

MINUTES OF LONDON & PARTNERS' BOARD MEETING
Tuesday 11 June 2019 | 9am to 1pm
QEII Conference Centre, Westminster

Present:

Directors:

Rajesh Agrawal, Chairman (RA)
Laura Citron (LC)
Andrew Cooke (AC)
Tamara Rajah (TR)
Robert Lechler (RL)
Vernon Everitt (VE)
Massy Larizadeh (ML)
Mark Taylor (MT)
Jo Wright (JW)
Sacha Romanovitch (SR)

Observers:

Ben Johnson (BJ) GLA
Nabeel Khan (NK) GLA
Katherine Gee (KG) GLA

Apologies:

Mike Brown (MB)
Catherine McGuinness (CM)
Sandie Dawe (SD)
Leah Kreitzman (LK) GLA
Justine Simons (JS) GLA

Management Committee:

Jules Chappell (JC)
Julie Chappell (JCh)
Alex Kinchin-Smith (AKS)
Rose Wangen-Jones (RWJ)

Minutes

Gill Manners (GM)

Additional attendees:

Anna Burman (AB) London & Partners
Fiona Mulliner (FM) London & Partners
Margherita Raimondi (MR) London & Partners
Janet Coyle (JCo) London & Partners
Lalage Clay (LCI) London & Partners
Robert Burcher (RB) Cushman & Wakefield
Adam Beck (AB) Cushman & Wakefield

1. Welcome and apologies

1.1 Apologies were received from Catherine McGuinness, Sandie Dawe, Leah Kreitzman, Justine Simons and Mike Brown (Vernon Everitt will be standing in for Mike Brown).

1.2 The Chairman noted that Jo Wright needed to leave the meeting at 12pm and Robert Lechler needed to leave at 12.30pm.

1.3 The Chairman thanked Mark Taylor for kindly host the meeting at the QEII Conference Centre.

1.4 Rose Wangen-Jones, London & Partners' new Managing Director of Marketing, who officially starts on Monday 17 June, was welcomed to the meeting. The Chairman invited RWJ to say a few words about herself. RWJ was most recently the CEO of The Writer, a global brand language consultancy with offices in London and NYC. Previously, she was a Global Business Director at WPP, responsible for the communications and marketing of one of the group's largest global accounts.

2. Declaration of interests

2.1 No declarations of interest in relation to items on the agenda were noted.

3. Minutes of last meeting

3.1 The minutes of the Board Meeting held on Thursday 21 February 2019 were approved.

4. Matters arising

London & Partners' response to Brexit

4.1 Andrew Cooke updated the Board on the implications for London & Partners' plans in response to Brexit in light of recent events.

4.2 The Board was advised that London & Partners' preparedness work is completed and will be updated through the year as needed. London & Partners maintains 31 October as the most likely date for the UK to exit the EU but is prepared to respond sooner if needed.

4.3 The Board was informed that London & Partners do not believe it is wise to attempt to predict outcomes. Instead they aim to plan for scenarios. In that context, London & Partners continues to see no-deal as being a strong possibility outcome and have planned as such.

4.4 The Board was updated on the preparation London & Partners has carried out:

- Readiness tests. The Board was thanked for their participation and support in these.
- Contacted c.25k contacts across London & Partners' network to offer support.
- Established a helpdesk system.
- Prepared Q&A on visas, customs etc. based on official sources.
- Led coordination across London.

Collaboration with MedCity

4.5 The Board was advised that there is a change of leadership at MedCity and clarification on future funding is still awaited. Laura Citron and Robert Lechler agreed to discuss further offline.

ITEMS FOR DISCUSSION

5. CEO's report.

5.1 The Chairman invited Laura Citron to update the Board on the highlight of her CEO's report.

5.2 Laura Citron presented the CEO report and summarised the key highlights:

- London & Partners met its outcomes for 2019-20.
- Responding to feedback from the staff survey, London & Partners has introduced a new approach to decision-making.
- Responding to the concerns of industry, London & Partners has launched a public-private consortium to promote domestic tourism.
- London & Partners has relaunched the tourism partnership scheme.
- Salesforce was launched on time and on budget as a new CRM system for London & Partners.
- The inaugural London Business Awards were held. The Mayor was a keynote speaker. It is planned that this will become an annual event.

5.3 The Board was advised that Laura Citron's focus for the coming quarter is on income: successfully launching the new Corporate Innovation business line, fundraising for a new annual event, securing new top-tier tourism partners, maximising profit from London & Partners Ventures and securing future Dot London revenue.

5.4 The Board was informed that London Tech Week was taking place this week which was opened by the Prime Minister, with the Mayor speaking at a parallel event.

5.5 Laura Citron advised the Board that she and the Chairman have participated in several trade missions this year.

5.6 The Chairman congratulated Laura Citron and the team for a good year.

6. Financial Director's report

6.1 The Chairman informed the Board that the Audit and Finance Committee have recommended that the Finance Director, Anna Burman, be invited to give an update on the financial health of the company at all future Board meetings.

6.2 Anna Burman updated the board on the highlights of her report and presented information for the year ended 31 March 2019:

- KPI summary
- Consolidated Profit & Loss Account
- Budget variance summary for income, costs and surplus
- Consolidated Balance Sheet

6.3 The Board was informed that the Dot London contract is currently in negotiation and has been budgeted conservatively.

6.4 The over performance in terms of audience engagement was explained as it being a new metric and the performance being better than London & Partners has anticipated. A higher target has been set for 2019-20.

6.5 The Board approved the following resolutions:

- That all existing bank accounts be continued with HSBC ("the Bank") and the Bank is authorised to act on any instruction provided they have been given by those persons named in the Specimen Signatures section (or authorised by such persons in accordance with the applicable authorisation requirement(s)) as follows: any two listed persons – listed persons being Laura Citron and Andrew Cooke.
- That any debt incurred to the Bank under this mandate shall, in the absence of written agreement by the Bank to the contrary, be repayable on demand.
- That the following are authorised to supply the Bank, as and when necessary, with lists of all persons who are authorised to give instructions on behalf of the company, and that the Bank may rely on such lists: any two directors.
- That the company accepts the accounts and banking relationship with the Bank will be governed by and subject to the Business Banking Terms and Conditions (a copy of which has been provided) as amended from time to time, together with any terms

and conditions in respect of specific products and services requested by the company.

- That these resolutions be communicated to the Bank and remain in force until changed by a resolution passed by the Board of Directors or other committee of management of the company and a copy, certified by the Chairperson, is received by the Bank.

6.6 The Board were asked to sign and return Directors remuneration audit confirmations. Paper copies were distributed at the meeting.

7. Audit and Finance Committee

7.1 The Chairman invited Jo Wright to update the Board on the meeting of the Audit and Finance Committee on 9 May 2019.

7.2 Jo Wright advised the Board that the Audit and Finance Committee had participated in a half-day training session.

7.3 The responsibilities of Audit and Finance Committee and Board were discussed at the session. It was agreed that the Audit and Finance Committee was responsible for reviewing financial performance, identifying financial risk and overall governance but not responsible for all risk and financial performance. The Audit and Finance Committee proposed that a Finance Director's report be sent to the Board and presented by the Finance Director at the Board meeting.

7.4 Jo Wright thanked Anna Burman for updating the Board on the financial health of the company.

7.5 The Audit and Finance Committee had agreed to extend future meetings to two hours and 30 minutes. The Audit and Finance Committee was delighted that Laura Citron joined the meeting and will join further meetings when her diary permits. Board members were invited to join future Audit and Finance Committee meetings as a guest if they wished.

7.6 The updated risk register was circulated to the Board with the papers. It has been agreed to add an additional definition to the risk register to indicate whether risks are internal or external.

8. London & Partners Ventures/Dot London Domains

8.1 The Chairman invited TR to feedback on the meetings of Dot London and London & Partners Ventures boards on Thursday 30 May, including the latest status of the negotiations with MMX on Dot London.

Dot London Domains Limited

8.2 The CEO updated the board on the negotiations which are commercially sensitive. It is anticipated that agreement will be reached in the next couple of months.

8.3 The GLA are drafting an updated agreement with London & Partners on Dot London.

London & Partners Ventures

8.5 TR updated the board on discussions regarding London & Partners Ventures' commercial ventures. The board was advised that London & Partners Ventures has decided to focus more on the Visit London app and was focusing less on the Play London Game.

9. Commercial income

Fiona Mulliner, Director of Commercial Ventures and Domestic Tourism, and Margherita Raimondi, Head of Partnership Operations, joined the meeting.

9.1 The Chairman invited Andrew Cooke to introduce the discussion on London & Partners' commercial plans.

9.2 The Board was updated on London & Partners' plans to generate commercial income in 2019-20 and opportunities and risks associated with each income stream. The focus will be on three areas – advertising and ecommerce, tourism membership and corporate innovation.

Advertising and ecommerce

9.3 Fiona Mulliner outlined advertising and ecommerce opportunities to the Board. The Board was informed that the Visit London app is a big focus for the team, who are looking at more sponsored content and premium advertising.

9.4 The Board was advised that the new Domestic Tourism Consortium formed in March (supported by London & Partners), a new industry-led initiative to address the decline in domestic tourism visits to London. London & Partners is actively looking for other partners to support individual campaigns.

9.5 The Board discussed dispersing visitors from central London to outer boroughs. TfL are promoting inexpensive cost of off-peak travel to outer boroughs.

9.6 The Board members advised they were happy to support these opportunities.

9.7 It was noted that no income from new events has been budgeted.

9.8 The Board noted that value-in-kind (VIK) is validated by asking partners to provide evidence of its value. The information is now being recorded in Salesforce CRM with the supporting evidence.

Tourism Membership Programme

9.9 Margherita Raimondi presented an overview of the re-launched Tourism Membership Programme. The programme was re-launched in April 2019 to be more transparent on pricing and benefits and more inclusive – by lowering the base membership fee and offering group memberships. The Board was informed that the new programme will allow members to have more flexibility in the benefits they choose and offers the opportunity to generate additional revenue through “add-on benefits”. The objective of the new programme is to be scalable in the medium-term through a self-service portal.

9.10 The structure of the partnerships has been changed with members (except a small number of partners) supported by the team rather than a dedicated account manager.

9.11 Laura Citron congratulated Margherita and her team for the fantastic work they have done. SR agreed that the process looks very clear on the London & Partners website.

Corporate innovation

9.12 Laura Citron who is project sponsor, outlined plans to more effectively leverage London & Partners' business networks and relationships. London & Partners is uniquely placed to bring together large corporates with startup and scaleup companies in London.

9.13 Over the last three years, London & Partners has successfully scaled the Mayor's International Business Programme and the Business Growth Programme to be industry leading scaleup and startup programmes. Combined with FDI clients, London & Partners now supports c.1,000 startups and scaleups each year. This gives London & Partners a unique network of innovative companies in London.

9.16 The Board discussed the focus and objectives of the programme. ML and SR agreed to review the proposal and support LC in developing a trial of the programme.

9.19 ACTION: It was agreed to provide an update at the next Board meeting.

Fiona Mulliner and Margherita Raimondi left the meeting.

10. Transparency Policy

10.1 Andrew Cooke noted that the Board agreed a new Transparency Policy at the Board meeting in February. Two new documents were produced subsequently – one setting out the Delegation of Authority between the Board and Executive and the second, the terms of reference for the London & Partners Board which had been circulated and approved by correspondence.

10.2 The Board noted and confirmed their approval of the documents.

Lalage Clay, Director, Education and Talent, joined the meeting

11. International student promotion

11.1 The Chairman welcomed Lalage Clay, Director, Education and Talent to the meeting.

11.2 Lalage Clay summarised the Higher Education elements of the Government's recently published International Education Strategy and outlined Study London's work to align with its objectives.

11.3 Research highlighted London has three key disadvantages:

- The perception that student visas are hard to obtain
- Students do not consider London a welcoming city
- The lack of a reasonable post study work offering

11.4 Lalage Clay outlined Study London activities for 2019-20:

- Cricket World Cup with a special focus on Indian students
- Summer Schools campaign
- International Student Welcome campaign
- China alumni – life after study campaign

11.5 The board endorsed the approach and complemented the team on the very clear approach.

Lalage Clay left the meeting.

12. Cricket World Cup

12.1 The Chairman invited **Jules Chappell** to outline London & Partners' plans to capitalise on London hosting the Cricket World Cup.

12.2 The Board was advised that London & Partners is using the ICC Cricket World Cup (CWC) to shine a spotlight on London to improve perceptions and increase consideration among London & Partners business, leisure and student audiences. The opportunity arose to develop a contractual relationship with the tournament in order to leverage it unlocking wider opportunities across the business.

12.3 Jules Chappell informed the Board that London & Partners has focused on its core market of India, including:

- Business: C-level decision makers from Indian companies on the growth curve to internationalise
- Leisure: 18-34 Buzzseekers
- Study: 16-24 Perspective Indian students

12.4 Activities during the tournament include a Business Hosting Programme, business marketing campaign, leisure marketing campaign and Study London marketing campaign.

12.5 Board members that had participated as hosts in the Business Hosting Programme expressed how successful it had been.

12.5 ACTION: It was agreed a post-event report would be circulated to the Board to evaluate the campaign's success.

12.6 Laura Citron thanked Jules Chappell and her team for a great job.

13. New event update

13.1 The Board was informed that a new subsidiary company is being created as a vehicle for London & Partners to organise its own events to enhance London's reputation externally.

13.2 The Board was updated on the concept and progress of plans for the first event which is in development. The content of the discussion was commercially sensitive.

Alex Kinchin-Smith joined the meeting.

14. Implementation of Salesforce

14.1 It was noted that the Board has previously signed off on the business case to implement a new CRM system.

14.2 The Chairman invited Alex Kinchin-Smith, Director of Change, to update the Board on progress and plans to ensure the business maximises the benefits from the new system.

14.3 Alex Kinchin-Smith advised the Board that the project was on schedule and on budget. Salesforce has also been rolled out to the overseas offices. The system will integrate with the company's web development platform, Sitecore, and its finance system, Navision.

14.4 The Board was given a live demonstration of the Salesforce system and insight on how areas of the business are starting to be transformed.

14.5 It was noted that this was Alex Kinchin-Smith's final Board meeting at London & Partners. Laura Citron and the Board thanked Alex Kinchin-Smith for leading this project and for his many years of service at London & Partners.

Alex Kinchin-Smith left the meeting.

Robert Burcher and Adam Beck, Cushman & Wakeman, joined the meeting.

15. More London lease expiry

15.1 It was noted that the Board discussed London & Partners' London property options a year ago in light of a pending rent review and lease expiry.

15.2 The Chairman welcomed Adam Beck and Robert Burcher from Cushman & Wakefield to the meeting and invited Andrew Cooke to introduce the item.

15.3 The Board was advised that this time last year that Adam and Rob from Cushman & Wakefield were with the Board last and the Board reviewed the approach to London & Partners' property requirements at 2 More London. Since then, London & Partners has completed the rent review which resulted in a significant uplift in rent.

15.4 Adam Beck gave a brief update on the work undertaken on looking for alternative location options that were more cost effective than remaining at More London. These included Stratford (International Quarter) or Canary Wharf (Churchill Place). Both Stratford and Canary Wharf currently have available office space.

15.5 The board noted the advice from Cushman & Wakefield that a decision should be taken in the autumn as to whether to stay at or leave 2 More London. The board suggested that the executive consider the other non-monetary criteria for determining the location and bring a recommendation to the board at its meeting in September.

15.6 Cushman & Wakefield to review Canary Wharf and Stratford options based on their population density specifications and whether they are eligible for VAT, and also to consider other options in the Southwark area.

15.7 ACTION: Bring a recommendation to the board at the next meeting in September.

16. Business cases

16.1 The Chairman advised the Board there were four business cases that needed the Board's approval. Andrew Cooke introduced them.

16.2 London & Partners has two cases where the recommendation is a direct award:

- For stand and space at overseas trade shows this is on the basis that there is no alternative option as the stand contractor is within contract until 2020 and there is no other option in terms of booking the space.
- For procuring media agency for the London and Paris tourism campaign, where the rationale is to utilise the existing contractor as retendering would cause a significant delay. This is allowed on the basis that the additional cost is less than 50% of the original award.

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- The Audit and Finance Committee have agreed we should re-procure our financial auditor and tax adviser and at the same time procure an auditor to undertake an annual audit of our KPIs. A government framework will be used to procure this contract.
- To procure a travel agency for our ERDF funded trade and growth programmes as well as for London & Partners' core travel activities. The requirements will be split into two lots and will follow a full OJEU tender.

The Board approved the four business cases.

17. Any other business

Nominations Committee

17.1 It was agreed to schedule a Nominations Committee in July 2019.

17.2 It was noted that a couple of Directors will be leaving within the next year. The Board were asked to send any recommendations for potential replacements to Massy Larizadeh or Andrew Cooke. An open process will be run using the NuRole platform and resources to target under-represented groups.

17.3 There was no other business.

The meeting concluded at 12.41 pm

The next meeting: Tuesday 17 September 2019, 9am to 10am AGM, 10am to 1pm Board Meeting