

COMMERCIAL IN CONFIDENCE

DRAFT MINUTES OF LONDON & PARTNERS BOARD MEETING

Thursday 27 May 2021 | 10.00 am – 12.00 pm

Via Zoom

Present:

Directors:

Rajesh Agrawal, Chairman (RA)
Andrew Cooke (AC)
Catherine McGuinness (CM)
Tamara Rajah (TR)
Mark Taylor (MT)
Massy Larizadeh (ML)
Dominic Field (DF)
Chris McLeod (CM)
Jo Wright (JW)
Manju Malhotra (MM)
Reza Razavi (RR)

Management Committee:

Rose Wangen-Jones (RWJ)
Janet Coyle (JCo)
Allen Simpson (AS)

Minutes

Gill Manners (GM) L&P

Additional attendees

Alex Conway (AC), GLA
Richard Tribe (RT), GLA
Nayan Rughani (NR) L&P

Observers:

Ben Johnson (BJ), GLA
Justine Simons (JS), GLA

1. Welcome and Apologies for absence

1.1 The Chairman welcomed the Board to the formal Board meeting.

1.2 There were no apologies noted from the Board.

1.3 The Chairman informed the board that Leah Kreitzman has stepped down from her role as a Mayoral advisor to become a partner at Freuds, but will continue to support the GLA in ensuring the success of the Euros in London.

1.4 The Chairman welcomed Alex Conway, Assistant Director, Economic Development & European Programmes who is now London & Partners key point person at the GLA having taken over the Economic Development brief from Luke Bruce who has become Programme Director of London's Recovery Programme. Alex is familiar with London & Partners with his previous role covering Brexit and European programmes and we very much look forward to working with him.

1.5 The Board congratulated Laura Citron on the birth of her daughter, Anna, on 16th May and Allen Simpson for taking on the role of Acting CEO.

2. Declaration of Interests

2.1. The Board was informed that Massy Larizadeh has become a director of Orbit Housing Group and has updated her register of interests.

2.2. There were no other declarations of interest noted.

3. Minutes of last Meeting

3.1 The minutes of the Board call held on Thursday 18 February 2021 were approved.

4. Matters Arising

4.1 There were no matters arising that were not covered in the agenda.

ITEMS FOR DISCUSSION

Nayan Rughani, Director of Finance, joined the meeting

5. CEO's Report

5.1. Allen Simpson updated the Board on the highlights of his CEO's report since its circulation to the Board.

Delivery of the business plan

5.2. Allen advised the Board that London & Partners had hit all 5 of its corporate targets. It was noted that the Because I'm a Londoner campaign drove the engagement figure up.

5.3. Allen stated that the achievement of the GVA target was a credit to the team and the strategy built at the beginning of the year.

Revenue generation – greenfield

5.4. Allen advised the Board that following assessment of the greenfield income opportunities the conclusion has been reached that London & Partners is under resourced across the portfolio, which is resulting in people having to step away from other projects or carry out this portfolio work on top of existing projects.

5.5. Allen informed the Board that the Management Committee are undertaking a review of the portfolio to understand whether there is a business case for re-resourcing any project, the portfolio as a whole, or adjusting across the portfolio on a net neutral basis.

5.6. It was noted that if the review implies a material spend in resource, a business case will be submitted to the Board for comment and decision.

Review of London Business Support Organisations

5.7. It was noted that in his manifesto, Sadiq Khan said that he would *“work with boroughs and other partners to further transform small business support in London, with a single front door so business owners and aspiring entrepreneurs can easily access the right advice and support.”*

5.8. Allen advised that as a result London & Partners has begun early discussions with the GLA about this work.

5.9. The organisations involved have very different governance models. Allen advised the Board that the initial plan is for London & Partners to work with the GLA to prepare a summary of options for Rajesh Agrawal and GLA Chief of Staff, David Bellamy, to review in early June. Design and execution of the approved plan likely to begin in the autumn through to next spring.

- 5.10. It was noted that this clearly poses a significant change to governance and the business of London & Partners. The board requested further information on the size and scale of the organisations involved. Whilst it was recognised that some consolidation of business support functions at a top level was a worthy objective, there was a need to explore in more detail what the key value drivers of the project were and to assess the options thoroughly.
- 5.11. Stakeholder and London business engagement in the process was discussed. Alex Conway advised that this was under discussion but that it was likely that a working group of the relevant bodies would be pulled together with additional consultation with relevant business organisations. The final decision will be that of the Mayor. It is hoped that the outcome of the review will provide an offer to the very diverse businesses across London.
- 5.12. It was suggested that the Board meet again during the summer once the GLA have an idea of process and actions moving forward.

6. Finance Director's Report

- 6.1. Nayan Rughani provided a summary update of the Q3 Management Accounts – noting that London & Partners is performing well from a financial perspective.
- 6.2. Nayan Rughani provided an overview of the timeline between year end and account sign off noting that there was scope for changes to the financial position for financial year 2020/21 as a result of audit review and post balance sheet events. Nayan stated that the numbers had changed post Audit & Finance Committee and that the committee had been informed of this change.
- 6.3. A summary update of the Q4 Management Accounts was provided. The year end deficit for the Group is £1,050k against a budgeted deficit of £2,090k. Nayan noted that this related to overperformance on income and our ability to reduce costs through the year including some organic cost reductions arising from not being able to travel, run events etc.
- 6.4. Nayan provided a summary of the reserves and balance sheet position noting that the group has £4.5m of reserves which provides significant resilience for future years and should there be ongoing impacts from coronavirus. As an example, Nayan noted that this reserve position would allow the group to cover a deficit in a scenario where commercial revenue was nil for the coming financial year.
- 6.5. Nayan mentioned that further work is being undertaken to review the reserves across the group and whether any adjustments to the group structure are required. He noted that this review would need to be completed in the context of ongoing discussions around GLA business services.
- 6.6. A brief overview of the individual company deficits with more detail on London & Partners Limited was provided. It was noted that the commentary was consistent with the group position. NR drew attention to the overspend on salary costs and explained that this was as a result of unexpected exit costs as we reduced the headcount as part of the restructuring.
- 6.7. The Board was reminded of the approved budget of £910k deficit.

6.8. Nayan explained that the group cashflow position was strong with the 12-month cashflow forecast showing sufficient operating headroom across the year.

7. Audit and Finance Committee

7.1. Jo Wright updated the Board on the meeting of the Audit & Finance Committee on Thursday 13 May 2021 and subsequent conversations.

7.2. The Audit & Finance Committee reviewed the outturn year just closed 2020-21. The results were good with a 10% reduction in the deficit at the outturn was noted.

7.3. The Committee discussed the audit timetable and were very supportive of Nayan Rughani's proposed timetable.

7.4. Jo advised that the majority of the meeting was focussed on reviewing the budget for the current year ending March 2022. The Committee agreed they were very comfortable with the revised budget and had approved it.

7.5. The Committee discussed HUMAN Abu Dhabi and payment terms. Two proposals were put forward. Payment in advance or arrears. It was noted that working on something where London & Partners were not paid in advance was a red flag. The team are reviewing these proposals.

7.6. There were also discussions about the challenges of any reputational risks with having a 5-year deal with Abu Dhabi and reputational risks. Having the ability to withdraw from the deal was discussed. The team are reviewing this.

7.7. The risk register was reviewed by the Committee, and cyber security was discussed. Phishing testing carried out by London & Partners resulted in a good outcome. Andrew Cooke flagged that human error is the weakest link so continuous training of staff is important.

7.8. It was noted that Jo Wright and Nayan Rughani would discuss how to manage adjustments resulting from the audit in the next week.

8. London Recovery Campaign

8.1. Rose Wangen-Jones updated the Board on the Let's Do London recovery programme.

8.2. Rose informed the Board that the objective of the campaign is about visits and consumer spend in central London, aimed at Londoners, day trip and overnight trip audiences.

8.3. The campaign was launched by the Mayor of London on 10 May. The food and drink event programme was launched on 17 May. The Let's Do London programme will run through to the end of 2021 and the paid media will be live May to September 2021. Key moments will be summer family fun, London lates and a winter festival.

8.4. It was noted that a content hub for Let's Do London is available on the Visit London website.

- 8.5. Rose advised the Board noted that early results for the campaign are very good with top tier PR and with over 70 articles of coverage and 900,000 engagements on social to date.
- 8.6. A discussion around public transport and the perception of safety was discussed. It was agreed that transport is a challenge. It was noted that TfL continue with messaging and information. The Board was informed that the number of travellers is steadily going up. Evenings and weekend are getting busier.
- 8.7. Discounted theatre tickets were discussed. It was noted that this isn't a huge driver and that for a lot of theatres only able to open at 50% capacity offering any discounts was not feasible at the moment.
- 8.8. Rose thanked Justine Simons, GLA, and Chris MacLeod, TfL and noted that the level of coordination and collaboration between the three organisations in running the campaign had been exceptional.

9. London & Partners Staff Engagement

- 9.1. Andrew Cooke updated the Board on Staff Engagement projects.

Refreshing London & Partners' Values

- 9.2. Andrew noted that with a new mission and strategy, it was felt an appropriate time to review London & Partners Values.
- 9.3. Focus groups were held with good participation from the business. The groups were very positive with lively sessions and representatives from all the markets participating as well.
- 9.4. Positive comments from colleagues included the kindness and collaboration that has made their experience of working at London & Partners.
- 9.5. The Board were advised that the number of values has been reduced to three to make them easy to remember and more focussed on the key values that define London & Partners and are aligned with the new mission.
- 9.6. Andrew informed the Board that the new values will be an important component of colleagues' individual development plans. The aim is for the conversations to be about how each colleague can do their role in line with the values.
- 9.7. A spotlight will be shone on individual values through Academy sessions over the coming months. This month's focus is on inclusion. A diversity and inclusion fair had been held where each of London & Partners network groups held sessions to talk about their plans for the year ahead and generate more engagement, as well as some updated training for all staff on diversity and inclusion.
- 9.8. Andrew informed the Board that consideration is also been given about how the values can be reflected when moving into Union Street. A competition is being run for colleagues to select images in the office that are aligned to the values.

Return to the office

9.9. Andrew explained that the fit-out has been delayed by six weeks largely due to the impact of Brexit and difficulty in obtaining certain supplies.

9.10. Much work has gone into consider how to manage the return to the office, with workplace champions trained and the return to the office phased in a a number of stages, with each stage reviewed before moving on to the next. The intention is to return from 21st June (subject to government guidelines) with the aim of utilising the optimum capacity of the office by September.

9.11. Andrew advised the Board of a variance to the budget. The term of the lease at Union Street is 74 months and not 81 months as previously noted. This means that over the lifetime of the lease net savings per year have reduced slightly.

9.12. It was noted that the office move remains within budget.

9.13. Andrew gave a virtual tour of the new office at 169 Union Street.

10. London & Partners Events Board

10.1. Allen Simpson updated the Board on the meeting of the London & Partners Events Board and progress with HUMAN.

10.2. The HUMAN Abu Dhabi payment structure was discussed. Manju Malhotra recommended a discussion with a franchise lawyer. Manju to provide Allen Simpson with contact details.

10.3. Allen outlined the preferred corporate structure to deliver the HUMAN events and three options were discussed.

10.4. The L&P Events Board recommended option 3 that nVisible and London & Partners enter into a Joint Venture (JV) through a newly formed limited company. The new entity would contract nVisible and London & Partners for services and IP licensing.

10.5. The Board APPROVED the creation of a joint venture with nVisible which will be a subsidiary company of London & Partners.

10.6. The Board APPROVED the London & Partners Events Board overseeing the contracting with Abu Dhabi and dependent on timing to determine whether to defer the first event from December 2021 to early 2022.

10.7. The Board's discussed the future role of the London & Partners Events Board with the creation of the new JV company and their Board. The Board agreed the expertise of the members of the London & Partners Events Board should be utilised going forward. nVisible has indicated that they would be open for the London & Partners Events Board members to attend the JV Board.

11. Business Case for procurement of Legal Services

11.1. Andrew Cooke introduced the item.

11.2. The Board APPROVED the Business case.

ITEMS FOR INFORMATION

12. London & Partners Ventures & Dot London Domains Board

12.1. Tamara Rajah updated the Board on the meeting of Thursday 20 May 2021.
Dot London Domains

12.2. The meeting focussed on the transition plans for the contract from MMX to CentralNic when the MMX contract ends in August, with CentralNic taking over from September.

London & Partners Ventures

12.3. Tamara noted that the growth strategy for VisitLondon was in train with a new Head of Growth now appointed.

12.4. It was noted that the 2021-22 income forecast is slightly ahead and there are positive signs of website recovery.

13. Any other Business

13.1. It was noted that the next scheduled Board meeting is on Tuesday 14 September 2021. It was noted that it is likely that an additional meeting will need to be arranged to discuss the results of the GLA review during the summer.

13.2. The Board was informed that Catherine McGuinness has been reappointed by the Mayor of London until 31st May 2022 when her term of office as Chair of the Policy and Resources Committee at the City of London comes to an end.

13.3. The Board was informed that Chris McLeod will be retiring from TfL in the summer and that this will be his last formal board meeting. The Board thanked Chris for his support over the last year particularly in fostering closer working relations between London & Partners and TfL on London's recovery.

The meeting concluded at 12.10