

REVIEW OF PERFORMANCE AGAINST TARGETS FOR Q1 2015-16

PURPOSE

This report highlights London & Partners' performance for the first quarter of 2015-16 against its core objectives of delivering jobs and growth for London and strengthening the city's reputation for the future.

SUMMARY

The company has had a successful first quarter and is on target to achieve or exceed its key performance indicators for the financial year.

We measure London & Partners' additional economic impact: defined as the extra benefits generated as a direct result of our intervention, compared to what would have happened without us. Our claims, which exclude all other influencing factors and take account of possible displacement of economic activity and over-optimism by those surveyed, have been confirmed by GLA economists as 'best practice'. Our KPIs for measuring economic benefit to the city are gross value added (GVA) and jobs created or supported. We also estimate the additional spend of leisure tourists, business delegates, major events-goers and additional sales made by foreign direct investment companies.

KPI	Actual for Q1 15/16	15/16 Target	% vs Annual Target
Total Additional Gross Value Added (GVA) from FDI, international students, tourists, major and business events delegates and organisers assisted by L&P	£78m	£247m	32%
Jobs supported by spend from international students, tourists, major and business events delegates and organisers assisted by L&P	967	2,896	33%
New jobs created in their first year of operation by Foreign Direct Investment (FDI) assisted by L&P	1,397	4,300	32%
Advertising Value Equivalent (AVE) from strengthening London's reputation as a cultural centre and leading destination for life sciences and tech	£76m ¹	£70m	108%

Key achievements for the quarter included:

- Lego establishing a global hub in London
- London rising from 7th to 6th position in the International Convention and Congress Association Rankings.

¹ London & Partners changed its media monitoring agency in the first quarter which is more effective in capturing international media than previously hence the results for 2015/16 are not comparable with previous years.

- Working with our partners to win 10 major congresses and conventions for London including the Sibos banking and finance congress for 4,500 delegates in 2019 and a new consumer show, New Scientist Live in 2016 with 40,000 delegates.
- Securing £135k from the UK Challenge Fund for a leisure tourism campaign in association with Tourism South East targeting visitors in Norway and Sweden.
- Delivering the second, annual, London Technology Week with our partners, UBM Europe, Tech London Advocates and ExCel London.

CREATING JOBS AND GROWTH

London & Partners creates jobs and growth from its work in supporting international trade, attracting foreign direct investment, international students, leisure tourists, congresses, conventions and major events to London.

International Trade and Foreign Direct Investment

During the quarter L&P completed 63 inward investment projects which collectively will create 1,397 jobs within their first year of operation and generate £23.3m of GVA. The majority of these investments were from companies in the technology sector (37%) followed by financial and business services (22%) and creative industries (14%).

Significant investments included Booking.com, the US online hotel retailer, establishing a London contact centre; Lego opening one of a number of global hubs in London; Spotify, the Swedish digital music provider expanding its presence in London's West End; and, buoyed by London's construction boom, the global leading curtain wall solution provider from China, Far East Group, is establishing a presence in the capital.

London & Partners has also submitted a bid for ERDF funds to deliver the next phase of the Mayor's export programme in partnership with the GLA. The ERDF funding will be matched with c. £1m of cash and in-kind support per annum from a number of private sector suppliers. The programme will focus on supporting innovative and scale up businesses in the tech, life sciences and urban sectors. If the ERDF bid is successful, the three year programme will be operational from January 2016.

Congresses and Conventions

The Convention Bureau team won 10 major congresses and conventions for London including the Sibos banking and finance congress for 4,500 delegates in 2019; a new consumer show, New Scientist Live in 2016 with 40,000 delegates; and the International Federation for Surgery of Obesity in 2017 with 2,200 delegates. In total £12m of GVA has been generated and 204 jobs supported by spend from business events delegates and organisers assisted by London & Partners.

A new year-long integrated marketing campaign was launched in April "Love the event & Love the experience" based on insights surrounding how event planners make buying decisions. The campaign has been very successful with more than 24,000 views of the video and 345,000 reached on Twitter. It also helped generate 120 pre-booked appointments for London & Partners at the leading IMEX Frankfurt trade show which was declared the busiest city stand at the show.

Finally, London rose from 7th to 6th position for the number of meetings and 4th position by number of delegates in the International Convention and Congress Rankings.

<http://www.iccaworld.com/npps/story.cfm?nppage=4852>

Major Events

Work progressed during the quarter in planning to the third annual RideLondon cycling festival in August, alongside the other founding partners, GLA and TfL. In addition the team has been developing activations and a business hosting programme during the Rugby World Cup in September and supporting the creation of “Lumiere” - a new light festival for London in February 2016. The team has also continued to support the GLA in the development of a potential bid for Expo 2025.

During the quarter RideLondon won Sports Tourism Event of the Year in the European Sports Tourism Awards 2015 and Participation Event of the Year in the BT Sports Industry Awards 2015. London was awarded Sports Tourism City of the Year in the European Sports Tourism Awards 2015.

Leisure Tourism

Our digital channels and activities to attract leisure tourists attracted additional tourism spend, which contributed an additional £36.3m of GVA to the economy. Our continued focus on social media resulted in London & Partners winning the Best Use of Online Video Social Award and a number one ranking for the VisitLondon Twitter account in the Top 1000 Travel Destinations.

London & Partners was successful in securing £135,000 from the UK Challenge Fund for a consumer and travel trade campaign targeting visitors from Norway and Sweden. The campaign will run from October 2015 to February 2016. Work is progressing on marketing activities to attract more international tourists to London’s cultural attractions and a large-scale, leisure tourism campaign to attract more US tourists to London, which will be activated in early 2016.

In May figures from the Office for National Statistics International Passenger Survey revealed that London welcomed more international visitors than ever before in 2014, with 17.4 million visits to the city, up 3.5% from the previous record of 16.8million visits in 2013.

<http://www.londonandpartners.com/media-centre/press-releases/2015/150602-london-holds-on-to-top-spot-as-worlds-most-popular-tourist-destination>

In addition, in June London was hailed as the world’s most popular tourist destination, topping MasterCard’s global destinations Cities Index for the second year running.

<http://www.londonandpartners.com/media-centre/press-releases/2015/150520-london-welcomes-174-million-international-visitors-in-another-recordbreaking-year-for-tourism>

Higher Education

Our main channel to attract international students is the official university guide www.study london.ac.uk. Quarter 1 results for the website have been strong and above target with over 19,000 registrations and 7,016 student referrals to London Universities. This has resulted in GVA of £6.5m.

Other activity in the quarter included the production and launch of a new film (in English and Chinese) promoting studying in London. www.youtube.com/user/StudyLondon In addition, a live Q&A was held in partnership with UCL Imperial College London, Kings College London, City University and Goldsmiths College on the Chinese social media channel Weibo. The session reached over 1.4m people with over 250 questions answered.

STRENGTHENING LONDON'S REPUTATION

Tech

London & Partners delivered the second, annual, London Technology Week with its partners, UBM Europe, Tech London Advocates and Excel London. The week-long festival celebrates London's global position as a hotbed of tech innovation, business successes, entrepreneurship and creative talent. This year's event included more than 220 events at more than 140 venues and attracted more than 43,000 visitors from 80 countries including nine large scale international delegations. London Technology Week generated media coverage worth £26m AVE with the week's launch event trending globally on Twitter.

Two campaigns to promote London's tech sector were launched during the week, a digital campaign celebrating 15 of London's most successful tech companies and a report on identifying the key benefits of growing and scaling a tech business in London.

Life Sciences

London & Partners works in close association with MedCity to showcase London and the Greater South East's sector's strengths internationally. During the quarter London & Partners and MedCity created MedCity's Top Tips. Launched during Wired Health conference, these one-page practical tips provide insights to navigating the region's life sciences ecosystem.

London & Partners also progressed work on sales and marketing activities to attract life sciences-related investment into London, which will be activated in the autumn.

Culture

The team is developing a major culture campaign for the autumn season. The campaign will shine a spotlight on London's cultural assets including galleries, museums, theatre, music and dance, which are a key driver for tourism. The first phase of the campaign will commence in August in key European markets. To date 60 content partners have been recruited with private sector funding and in-kind support of £550k.

FUTURE ACTIVITY

London & Partners has been tasked by the GLA and London Enterprise Panel (LEP) to develop a ten-year strategy to grow London's tourism economy. The strategy will go beyond London & Partners' current promotional remit and will look at product development, skills, competitiveness and infrastructure, amongst other things. It will build on the initial work carried out by the LEP to produce an Economic Development Plan to 2036, which highlighted the potential of the tourism sector to contribute to London's economic growth and job creation ambitions. An extensive programme of consultation with the tourism sector and related bodies will take place over the autumn, with the strategy and action plan completed in early 2016.