

# LONDON

## & PARTNERS

### COMMERCIAL IN CONFIDENCE

#### MINUTES OF LONDON & PARTNERS BOARD MEETING

Friday 17 April 2020 | 1.00 – 2.00 pm

Via Zoom

#### **Present:**

##### Directors:

Rajesh Agrawal, Chairman (RA)  
Laura Citron (LC)  
Andrew Cooke (AC)  
Tamara Rajah (TR)  
Sandie Dawe (SD)  
Chris MacLeod (CMac) (for Mike Brown)  
Massy Larizadeh (ML)  
Mark Taylor (MT)  
Jo Wright (JW)  
Sacha Romanovitch (SR)  
Catherine McGuinness (CM)

##### Management Committee:

Julie Chappell (JC)  
Rose Wangen-Jones (RW)  
Allen Simpson (AS)

##### Minutes

Gill Manners (GM) L&P

##### Additional attendees

Anna Burman (AB) L&P  
Kristina Nordsten (KN), L&P  
Katherine Gee (KG), GLA

##### Observers:

Ben Johnson (BJ), GLA  
Leah Kreitzman (LK), GLA  
Justine Simons (JS), GLA

##### Apologies:

Mike Brown (MB)

## **1. Welcome and Apologies**

1.1 Apologies were received from Mike Brown. The Chairman welcomed Chris MacLeod standing in for Mike.

1.2 The Chairman noted that since lockdown the Executive team have spent their time realigning the business to new ways of working and developing a new plan for the business. This work has been developing at pace and it is the key reason for calling this extraordinary meeting. The Chairman thanked the Executive team for this work.

1.3 The Chairman advised that the Board would also be updated on some other important matters at this time.

## **2. Declaration of Interests**

2.1. There were no Declarations of Interest to note.

## **3. Minutes of last Meeting**

3.1 The minutes of the Board Meeting held on Thursday 20 February 2020 were approved.

## ITEMS FOR DISCUSSION

### 4. Business Re-Planning for 2020-21

*Kristina Nordsten, Director of Strategy, joined the meeting*

- 4.1. The Chairman advised the Board that the Audit & Finance Committee met on Wednesday, 15<sup>th</sup> April to review the revised budget for the Executive's work in revising the business plan for the year.
- 4.2. The Chairman invited Allen Simpson to introduce the approach to re-planning for the year. He was joined by Kristina Nordsten, Director of Strategy and Anna Burman, Finance Director.
- 4.3. Allen Simpson updated the Board on the proposed approach to re-drawing the London & Partners business plan in response to coronavirus. Allen Simpson outlined the set of principles that the Management Committee have agreed, highlighting three:
  - Good Growth purpose,
  - focussing on our existing audience but with more consideration to domestic consumers in the recovery phase
  - "think virtual" to find new routes to supporting London & Partners' communities.
- 4.4. Allen Simpson advised that a new mission has been agreed "*We will work to keep London's global brand, our communities and London & Partners resilient, and to prepare for recovery.*"
- 4.5. Allen Simpson explained the new plan would be carried out in two phases, with phase one focussing on resilience and phase two on recovery.
- 4.6. The markets focus and ambition was outlined. Allen drew the Board's attention to three changes to the company's focus on markets:
  - Broadening the focus of the European markets – it is felt that there will be opportunities outside France and Germany this year.
  - Introduction of the UK as a formal market.
  - A decision to place China and India ahead of North America as a priority for investment.
- 4.7. Allen Simpson presented the 20/21 company roadmap noting the shift to delivering events digitally and virtually. London & Partners feel that a significant amount of activity can be delivered in this way.
- 4.8. Anna Burman presented London & Partners' financial approach and a revised budget compared to the Original 2020/21 Business Plan as agreed by the Board. This model results in a planned budget deficit in the year in London & Partners of £397k and group reserves carried forward at 31/3/21 of £2.6m. Given the proposed acceptable level of deficit of £0.5-£1m, this budget allows for some further reductions in income and/or additional expenditure to be added during the year if considered appropriate as the situation becomes clearer. It also allows for the absorption of further reductions in income.

- 4.9. Allen Simpson advised that London & Partners will prepare an action plan setting out key dates for review of actual income and costs, events that would trigger a need to take further action on budgets and what those actions could be. If the forecast deficit were to exceed £1m during the year then a decision would be needed as to whether to take more drastic action to reduce costs or to increase the level of acceptable deficit and utilise future reserves during the crisis period.
- 4.10. Jo Wright advised the Board that the Audit & Finance Committee reviewed the revised business plan at their meeting on Wednesday 15<sup>th</sup> April. It was agreed that this was a very sensible approach.
- 4.11. It was noted that significant areas of risk were ring-fenced revenue and partnership fees.
- 4.12. The Audit & Finance Committee have asked the team to identify what other cost savings could be put in place and their trigger points so that a potential shortfall could be identified 4-6 weeks ahead of need.
- 4.13. The Audit & Finance Committee has asked that a rolling three-month cashflow is put in place.
- 4.14. The Board congratulated the Executive Team and colleagues on a very good piece of work carried out in a short space of time.
- 4.15. AGREED: The Board agreed to delegate responsibility to the Executive Team to finalise the detail of the plan and to share the plan with the GLA.**

*Kristina Nordsten left the meeting*

### **5. Alliance for London Recovery**

- 5.1. Laura Citron outlined the plans to support the wider recovery strategy for London by forging a broad alliance of the public and private sector to create a city-wide campaign to build consumer confidence and drive discretionary consumer spending.
- 5.2. Laura Citron advised the Board that a campaign at significant scale will be required. This will not be possible within the envelope of London & Partners' current budgets. Therefore, a different funding model is required. This will be an evolution of the Domestic Tourism Campaign, that would be larger scale and more inclusive, funded by a much wider pool of London businesses. London & Partners is currently consulting with the GLA, TfL, stakeholders and partners on the right approach.
- 5.3. Laura advised the Board that she would welcome separate conversations with Board members, many of whom have experience in this area.
- 5.4. AGREED: The Board agreed that this was a good approach and were very supportive of it.**
- 5.5. The Board encouraged London & Partners to build on the opportunity for change that the recovery from the current crisis would allow such as accelerating progress against climate change, inequality, new ways of working.
- 5.6. It was noted that a substantial amount of work was done on Innovation last year and would there be an opportunity for this to be used. Laura Citron confirmed that London &

Partners will be working with an academic partner and this will be used to test the market.

**5.7. ACTION: An update to be provided at the Board meeting on 4 June 2020.**

**6. 2 More London Lease Expiry**

6.1. Andrew Cooke updated the Board on progress in identifying a preferred property option given the lease expiry at 2 More London at the end of this calendar year.

6.2. Andrew Cooke advised the Board that good progress has been made in exploring County Hall with the proposal to sign a licence agreement with Sustainable Ventures within their planned sustainable workspace on the 5<sup>th</sup> floor of County Hall. There were many advantages to County Hall as an option and to working with Sustainable Ventures (SV). There were two risks which needed to be mitigated which included confirming the financial viability of the project ensuring that SV had sufficient funding in place for the project and also to mitigate any delay in the fit-out due to coronavirus. The cashflow for all property options have now been revised with County Hall now becoming the most cost effective.

6.3. The Board was updated on the status of Devon House where there had been little change and Canary Wharf, where an improved offer had now been made.

6.4. It was noted that the landlord at 2 More London was no longer offering an incentive for London & Partners to vacate the building ahead of their lease expiry

**6.5. AGREED: The Board agreed that:**

- **County Hall should be the preferred property option and London & Partners can conclude negotiations with SV subject to mitigating the identified risks;**
- **One Canada Place, Canary Wharf should be London & Partners' back-up option as it was the second most cost effective option;**
- **Devon House should be discounted as an option.**

**7. Nomination Committee**

7.1. The Chairman invited Massy Larizadeh to update the Board on the recruitment of non-executive directors for London & Partners.

7.2. The Board was advised that a series of interviews have taken place. Three suitable candidates have been identified. The Nomination Committee agreed that all three candidates would bring a broad spectrum of experience to the Board.

7.3. The Nomination Committee asked the Board to approve the appointment of the three Directors subject to the approval of the Members to amend the Articles of Association to increase the number of Board members appointed by Directors from 8 to 11 and the total number of Directors from 12 to 15.

**7.4. AGREED: The Board agreed to this and approved the appointment of the three recommended candidates subject to the agreement of the Members to amend the Articles of Association by special resolution.**

**8. HUMAN event update**

8.1. The Chairman invited Laura Citron to update the Board on HUMAN.

8.2. Laura Citron advised the Board that in mid-March a position was reached where the key anchor investor was happy to invest but wanted to delay due to coronavirus. Laura recommended that the conversation is paused until the coronavirus crisis passed

8.3. Laura Citron advised the Board that Jules Chappell is currently on a contract that ends on 30 April if investment has not been secured in HUMAN. Laura recommended to the Board that Jules Chappell's contract is extended for a further six months which could be covered from within the existing funding envelope the board had agreed in February.

8.4. Laura Citron proposed that during this time, Jules Chappell work part-time on HUMAN and part-time on business development for the Recovery Alliance and other activity.

**8.5. AGREED: The Board agreed to this proposal.**

8.6. Laura Citron advised the Board that Janet Coyle, currently Interim Managing Director Business, will become London & Partners' substantive Managing Director Business from 1 May 2020. The Board congratulated Janet.

**9. Any Other Business**

9.1. The Chairman congratulated the Executive Team on behalf of the Board for quickly transforming the organisation and working in this new way.

9.2. Laura Citron thanked the Chairman and the Board for their support.

*The meeting concluded at 13.53*

***The next meeting Board meeting: Thursday 4 June 2020, 09.00 – 13.00.***