



**LONDON & PARTNERS'**

**2021/22 BUSINESS PLAN**

**LONDON**  
& PARTNERS

# Content

1. Executive summary
2. From strategy to business plan
3. What we do
  - High growth sectors
  - Visitor economy
  - London brand
  - Partnership & ventures
4. Budget
5. Key milestones
6. Outcomes



# 1. Executive summary



# Ready to power London's future

This is an important moment for London. We are faced with the social and economic impact of a global pandemic which has hit all of us, but hit the most vulnerable hardest.

For the first time in nearly 50 years we are outside of the European common market, looking to deepen our global trading relationships. And powerful economic and technological change is disrupting our traditional industries.

**But London has a history of reinventing itself. Time and again, our city has proven to be a place where innovators from across the world have come together to create and scale change.**

We are an important contributor to the economy in the UK and globally. We have a responsibility to our national and international partners to get this right.

This business plan will reshape London & Partners to help power London's reinvention.

**We will take on a new, explicitly progressive mission which goes beyond pure growth towards growth which is resilient, sustainable and inclusive.**

And we will focus on two key areas of the economy. First, the visitor economy which provides 1 in 5 jobs in the city and has been particularly badly affected by the past year. Second, the high growth sectors which are driving job creation, economic efficiency, and solving societal challenges.

We will help these companies to thrive, particularly where we can use our international network and expertise to create opportunities for global growth.

But we will also work with them to encourage sustainable business models and inclusive hiring practices.

And we are custodians of London's global brand. We will continue to grow London's global reputation to support economic growth, and we will help London businesses to understand how best to promote themselves to different global markets.

We are a social enterprise, funded by grants, partnerships and our portfolio of profit-making businesses. This year we will grow our income generating activities to give us funds to reinvest in our work for London.

Since we were founded in 2011, we have helped create nearly 70,000 jobs and £1.5 billion in economic growth.

Our ambition is to increase that impact.

# About this document

- This is London & Partners' Business Plan for 2021/22. It sets the specific activities we will undertake, our budget for the year, and our targets for performance.
- We also published our Strategy for the year, which sets out the context in which we are operating, and the choices we have made to maximise our contribution to London's recovery.
- Because this is an uncertain time, we have created room in our Plan for responding to change. As an example, we expect to play a significant role in supporting London's reopening alongside partner organisations. These plans will be developed separately.

# Executive summary

New mission		Who we are	
<p><b>London &amp; Partners' mission is to create economic growth that is resilient, sustainable and inclusive.</b></p>		<ul style="list-style-type: none"> <li>• London &amp; Partners is the business growth and destination agency for London.</li> <li>• We are a social enterprise, combining purpose with commercial rigour.</li> <li>• We are funded by grants, partners and our portfolio of venture businesses.</li> </ul>	
What we do			
High Growth Sectors Page 15	Visitor Economy Page 19	London Brand Page 23	Partnerships and Ventures Page 25
We support businesses in high-growth sectors to scale	We develop London as a destination, and attract visitors and events	We grow London's global reputation to support economic growth	We create partnerships and profit-making ventures to scale our impact

# Executive summary

Our core activities			
High Growth Sectors	Visitor Economy	London Brand	Partnerships and Ventures
Foreign Direct Investment Outbound trade Incubating growth businesses Open Innovation Fellowship	Conventions and business tourism Major events London recovery support	London reputation management and coordination London message coordination Research and insights Media relations	Dot.London Visit London Membership schemes New projects
How we will measure our impact			
Creating quality jobs in London.	Supporting London's hospitality, leisure, retail and cultural industries.	Supporting London's communicators to tell the best story about the city.	Creating income to reinvest in London's recovery.
Targeting additional economic benefit to London of £98m - £143m GVA			
Targeting commercial income of £3.8m			
Targeting interventions to address customer satisfaction where a Net Promoter Score (NPS) is negative or neutral or drops significantly in year.			

# Delivering the plan

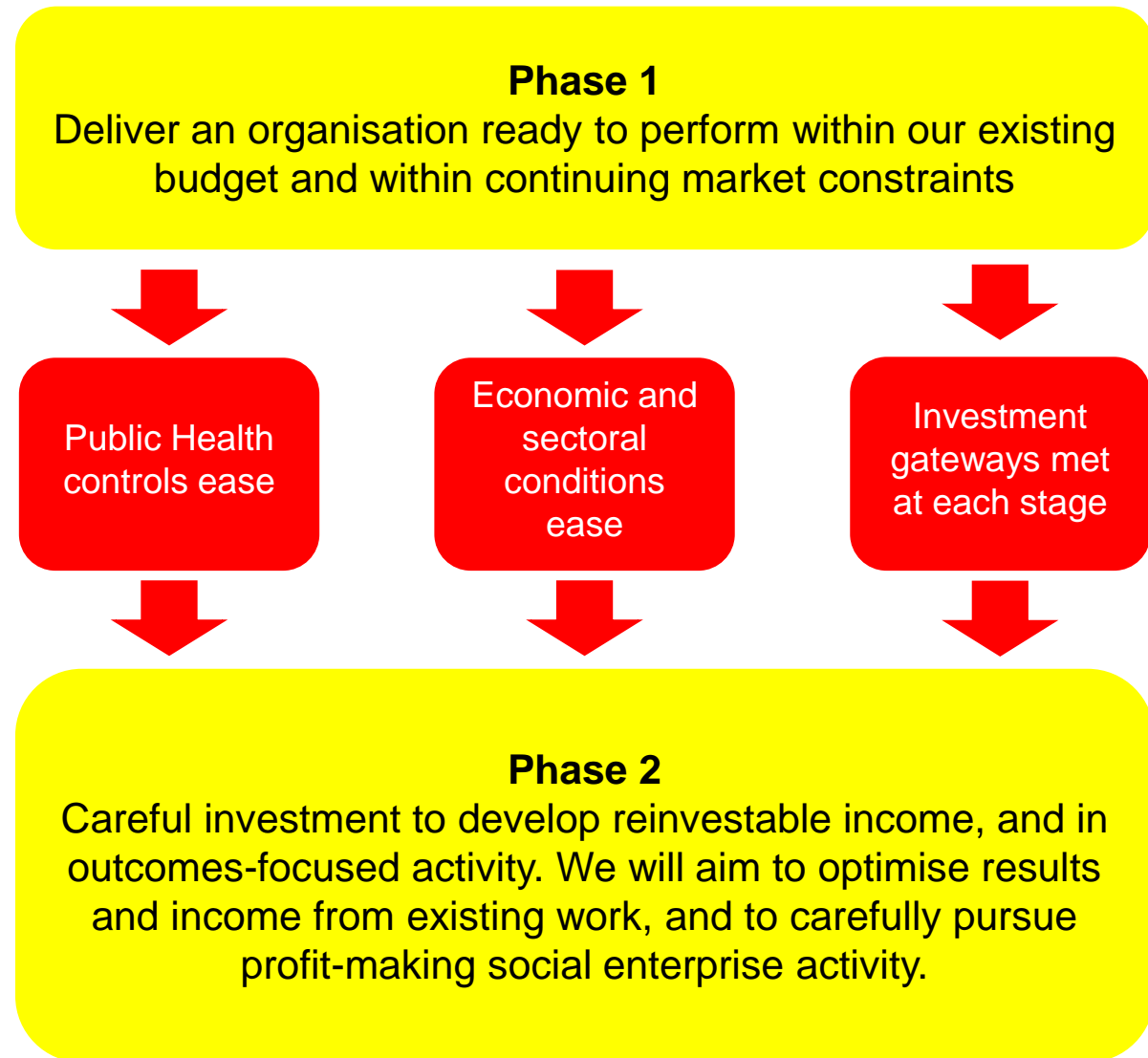
We will deliver the plan in a phased way, reflecting the environment in which we are operating:

- **How public health controls, and economic and sectoral conditions evolve**, shaping both our ability to deliver outcomes and the scale of the opportunity. We assume that we will operate through virtual activity for the first half of the year, followed by hybrid delivery in the second half.
- **Our progress on the strategy and how individual investment opportunities perform**, which will define our financial position and choices of investment priority

Both our budget and our outcomes targets reflect this phasing and operational uncertainty.

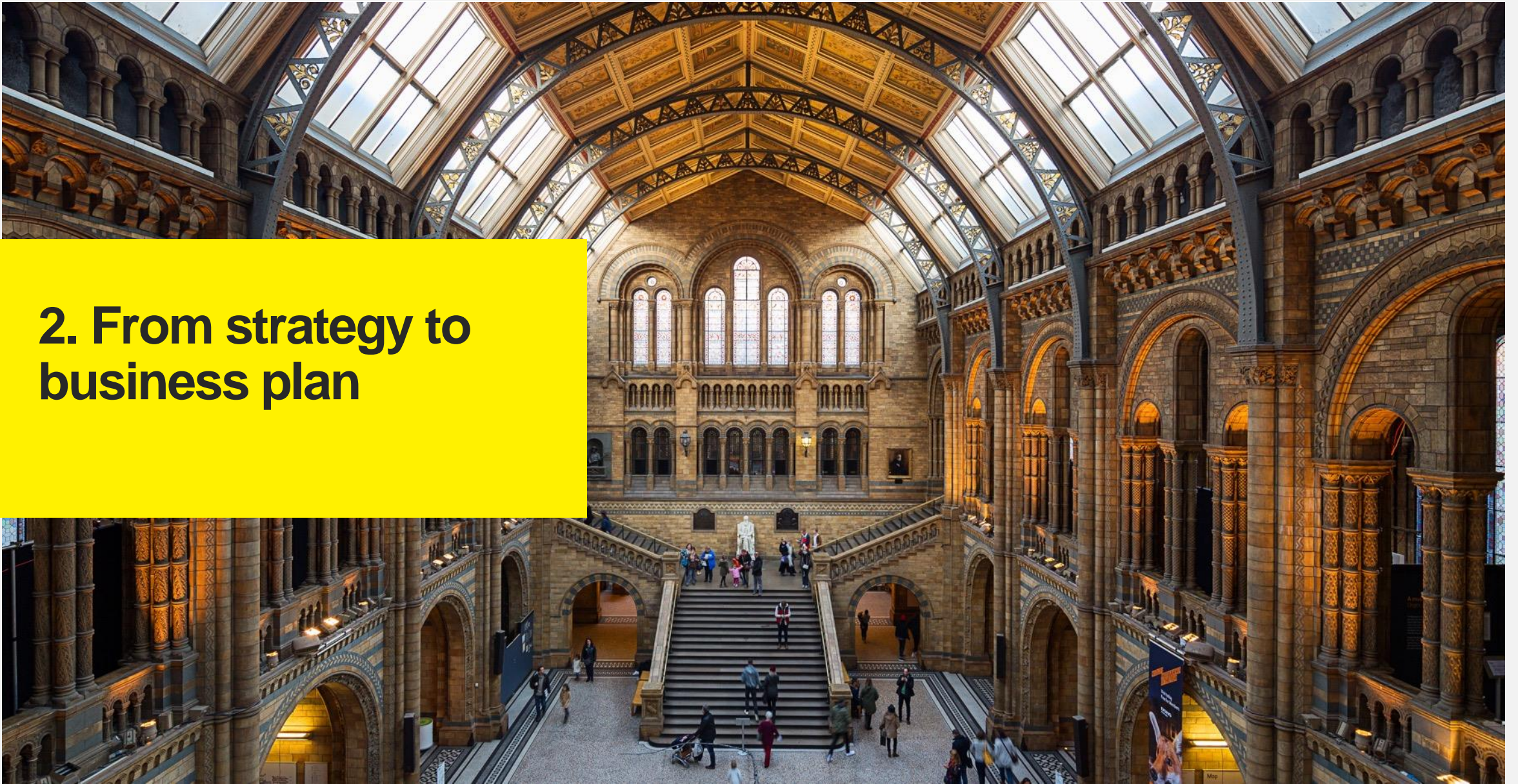
We anticipate a small operating loss, maintaining an acceptable level of financial risk but with in-year potential for above-expectation financial returns,

We also set a target range for our outcomes of **£98m - £143m GVA**, similar to our 20/21 forecast and reflecting the uncertain context.





## 2. From strategy to business plan



# Context

The Coronavirus pandemic has had a powerful impact on cities like London, with some sectors and some communities disproportionately affected.

Our hospitality, tourism and cultural sectors are suffering acutely from lack of demand; whilst our technology and innovation-driven high growth sectors have proved resilient and continued to grow on a global scale.

The end of the Brexit transition period also brings a need to help businesses manage the immediate challenges, and to continue to evolve our city's markets mix, operating as a close partner to our European peers and a bridge to high value, high growth global markets.

As so many other organisations, the pandemic has also had a direct effect on London & Partners as our income has been significantly reduced. Our first goal is to make the organisation financially sustainable, with a clear growth plan.



**Economic  
downturn**



**Recovery timing  
uncertain**



**Changing  
patterns of  
work, travel,  
investment**



**Perceptions  
of UK are  
challenged**



**Mayoral  
elections**



**Our financial  
situation**

# Strategic objectives: Our choices for activity and structure

## 1 Impact at scale

- Focus business activity in high growth sectors, both UK and international
- Stop activity where our budgets are too small to make a difference
- Build communities at scale

## 2 More progressive

- Build new products for sustainability and inclusion, focused on our existing audiences
- Move towards targets for quality of growth

## 3 Ready to grow

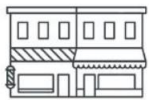
- Centralise corporate engagement, business development and account management
- Build an organization ready to grow.

# Our role in the Mayor of London's recovery missions



## Green new deal

We will drive green tourism, encourage sustainability innovators to invest, and help investors to work with sustainable providers when they arrive and help our scale ups to contribute to the net zero goals.



## Highstreets for all Building strong communities.

We will work with BIDS, landlords and local communities to help use investment to drive new uses of high streets.



## Good work for all

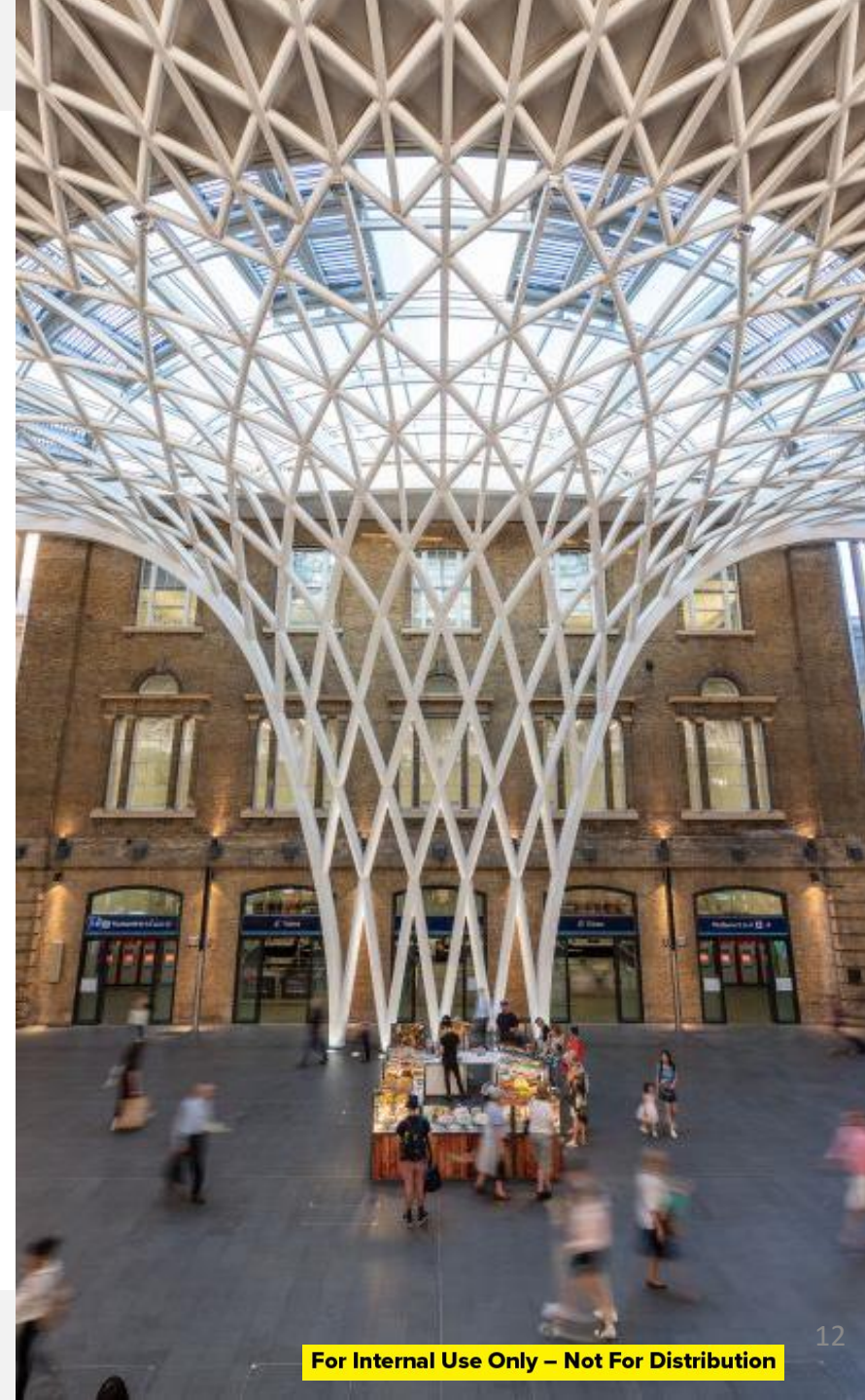
### A new deal for young people

We will create jobs that are high quality and long term, and we will work with investors to help them find talent across London.



## Mental Health and Wellbeing

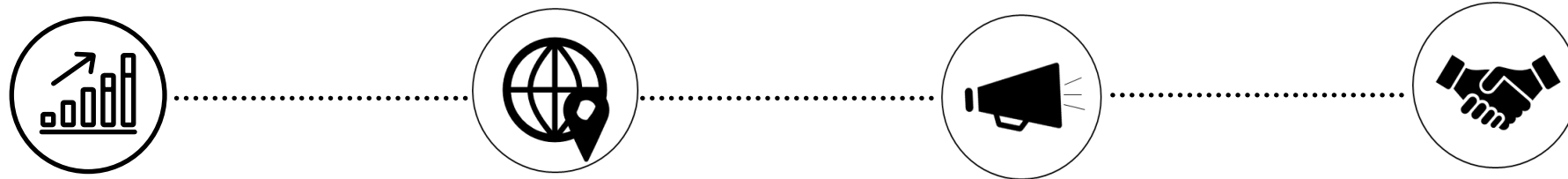
We will build on our work over the last strategy to continue to improve our support for the health and wellbeing of our team.



### 3. What we do



# We create economic growth that is resilient, sustainable and inclusive






High growth sectors	Visitor economy	London Brand	Partnership & ventures
We support businesses in high-growth sectors to scale	We develop London as a destination and attract visitors and events	We grow London's global reputation to support economic growth	We create partnerships and profit-making ventures to scale our impact
<i>Creating sustainable, inclusive jobs in London.</i>	<i>Supporting London's hospitality, retail and cultural industries.</i>	<i>Supporting London's communicators to tell the best story about the city.</i>	<i>Creating income to reinvest in London's recovery</i>

We do this by connecting people and organisations using our unique networks, channels and knowledge of London.

## 3.1 High growth sectors



# Overview

 <b>Focus on high growth core sectors</b>	 <b>Improve our client services</b>	 <b>Build an effective alumni community</b>
<p><b>Work with our London &amp; international teams to support scale ups in core growth sectors</b></p>	<p><b>Ensure we are creating good growth for London</b></p>	<p><b>We are scoping an engaged and effective community of start-ups and scale ups in London</b></p>
<p><b><u>Outbound trade</u></b> - with the <b>Mayor's International Business Programme (MIBP)</b>, we will deliver workshops, trade missions and access to Corporates.</p> <p><b><u>Incubating growth businesses</u></b> – the <b>Business Growth Programme (BGP)</b> will focus on underrepresented entrepreneurs. We will also run events and programmes to support growth businesses.</p> <p><b><u>Foreign Direct Investment</u></b> – we will focus on scale ups in high growth sectors that are most likely to create high quality jobs with a strong growth path.</p> <p><b><u>Events</u></b> – host impactful events to support scaleups, including an annual global scale up summit – November 2021.</p>	<p><b><u>Sustainability</u></b> – scoping and potentially piloting a programme to support start-ups and scale ups across industries to build sustainable business models and contribute towards the net zero target.</p> <p><b><u>Talent</u></b> – scoping and potentially piloting a programme to connect our scale ups to diverse talent pools and drive inclusive hiring practices by collaborating with universities.</p> <p><b><u>Supporting innovation</u></b> We will scope and potentially pilot a programme to make commercial connections between our scale ups to <b>R&amp;D opportunities</b> at our universities.</p>	<p><b><u>L&amp;P alumni</u></b> - We will scope and potentially implement a tiered support network with peer-to-peer dinners and retreats and bespoke workshops. We will also create more value generating relationships with larger corporates to benefit London. Companies in the alumni will have graduated from one of our programmes (MIBP, BGP, SVC2UK or FDI)</p>



# Markets focus

Based on global market conditions and London's competitive advantage, we focus our proactive activities on select core markets to use limited resources to best effect.

**North America** remains our largest source market for FDI. The USA is also the most in demand trade destination for our outbound trade missions.

**Europe** – the opportunity in Europe is dispersed across a number of countries, particularly northern Europe, and we will extend our 'Europe wide' project and adopt a pan European approach.

**China** - despite the current geopolitical challenges, we expect China to perform well across all business areas. It is also well placed geographically to support potential emerging trade deals.

**India** - India has seen the strongest growth for L&P FDI and is now the second largest investor into the UK. The relationship between India and the UK will become even stronger.

**Responding to post-Brexit opportunities**  
Historically, we have by exception chosen to respond to significant opportunities outside of these core markets. In this post-Brexit era, we will be open to explore significant opportunities as new trade deals are done.

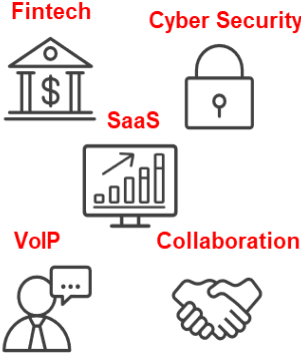
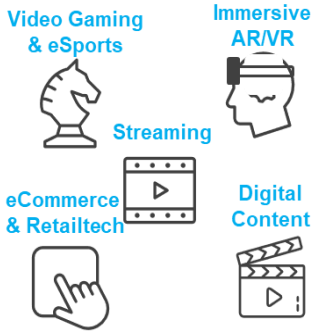
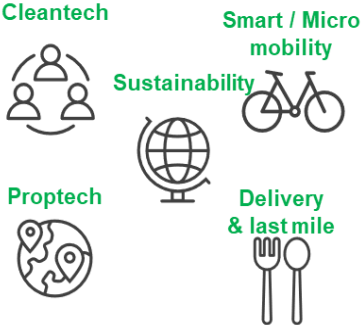
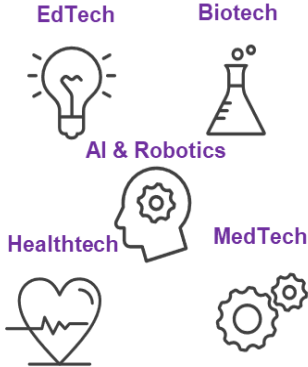
**Australia, Japan, Singapore and South Korea** are all potential candidates for an increase in trade and investment activity. Our India and China teams are well placed to explore these opportunities together with DiT contacts.

Closer to London, both **Turkey and Israel** are markets which our European operation will watch closely as trade deals are done.



# Sector focus

Within our four core high-growth sectors **we are taking an even more targeted approach on the specific industry verticals** that are growing now and are resilient for the future. We base this on recent work to validate resilience based on detailed analysis of global market conditions and London's competitive advantage.

Finance, Business Services & Tech	Creative Industries	Urban	Innovation and Life Sciences
 <p>Fintech Cyber Security SaaS VoIP Collaboration</p>	 <p>Video Gaming &amp; eSports Immersive AR/VR Streaming eCommerce &amp; Retailtech Digital Content</p>	 <p>Cleantech Smart / Micro mobility Sustainability Proptech Delivery &amp; last mile</p>	 <p>EdTech Biotech AI &amp; Robotics Healthtech MedTech</p>
<p>Large sub-sectors should remain resilient with fintech, software, technology and security providing high potential for growth.</p>	<p>Most sub-sectors are large in scale for FDI, however eCommerce and streaming &amp; digital content represent the most resilient &amp; significant growth potential.</p>	<p>Sub-sectors vary in size and emerging growth potential. Resilient sectors in sustainability &amp; green technologies and those smart mobility solutions.</p>	<p>Most sub-sectors are small in scale for FDI, however provide large potential for growth and C19 resilience</p>

## 3.2 Visitor economy



# Developing London as a visitor destination

**We will help lead the visitor recovery** – we will put our resources and expertise to work on a campaign to support London’s recovery as a visitor destination. We will work alongside other stakeholders to bring Londoners and domestic visitors out into the city, in advance of the longer term recovering in international tourism.

**We will take on a new, more strategic role** working with the sector to develop London as a visitor destination. This means making sure we have a vibrant city centre and our offer appeals to future audiences. We also need to ensure London is positioned as a world-class destination, attracting visitors from across the UK and around the world.

**We will convene partners to shape the city’s destination vision and to promote London** as a destination for tourists and events, achieving the scale needed to make an impact. We do this in partnership with VisitBritain, VisitEngland, national government, industry partners (such as BIDs, hotels and major attractions) and the London family (including GLA and TfL).

## Key priorities for 21/22

- Working with the industry to ensure a quick and sustainable post-Covid recovery for London’s visitor economy
- Provide an open access, free of charge tourism membership to equip the tourism sector with the insight, data and training to grow their business and London’s economy
- Grow audiences and revenue on Visit London digital channels
- Explore how we refresh the West End’s world class consumer offer to create good growth by piloting a programme to bring innovative new occupiers to vacant retail, hospitality and leisure spaces
- Explore how we support market readiness of London’s tourism sector with relevant programmes such as improved accessibility, welcome programmes for Chinese (or other) international visitors, and develop London’s sustainability proposition.



# Working with the business tourism industry

Business tourism is the provision of facilities and services to the millions of delegates who attend meetings, congresses, exhibitions, business events, incentive travel and corporate hospitality. It is a highly competitive landscape with multiple destinations bidding for the opportunity to host major congresses and events.

**We have a convening and advisory role where we provide industry leadership, advisory and support** in maximising London's understanding of the international market, improving the London product and the sector's recovery following the pandemic.

## Key priorities for 21/22

- Continued Client Account Management and building a pipeline of future events
- Promotion of London as a Virtual/Hybrid events hub
- Work with the sector to rebuild consumer/delegate confidence to return to the UK for international meetings
- Refocus on the UK domestic events market to attract events to London when they can return
- Develop key messaging for destination attractions specific to business traveller/delegates and meeting planners
- London presence at all relevant Virtual trade shows including IMEX and The Meetings Show
- Continued engagement with the sector through associations, speaker opportunities and thought leadership content.



# Attracting major events, to tell London's story on a global stage

Major events remain a draw for visitors creating economic benefit, attracting investment and providing a high impact opportunity to tell London's story on the global stage.

## Key priorities for 21/22

- Secure contestable major events with a particular focus on sport and esports.
- Support decision makers post decision across all sectors to retain events and secure new business.
- Account manage won events in line with city obligations.
- Build towards the 10 year anniversary of the Olympic and Paralympic Games in London.

## 3.3 London brand



# London brand

**We grow London's global reputation to support economic growth and high-growth businesses in our priority markets and sectors.**

London's brand is reinforced using a consistent set of messages that connect and resonate with our audiences, improving audience perceptions of London over time.

We will use these messages to influence our audiences across a variety of channels, including our own channels and using London's advocates and brand ambassadors.

Our audiences are heavily influenced by these advocates – the trusted networks of friends, family and colleagues. For example, 73% of investors trust stakeholders and peers more than any other channels for inward investment decision.

## **Key priorities for 21/22**

- Lead the brand vision for London using our consistent *Creative Energy* narrative for the city
- Curate open access data to inform our messaging and support stakeholder and partner decision making, audience choices and messaging
- Work with partner organisations and other London voices to coordinate media messages, including:
  - Creating content and share news stories aligned to *Creative Energy*, using our own channels, our partnerships and key stakeholders and advocates to distribute this content, including our Good News Room advocacy programme
  - Working with Visit Britain to communicate our London messaging as part of their global campaigns for leisure visitors.
  - PR and communications to respond to high impact news stories and to maintain the city's reputation



## 3.4 Partnership & ventures



# Developing income growth opportunities in partnership

**We create partnerships and profit-making ventures to scale our impact and reinvest in London's recovery.**

The emerging portfolio of income growth opportunities is how we plan to grow the organisation in the medium-term.

It is the role of the commercial directorate to spearhead how we bring our emerging portfolio of income growth opportunities to partners balancing existing services with the need of taking new services to market.

Social enterprise	Social impact
<p><b>Mission driven greenfield opportunities</b></p> <p>Scoping &amp; piloting new opportunities focussed on resilience, sustainability &amp; inclusivity – all at profit or break even</p>	<p><b>Mission driven income optimisation</b></p> <p>Working on existing activities, including building communities at scale by refreshing or launching new partners schemes and exploring options to expand public sector funding.</p>
<p><b>Commercial</b></p>	
<p><b>Profit generators</b></p> <p>Business development and go-to-market piloting of live commercial activities</p>	

## 4. Budget



# Budgets for FY2021/22

## How we are starting the year

We will start the year with a new strategy, a restructured organisation, a new and more affordable London office location, a pipeline of future income growth projects, and a relatively healthy reserves position.

However, we also start the year with only a 1-year grant agreement from the GLA and some uncertainty around both income and costs during the year.

## The key unknowns for 2021/22

In 2021/22 we face significant risks to both income and cost, both upside and downside. Most – but not all – are linked to the speed of re-opening of the economy.

- **Key income risks:**
  - **Tourism Partners** – speed of recovery will be closely linked to the recovery and domestic and international tourism to the UK
  - **VisitLondon** – speed of recovery will depend on tourism recovery, as well as our own efforts to optimise acquisition and conversion
  - **DotLondon** – new contract from August 21, terms as yet unknown, but likely to be lower than the previous contract due to market conditions.
  - **New income projects** – some very close to being realised, others on longer time frames.

- **Key cost risks:**

- Cost risks are mostly linked to whether there is a return to international travel and physical events, and if so when, in 2021/22.
- These costs are within our control – we could choose not to travel or do events – but this may be detrimental to both income and outcomes.

## Our approach to the budget:

Given the level of uncertainty, we assessed a range of scenarios for 2021/22. Each of the scenarios looked at the impact of a number of variables, namely:

- **Timing and extent of 'back to normal'** – we reviewed different timings and assumptions around when travel and trade shows would return.
  - **Income growth portfolio** - we reviewed the income growth portfolio to assess progress and determine a realistic expectation and ambition to include within the budget.
  - **Risk** – we assessed known risks for the upcoming financial year and estimated a financial cost to them.
- Multiple scenarios were assessed with input and challenge from the Audit & Finance Committee. As a result, we have iterated our scenarios and budgets to propose a budget deficit of £282k for London & Partners Limited.

# Our Budget

**We have constructed a budget which we believe will make us sustainable with room for growth.**

**We anticipate further decline in our commercial ventures activity this year, reflecting continued external constraint.**

Significant strategic savings have been made which allow us to continue to perform within our new financial envelope.

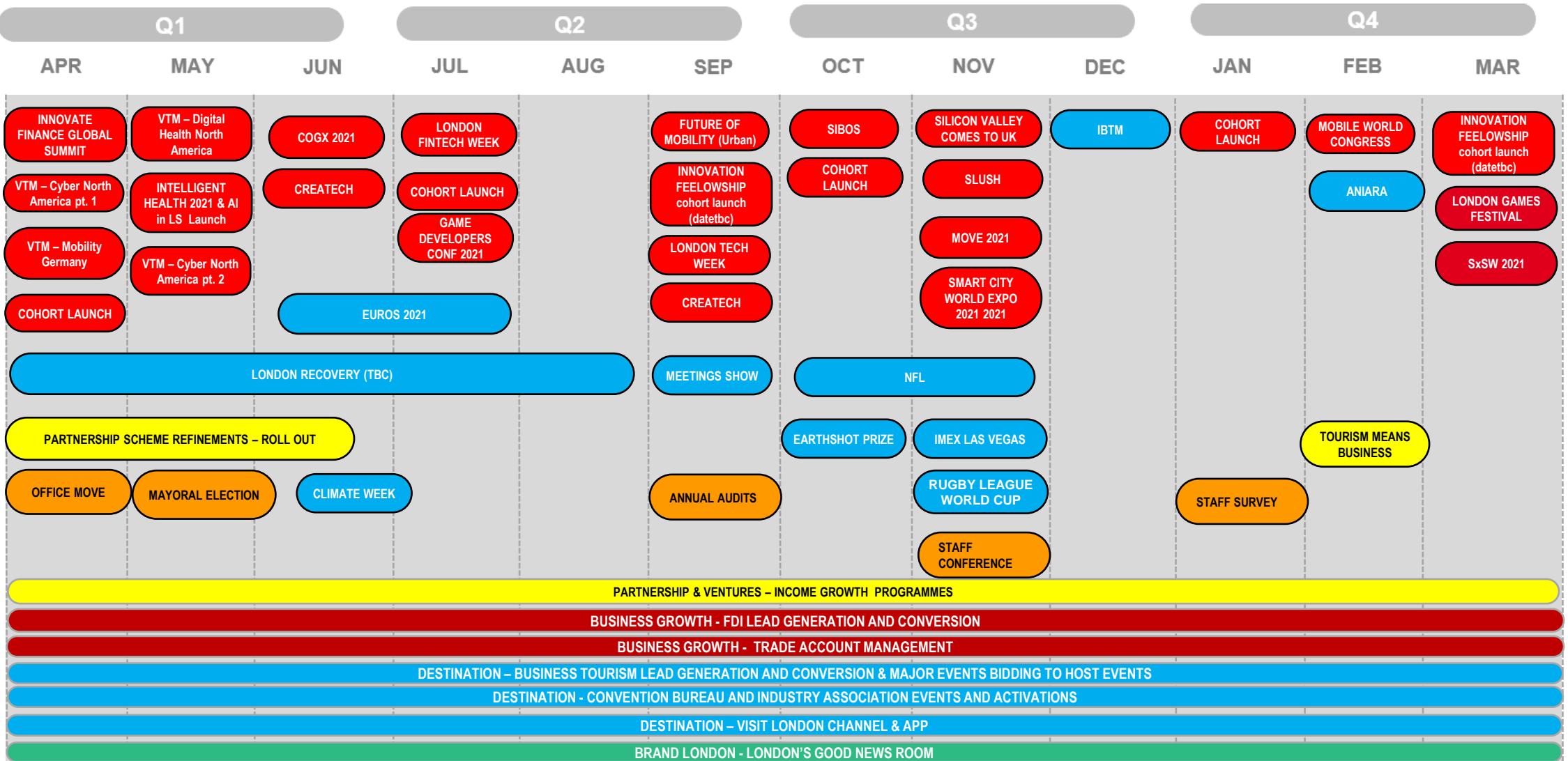
We are spending in targeted ways where we believe we can maximise our outputs, or can see opportunities for financial growth which can be reinvested.

		2020/21 Forecast Full Year	2021/22 Business Plan Full Year
<b>Income</b>			
Grant Funding	GLA	13,136	11,100
	ERDF grants	1,252	1,711
	Other Grants	280	0
		<b>14,668</b>	<b>12,811</b>
Mission-driven activity		1,309	1,945
Commercial Ventures		2,217	1,580
<b>TOTAL INCOME</b>		<b>18,194</b>	<b>16,336</b>
<b>Costs</b>			
Programme	Funded from RF income	(235)	(208)
	Funded from grant & other	(1,676)	(2,997)
Salary		(12,517)	(10,248)
Platform - London		(3,343)	(2,701)
Platform - Markets		(510)	(464)
<b>TOTAL COSTS</b>		<b>(18,281)</b>	<b>(16,618)</b>
<b>SURPLUS / (DEFICIT) IN YEAR</b>		<b>(88)</b>	<b>(282)</b>

## 5. Key milestones



# Roadmap of key milestones



## LEGEND

- HIGH GROWTH SECTORS
- VISITOR ECONOMY
- BRAND LONDON
- PARTNERSHIP & VENTURES
- CORPORATE

## 6. Outcomes







# Outcomes

## Outcomes aligned to our mission

Our outcomes are externally audited, our methodology is public and amongst the most rigorous in the world. For the year ahead we will report:

1. **GVA:** Demonstrating our economic impact defined as Gross Value Add (GVA) remains our key outcome which we will continue to track and also report job creation numbers.
2. **Income generation** continues to be an essential outcome more so than ever as we need to ensure London & Partners is financially sustainable.

**We will also focus on Net Promoter Scores (NPS) as a measure of customer satisfaction** – to balance our financial position, outcomes and customer satisfaction properly. Although this won't be a published metric it will be an important management indicator.

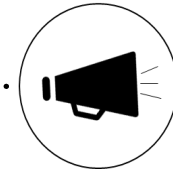
During the course of the year, we will start exploring more qualitative metrics to reflect resilience, inclusion and sustainability. This is a journey to identify what to measure, base line it and thereafter set targets for the future.

Exiting leisure and student campaigns means we will no longer measure social media engagements or perception as corporate outcomes. Neither will we track indirect GVA from our student promotion activity.

With such uncertainty we are at this stage providing an indicative range target. We will therefore:

- **As part of our quarterly reviews, we reserve the right to reforecast GVA**
- **Continue to track GVA and customer satisfaction lead indicators** as per the approach taken in 20/21 which allows us to more quickly detect if we are not on track.

# Outcomes - how we measure our contribution



	High growth sectors		Visitor economy		Partnership & ventures		London Brand
What we measure	Additional economic benefit of our interventions	Client satisfaction (internal metric)	Additional economic benefit of our interventions	Tourism Industry satisfaction (internal metric)	Non GLA grant income	Partner satisfaction (internal metric)	No corporate outcomes Project specific metrics
GVA TARGET	Targeting additional economic benefit to London of £98m - £143m GVA						
CUSTOMER SATISFACTION TARGET	Internally, we will use NPS scores to target interventions to address customer satisfaction where a Net Promoter Score (NPS) is negative or neutral or drops significantly in year.						
INCOME TARGET					Targeting commercial income of <b>£3.8m</b>		

**THANK YOU**

**LONDON**  
& PARTNERS