15,825</u>	<u>19,055</u>
Projects to complete in 2012/13					307		18,286 Per management accounts 570 VL assets
					<u>15,825</u>		<u>200 2012 Prepayments</u> <u>19,056</u>

Note - total costs are forecast at £19,056k therefore non-GLA grant income of £3,231k (forecast) will be spent on the difference.

The remainder of non-GLA grant income would be placed in reserves for:

	£'000
Specified for Higher Education non-salary costs	99
Think London reserves	152
Surplus tbd (reserves, dot London etc)	<u>306</u>
	<u>557</u>

When the budget was set London & Partners was budgeting to spend all of its income, grant and non-grant.

During the year certain items have been delayed or cash has been spent on prepayments for items next year and there are some savings/underspends.

This means that forecast income in total is similar to the original budget but forecast costs are lower than budget.

Therefore the allocation of all of the income to the expense categories is no longer needed.

The above analysis shows the full grant still being allocated which means that the allocation between categories has changed.