



Contents

- 1. From strategy to business plan
- 2. Outcomes
- 3. Core market priorities
- 4. Brexit priorities
- 5. Sector, growth and regeneration priorities
- 6. Partnerships and commercial priorities
- 7. Transitioning the organisation
- 8. Budget

London & Partners' new strategy sets the direction for the three years ahead. This Business Plan explains how we will put the strategy into action in 2018/19 and highlights priorities for the coming year as we set out to transform the organisation.





Mission and remit

We exist to support the Mayor's priorities by promoting London internationally as a leading world city in which to invest, work, study and visit. We tell London's story brilliantly to an international audience in partnership with organisations and people who have a stake in London's promotion.

London & Partners is the Mayor of London's official promotional agency. We are a not-for-profit public-private partnership, funded by the Mayor of London, European and national funds, our network of partners and other commercial ventures.

Our work helps achieve 'good growth' for London and Londoners, as outlined in the Mayor's economic development strategy. We do this by focusing on:

- building London's international reputation
- attracting international audiences and convincing them to choose London
- guiding international audiences to make the most of all that London has to offer
- helping to retain and grow London's businesses



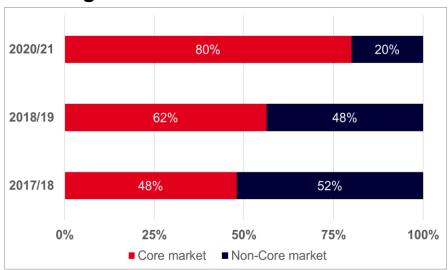
Implications of our new strategy

New strategy Previous strategy Outcomes Any growth, any jobs Growth where there is capacity, in target sectors Win new growth, new jobs only Retain existing growth as well as winning new Focus Focus our proactive work on five core markets Proactive work in many markets Defined and consistent target audiences Varied target audiences Clear prioritisation of seven sectors Work across many sectors Intervene mostly before and during decision Intervene mostly during and after decision How we operate Partnerships create value for partners Partnerships achieve outcomes for London Teams work more closely together Teams work quite independently

Strategic resource allocation (1/2)

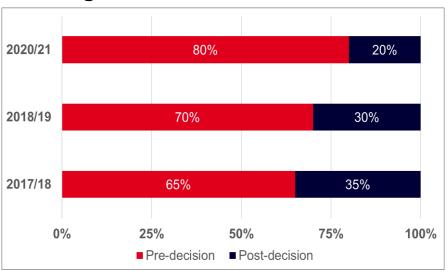
Over the next three years, we will change the allocation of our resources to support our strategy.

Investing in core markets



We will increase the share of spend in core markets to 80% by 2020/21.

Investing to influence decisions



We will increase the share of investment on influencing prior to a decision to come to London is made to 80% by 2020/21.



Strategic resource allocation (2/2)

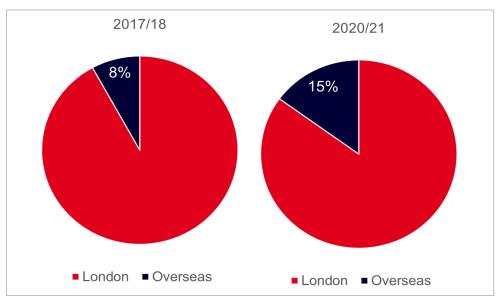
Over the next three years, we will change the allocation of our resources to support our strategy.

Investing in London's global brand



We will increase the share of spend on promoting London's overall brand and reputation to 40% by 2020/21.

London vs Overseas Headcount



We will increase the ratio of our headcount overseas compared to London to 15% by 2020/21.



Alignment with the Mayor's priorities

London & Partners' work will benefit Londoners by:

- Keeping international businesses in London, retaining jobs and growth.
- Attracting and growing businesses in the sectors which will create jobs for the future and drive more inclusive, sustainable growth.
- Making tourism work for Londoners. Attracting tourists who will spend money on a wide range of cultural
 institutions and experiences so that Londoners can benefit from them too. In 2018/19 this will include attracting
 visitors to a thriving grassroots live music scene. It is also our role to encourage tourists to come at the times and to
 the places where they don't cause congestion.
- Attracting international students who support London's universities by paying fees and who can go on to work in our businesses.
- Attracting international investors to invest in regeneration and affordable housing projects which are priorities for the Mayor.
- To do this we will work closely with the GLA to tell London's story brilliantly to international audiences.





Good growth outcomes

Our work with international audiences will deliver the following outcomes which contribute good growth for London and Londoners:

- Retention of international business in London
- Growth in key sectors supported by foreign direct investment, exports and SME business growth
- Growth in tourism industry where there is capacity
- International student fees for universities and talent for London businesses
- A diverse cultural scene, supported by increased visitor spend in a wider range of institutions
- Regeneration and affordable housing in specific GLA identified projects

Enabled by:

Building London's brand/reputation delivered through all our work



2018/19 Key Performance Indicators

- It is clear that we need new measures and KPIs for 2018/19.
- We have agreed with the GLA and our Board that getting our measurements right is crucial and needs to be done thoroughly.
- This is more important than the ability to directly compare future performance to previous performance.
- Our new focus means that some existing measures are valid but that other areas of work need new measures.
- This work will be undertaken between March and May 2018.
- This means we can set targets now where our measures are already clear.
- For new measures we propose to agree targets with the GLA during the first half of the year.



2018/19 Targets

Strategic objective	KPIs		
	Measure	Proposed Target	
Retention • Retaining businesses and talent who may be	Retained jobs in key sectors	1,000 jobs	
affected by Brexit	 Talent measure to be developed 	To be set end Q1	
Good growth 1. Attracting international audiences and convincing them to choose London	For FDI, Trade, Growth, Business Tourism, Major Events and Students: GVA GVA in key sectors	£190m GVA 80% from key sectors	
2. Supporting innovative international businesses to grow and/or internationalise	For LeisureNew measures to be developedVisitors to grassroots music venues	To be set end Q1 To be set end Q1	
3. Ensure growth brought to London is good growth	For RegenerationNew measure to be developed	To be set end Q1	
4. Attracting investment into regeneration			



2018/18 Targets

Strategic objective	KPIs		
	Measure	Proposed Target	
 Strengthening London's brand by building on the city's values 	Reach & engagementChange in sentimentIncrease to consideration	To be set end Q2	
 Partnerships & Commercial Creating mutually valuable partnerships with those who have a stake in London's international promotion Commercial surplus 	Proportion of resources that are non-GLA grant	Minimum 50% non-GLA grant	





Our five core markets

We have limited resources and need to focus them on a small number of markets in order to achieve benefits of scale. We have selected these based on a balance of mature and growing markets that will yield the biggest opportunities and where we can build on common messages that align across all of our audiences.

Our five core markets will be:

- North America
- France
- Germany
- China
- India

We will double our presence on the ground in these markets with five new offices. For the first time, we will have a presence in mainland Europe with offices in Paris and Berlin.

As a consequence we will stop proactive work outside these markets. By exception we will respond to significant opportunities elsewhere.

Where possible we will also support the promotion of the rest of the UK using the power of London's brand.



Core markets ambition

The table shows our ambition for what London & Partners' work will achieve in these markets:

	North America	France	Germany	India	China
Brand	Reinforce brand	Evolve brand	Evolve brand	Maintain brand	Change perception Build brand
Investment	Maintain value of FDI in priority sectors	Maintain value of FDI in priority sectors	Increase value of FDI in priority sectors	Rebalance pipeline towards priority sectors	Rebalance pipeline towards priority sectors
Trade	Grow amount of trade in priority sectors	Grow amount of trade in priority sectors	Grow amount of trade in priority sectors	Maintain amount of trade in priority sectors	Grow amount of trade in priority sectors
Business tourism	Grow in core sectors - larger contestable wins	Grow in core sectors - larger contestable wins	Grow in core sectors - larger contestable wins	Prepare for growth	Prepare for growth
Students	Maintain students attracted	Maintain students attracted	Maintain students attracted	Defend unless visa change	Grow students attracted
Leisure	Focus on target audiences	Targeted on cultural diversity	Not a priority in 2018/19	Not a priority in 2018/19	Prepare for growth





Our role in retaining businesses and talent

We will address the risks of Brexit in two ways – retaining jobs and retaining talent.

Balance of location

 Firstly, we will aim to influence the balance of location between London and other cities in the EU as businesses take decisions based upon the likely outcomes of Brexit negotiations.

Talent

 Secondly, we will work with partners, including the GLA, to address employers' key requirement to retain and continue to attract the best talent to London.



Progress to date

- Since the referendum, we have built up a strong evidence base of the impact of Brexit. We have:
- Tracked international investment into London which showed a 22% decline in the first six months of 2017/18 compared to 2016/17* and the impact on our own pipeline (*Source: FDI Markets)
- Created a retention and growth taskforce including senior representatives overseas to engage with key FDI investors and collaborated with our partners to form a Brexit intelligence unit to track the impact on key sectors and to offer advice to our clients on regulatory, tax and employment issues. This has included a core message set adopted by our partners and City Hall
- Conducted three surveys one pre-referendum and two post-referendum of our FDI client base (both investors in London and those considering London) to establish their concerns and engaged over 1,100 businesses in 1:1 and round-table dialogue and fed intelligence to City Hall and national government
- The Mayor and Deputy Mayor for Business have led trade missions to key European cities
- Created a city to city programme to foster partnerships with cities across Europe (and beyond) to support London SMEs doing business in those markets and vice versa.
- Secured GLA support for establishing a stronger in-market presence in key overseas locations



Key priorities for 2018/19

- Use highly targeted marketing communication to influence businesses and talent to stay in London. This will be ongoing activity as part of London & Partners' 'always on' marketing activity in order to attract and retain talent in London. This may also include joint activity/events with the GLA.
- Establish a stronger core market presence by opening new offices in Paris, Berlin, Bangalore, Shenzhen and Chicago including new resource in these locations and additional resource in the San Francisco and New York office.
- Better co-ordinate London-based resource where we aim to join up retention activity with GLA and the City of London where we will agree target sectors and businesses
- Continue to engage with business on a 1:1 basis as well as through regular round tables in London. This is an opportunity to address business concerns, make clear how much we value and welcome their investment, and inform policy holders of specific issues concerning business.





Sectors

- London & Partners is aligned with the Mayor's ambition of driving more inclusive, sustainable and innovation led growth. The GLA's Economic Development Strategy identifies seven sectors that most benefit London's economy and Londoners.
- Within these sectors we plan to focus our proactive work on a small number of Centres of Excellence where we will join up our FDI, growth and trade work to have significant impact. Further work will be undertaken in 2018/19 to identify the selection of Centres of Excellence within which London has real strengths.

Sectors

- 1. Advanced urban services
- 2. Cultural and creative industries
- 3. Financial and business services
- 4. Life Sciences
- 5. Low carbon and environmental
- 6. Tech and digital
- 7. Tourism

Centres of Excellence

- Fintech, Crypto, blockchain
- Artificial Intelligence
- HealthTech
- GreenTech
- TravelTech

- RetailTech, eCommerce
- Data analytics
- SportsTech
- EdTech
- CreativeTech inc AdTech



Business growth programmes

Mayor's International Business Programme and Business Growth Programme

- We support London-based high-growth tech, life sciences and smart cities companies accelerate their growth plans by expanding into overseas markets.
- In 2018/19, we will continue to support successful businesses through the **Mayor of London's International Business Program (MIBP)**. We deliver this ERDF funded programme in partnership with GLA, the London Enterprise Panel and our private sector partners. This tailored programme features mentoring by experienced entrepreneurs, trade missions to explore opportunities around the world and access to leads.
- We are planning to undertake a range of trade missions including five missions to the USA, two to China, 4+ to European cities plus sector missions to Money2020 in Amsterdam, US and China and Tech events at Slush in Helsinki in October.
- In addition to MIBP, we will also continue the **Business Growth Programme** (BGP). The programme, which is partly ERDF funded, helps London businesses realise their growth ambition and expand in the capital.
- By aligning the Mayor's International Business Programme and the Business Growth Programme we will be able to
 deliver higher impact workshops and meet the Corporate events to support more London SMEs to scale and win
 business.



Regeneration and Affordable Housing

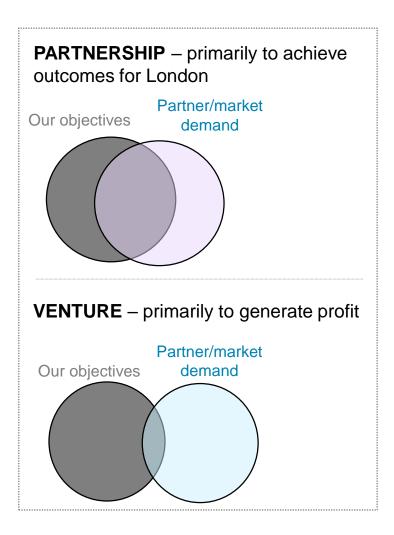
- The GLA has identified a number of regeneration and affordable housing opportunities across London.
- Through our networks and engagement with specialists, we target international markets to attract overseas capital investment into these projects to increase or accelerate property (and, notably, housing) development.
- Our team pinpoints and promotes investment opportunities by collaborating with the Greater London Authority, London boroughs and developers, and by visiting overseas territories with GLA officials and relevant Deputy Mayors to make the case for investment. The schedule is for the year is currently being developed.
- The current London Opportunities Prospectus will be updated in conjunction with the GLA to include more infrastructure projects, key housing developments and a greater focus on outer London boroughs.
- The team will participate in the following events the London Real Estate Forum, MIPIM Cannes and MIPIM Asia
 as well as host round tables and briefings with key investors.





Introduction

- We will aim to achieve minimum 50% of non-GLA grant revenue (commercial revenue, match and in-kind) to GLA grant revenue.
- We will do this by pursuing both partnerships and commercial ventures.
- We are clear about when activity is primarily to achieve outcomes, or primarily to generate profit. This is why we distinguish 'partnerships' from 'ventures':
 - Partnerships: We will pursue partnerships where our strategic objectives align. Partnership revenue allows us to do more programme activity to achieve our outcomes for London. Examples: sponsorship, match funding, value in kind.
 - Ventures: These deliver commercial revenue that generates profit
 (cash) that can be reinvested in programme activity to achieve our
 outcomes for London. Examples: dotlondon, eCommerce.







Partnerships

- We aim to work strategically with a large number of partners in London, but increasingly also in our core markets, with whom we want to establish mutually valuable partnerships.
- In line with the strategy, we will evolve our strong relationships with National Agencies (such as VisitBritain and DIT) and UK cities. This includes using ERDF funding and benefiting from Discover England Funding of some priorities.
- In the year ahead, we will continue to **develop our partnership schemes for FDI and the London tourism industry**. This includes
 galvanising the key partners behind the Tourism Vision.
- In addition, our aim is to pursue more overseas based partners or those with global reach to amplify London content to our audiences in core markets.





Ventures

- We run profit-making activities that generate profit (cash) to reinvest in programme activity to achieve our outcomes for London. Our current ventures are:
 - DotLondon selling the top level domain .London
 - **eCommerce** ticket sales on visitlondon.com
- We will consider launching new ventures in the future, subject to business cases and appropriate risk management. Some ventures may evolve from partnerships activity which was the case with the Visit London app.
- **Objectives:** We will clearly differentiate between our partnerships and our commercial ventures work. Our ventures will generate profit to reinvest in our activity for London.







Transforming the Organisation

- Delivering our new ambitious strategy and our new set of priorities means significant changes for London & Partners.
- Successfully managing these changes will be a key priority for 2018/19 and we will proactively manage these changes.
- Changes will be required across people, processes, systems & infrastructure and data & information.
- These changes will enable us to plan better, to focus on the highest value activities, to collaborate to greatest effect internally and to partner externally in order to scale our work.
- We will need to continue to deliver for London whilst implementing these changes.



Change Programme

Our change programme will have five components:

Leadership & Management

To put in place the required leadership & management roles, structure, behaviours and processes

Ways of Working

To develop and embed cross-company ways of working covering planning, measurement and learning

Delivery

To put in place the right delivery in terms of roles, structures and processes

Systems & Tools

To develop the underlying platform for collaborating and managing external relationships

Communications

To manage communications both internally and externally





2018/19 Budget

	Business Plan 2018/19 £'000	Forecast Actual 2017/18 £'000
INCOME		
GLA grant – core	11,543	11,543
GLA grant - MIBP	400	100
GLA grant – Brexit (18/19)	1,355	352
GLA grant - Other	357	302
Total GLA Income	13,655	12,297
Other grants	2,030	2,403
Contributions from partners and other agencies	951	1,425
Commercial Earnings	5,345	6,221
Value in kind contributions	5,250	4,358
Total non-GLA income	13,576	14,407
Total income	27,231	26,704
EXPENDITURE		
Activity costs in core markets		
North America	2,874	3,289
China	1,369	1,076
India	594	448
France	1,135	1,054
Germany	885	531
Activity cost across all core markets	2,468	898
VIK utilised in core markets	3,150	1,961
Activity costs across all other non-core markets	4,139	7,354
Retention / Brexit defence and sector specific activity costs	1,430	352
VIK utilised in non-core markets	2,100	2,397
Total activity costs	20,144	19,360
Platform costs	7,087	7,226
Total expenditure	27,231	26,586

2018/19 Budget

Notes

- The 2018/19 budget and 2017/18 forecast have been analysed in categories which differ from the presentation of the budget by audience in previous years. They are now in line with the new strategy showing costs by core market, cross-country and specific items and platform costs. Each category includes programme costs, staff costs and value-in-kind (VIK) for the activity.
- Platform costs include operations costs (HR, IT, facilities, finance, legal), research information sources, digital support costs & related tools, PR monitoring costs and strategic transformation costs. They also include salary costs for staff and management in operations, research and commercial roles.



