



## **Public Relations and Economic Development Sub (Policy & Resources) Committee**

**Date:** TUESDAY, 9 OCTOBER 2018  
**Time:** 12.00 pm  
**Venue:** COMMITTEE ROOM 3 - 2ND FLOOR WEST WING, GUILDHALL

**Members:** Deputy Catherine McGuinness (Chairman)  
Simon Duckworth (Deputy Chairman)  
Sir Mark Boleat  
Deputy Keith Bottomley  
Tijs Broeke  
Alderman Peter Estlin  
Anne Fairweather  
Sophie Anne Fernandes  
Christopher Hayward  
Deputy Jamie Ingham Clark  
Deputy Edward Lord  
Andrew Mayer  
Jeremy Mayhew  
Alderman William Russell  
Deputy Tom Sleigh  
Sir Michael Snyder  
James Tumbridge  
Alderman Sir David Wootton

**Enquiries:** Emma Cunningham  
[emma.cunnington@cityoflondon.gov.uk](mailto:emma.cunnington@cityoflondon.gov.uk)

**John Barradell**  
**Town Clerk and Chief Executive**

# **AGENDA**

## **Part 1 - Public Agenda**

1. **APOLOGIES FOR ABSENCE**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES**  
To agree the public minutes and summary of the meeting held on 3 September 2018.  
**For Decision**  
(Pages 1 - 8)
4. **EDO UPDATE**  
Report of the Director of Economic Development.  
**For Information**  
(Pages 9 - 24)
5. **CORPORATE AFFAIRS REPORT**  
Report of the Director of Communications.  
**For Information**  
(Pages 25 - 28)
6. **PARLIAMENTARY TEAM UPDATE**  
Report of the Remembrancer.  
**For Information**  
(Pages 29 - 32)
7. **MAYORAL THEMES**  
Report of the Director of Communications.  
**For Information**  
(Pages 33 - 38)
8. **SPORT**  
Report of the Remembrancer and the Director of Communications.  
  
(TO FOLLOW)  
**For Information**
9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
10. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

11. **EXCLUSION OF THE PUBLIC**

MOTION - That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Local Government Act.

**For Decision**

**Part 2 - Non-Public Agenda**

12. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**

13. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

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## **PUBLIC RELATIONS AND ECONOMIC DEVELOPMENT SUB (POLICY & RESOURCES) COMMITTEE**

**Monday, 3 September 2018**

**Minutes of the meeting of the Public Relations and Economic Development Sub (Policy & Resources) Committee held at the Guildhall EC2 at 12.00 pm**

### **Present**

#### **Members:**

Deputy Catherine McGuinness (Chairman)	Deputy Jamie Ingham Clark
Sir Mark Boleat	Deputy Edward Lord
Deputy Keith Bottomley	Jeremy Mayhew
Tijs Broeke	Alderman William Russell
Alderman Peter Estlin	James Tumbridge
Anne Fairweather	Alderman Sir David Wootton
Christopher Hayward	

#### **In Attendance:**

John Scott (Chief Commoner)

#### **Officers:**

John Barradell	- Town Clerk & Chief Executive
Angela Roach	- Assistant Town Clerk
Bob Roberts	- Director of Communications
Giles French	- Assistant Director of Economic Development
Nigel Lefton	- Remembrancers
Jeremy Blackburn	- Mansion House
Sufina Ahmad	- Town Clerk's
Eugenie de Naurois	- Corporate Affairs, Communications
Meghan Green	- Corporate Affairs, Communications
Emma Wade	- Remembrancers
Emma Cunningham	- Town Clerk's

#### **1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Sophie Fernandes, Andrew Mayer and Deputy Tom Sleigh.

#### **2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

There were no declarations of interest.

#### **3. MINUTES**

**RESOLVED** – That the public minutes and summary of the meeting held on 25 July 2018 be approved as a correct record, subject to the following amendments:-

- Under item 4, the bullet point be changes from “There was lots of concern on rule-taking from the Bank of England” to “There was concern from the Bank of England as it did not want to be a rule-taker”.
- Under item 18, the final sentence to be changed to “The Chairman took the opportunity to wish Members a good and restful Summer and to thank Officers for all their work over a busy period.”

#### Matters arising

- Members asked for a further update from the Remembrancer (when he next attended the Sub-Committee) on the City Corporation’s support to Government on the legal issues surrounding intellectual property and the position for EU nationals wishing to stand as local councillors.

#### 4. **DIGITAL SKILLS STRATEGY, 2018-23**

The Sub-Committee received a report of the Director of Community and Children’s Services and the Director of Economic Development, proposing the final version of the City Corporation’s Digital Skills Strategy for 2018-23.

Members heard how the strategy had been developed as part of a cross-departmental collaborative effort.

As part of a wider discussion, the following points were made:

- Care needed to be taken on delivering the objectives of the strategy until it was clear who the lead officer would be. However, there are lead officers for each of the key initiatives set out in the strategy.
- There are some broader points in the strategy regarding aspirational attainment of learners, which are not restricted to digital skills only.
- The plan to track outcomes needed to be considered carefully, as well as the funding envelope.
- Regulatory regime was an important factor to consider, especially with the amount of data transfer with the US. It was reported that the Secretary of State for International Trade had promoted the idea of sharing skills with the US and this would need to be incorporated as part of the strategy.

The Policy Chairman informed the Sub-Committee that she had been asked to join the Financial Services Skills Taskforce operated by TheCityUK. In addition, a report on proposed themes for the next mayoral year would be considered by this Sub-Committee at its next meeting.

#### **RESOLVED**, that:

- The Digital Skills Strategy be noted, as well as the proposed next steps for its delivery.

#### 5. **EDO UPDATE**

The Sub-Committee received a report of the Director of Economic Development providing highlights of the key activity undertaken by the Economic Development Office (EDO) in July and early August 2018.

The Assistant Director of Economic Development outlined some of the key activity in the next few weeks, including Chile Day and an inward visit from the Governor of Tokyo. On Brexit, Members heard how the UK was in a fluid situation with more political challenges leading into party conferences season. The short-term focus for the City Corporation was on securing a transition agreement and understanding the differences in asks from various sub sectors, e.g. insurance, as well as tackling “cliff edge” issues. Members noted that if the City Corporation needed to change its position on Brexit, this would be reported to this Sub-Committee in the usual way.

Members asked for more detail on the regional strategy and heard that it was proposed to engage the Town Clerk in meetings with Chief Executives of councils in some of the areas as part of this, as the City could speak “authority to authority”. Specifically, a Member requested an understanding of forensic effectiveness measures of the regional strategy and heard that a report was being prepared for the next meeting of this Sub Committee.

There was a request that reports such as the *City of London Corporation PwC Fintech series: India-UK Payments Landscape* (in the appendix of the EDO update) be circulated separately from the main agenda pack in future.

**RESOLVED**, that:

- The report be noted.

## 6. **CORPORATE AFFAIRS UPDATE**

The Sub-Committee received a report of the Director of Communications updating Members on key elements of the Corporate Affairs team’s activity in support of the City Corporation’s external political engagement and corporate communications.

The Chairman of Markets requested that he be updated, in future, when the Policy Chairman talks to Leaders of London Boroughs on the City Corporation’s vision and strategy for markets consolidation. It was agreed that while borough relationships were primarily the responsibility of the Policy Chairman, there would be liaison with the Chairman of Markets so that he was aware of contact with relevant boroughs.

In addition, there was a discussion following the headlines of the City AM article that morning of handling the media when it misreports the City Corporation’s messaging. Members were in support of the Director of Communications view, which was to take a tactical approach and not necessarily complain every time. There was however agreement that there could be further thought into whether a simple tweet might help correct the City Corporation’s position.

**RESOLVED**, that:

- The report be noted.

**7. PARLIAMENTARY TEAM UPDATE**

The Sub-Committee received a report of the Remembrancer updating Members on the main elements of the Parliamentary Team's activity in support of the City Corporation's political and parliamentary engagement.

**RESOLVED**, that:

- The report be noted.

**8. CROSS-CORPORATION INTERNATIONAL INVESTMENT STRATEGIES**

The Sub-Committee received a report of the Director of Economic Development concerning the City Corporation's enhanced approach to international engagement with the key markets of Switzerland and the USA.

Members were broadly supportive of the strategies, although there were some comments about the US strategy being a bit too ambitious.

The Sub-Committee heard how plans were coming together to increase Member input before Lord Mayor and Policy Chairman overseas visits, to tap into Member expertise in a certain market.

In addition, the following points were made:

- As part of the strategies, it would be helpful to consider the bridges that these countries have with the EU, as well as the talent in those markets.
- The report's title was misleading, as the report concerns international engagement rather than international investment.
- The City Corporation always talks to UK based firms of the market ahead of any overseas visits.

**RESOLVED**, that:

- It be recommended to the Policy and Resources Committee to approve the new City Corporation engagement strategies for Switzerland and the USA.

**9. CITY CORPORATION EXPORTS AND INVESTMENT VISITS**

The Sub-Committee received a report of the Director of Economic Development setting out plans for Member participation on a forthcoming export and investment visit of Alderman Alison Gowman to visit Peru in September.

Whilst Members were supportive, there was a discussion on how Member involvement in overseas visits could be more strategic and to avoid precedence. Members heard how a report which would propose a strategy to provide clarity on which Members represent the City Corporation was being finalised and would be reported to this Sub Committee in due course.

One Member commented that whilst there had been an improvement, there was still some way to go in joining up departments across the organisation.

**RESOLVED**, that:

- It be noted that Alderman Alison Gowman would be visiting Peru as a member of the UK-Peru Infrastructure Taskforce in late September.



#### 10. **SOCIAL MOBILITY STRATEGY, 2018-2028**

The Sub-Committee received a report of the Chief Grants Officer and Director of the City Bridge Trust presenting the proposed final version of the City Corporation's Social Mobility Strategy for 2018-28.

Members heard how this strategy was designed collaboratively across the organisation and represents a broad range of views.

Members were very supportive of the strategy and made the following comments:

- As the strategy spans ten years, it was important to consider the frequency of reviewing the strategy against its objectives. Members were in agreement that a deep analysis every three to four years would be sufficient, alongside an annual review.
- In addition, Members asked for more cross referencing of strategies to help evidence the measures achieved.
- Members commented on the messaging of the strategy and suggested that a more coherent narrative was put forward.
- It was noted that the City Corporation had a vulnerability in that more financial support is given to the City Corporation's independent schools than its academies.
- Social mobility had not progressed across the UK as the Government had envisaged, and a Member had first-hand experience of how young people lack soft skills, which make them less employable.
- Members noted how, particularly, children of a low socio-economic background will have become more disadvantaged over the Summer holidays, due to lack of learning and stimulation, and in some cases, lack of nutrition. Members felt quite strongly that this could be an area where the City Corporation could support and the Member who raised the issue offered to investigate the issue of food in the holidays further, including how Livery Companies could support.
- The Chairman of the Establishment Committee asked for the report to be discussed by his Committee in order to note the equalities implications of the strategy.
- Whilst Members were supportive of the collaborative approach behind the strategy, there were some concerns that aspect could be lost if there was not a clear owner. Members noted, however that the Director of the City Bridge Trust would own the strategy until March 2019.
- The emphasis of the over-arching measures of success should be on the learners, residents and worker population we work with across London and beyond, rather than the main focus to be on how the City Corporation would be perceived.
- A Member noted that there was no mention of the prison sector and due to the City Corporation's strong links to the Old Bailey, there would be scope to include this.
- That this Sub-Committee should make a recommendation to the Policy & Resources Committee that they consider the outcomes of the Members Diversity Working Party as part of this strategy.

- Members noted that the recent GCSE and A Level results across the City Corporation's academies had been very high.

**RESOLVED, that:**

- The Social Mobility Strategy be endorsed for onward approval by the Policy and Resources Committee;
- The proposed next steps for its delivery be noted;
- That the Establishment Committee consider the equalities impact of the Social Mobility Strategy;
- That the Policy and Resources Committee be recommended to consider the outcomes of the Members Diversity Working Party as part of this strategy.

**11. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**

Questions were raised as follows -

Sport

A question was asked concerning an update on the resourcing and management of sport engagement, following approvals by the Sub Committee in December 2017 for a strategic approach to sports engagement.

The Director of Communications advised Members that a consultant had delivered a report in July, the Remembrancer had some concerns on the impact around the Hospitality Working Party and wanted a bit longer to review the paper to ensure it was holistic and joined up.

Some Members expressed dissatisfaction for the delay in the report being submitted to the Sub-Committee but were content for the report to come to its next meeting. One Member commented that there was confusion on the Remembrancer's role of facilitation of events and selling of the Guildhall venue.

Members urged officers to focus on the resource and management aspect of sports engagement strategy rather than revisiting the strategy again. The question was raised about adding 'Sport' to the portfolio of one of the Deputy or Vice Chairmen of Policy and Resources. Members agreed that discussion could continue once officers submit a report to this Sub Committee next month.

Filming at Committee meetings

A Member requested that the City Corporation's policy on filming at meetings could be reviewed to assess the legal implications surrounding it.

Honorary Freedom of Aung San Suu Kyi

A Member requested an update on discussions around the Honorary Freedom of Aung San Suu Kyi. The Chairman of the Freedoms Applications Committee advised the Member that the Freedom Applications Committee had been discussing this issue and a report from that Committee would be submitted to the Court of Common Council on the 13<sup>th</sup> September 2018.

12. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There were no urgent items.

13. **EXCLUSION OF THE PUBLIC**

**RESOLVED** – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

**Item**

14

**Paragraph**

3

14. **NON-PUBLIC MINUTES**

The non-public minutes and summary of the meeting held on 25 July 2018 were approved.

15. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**

There were no questions.

16. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There were no items of urgent business.

**The meeting closed at 1.05 pm**

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Chairman

**Contact Officer: Emma Cunnington**  
**emma.cunnington@cityoflondon.gov.uk**

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<b>Committee(s)</b>	<b>Dated:</b>
Public Relations & Economic Development Sub-Committee	9 October 2018
<b>Subject:</b> EDO monthly update – late August and September	<b>Public</b>
<b>Report of:</b> Director of Economic Development	<b>For Information</b>
<b>Report author:</b> Alex Greaves	

## Summary

The following report provides Members with highlights of the key activity undertaken by the Economic Development Office (EDO) in late August and September. The launch of the Sustainable Development Capital Initiative at the United Nations at an event hosted by four heads of state showcased the City Corporation's ability to step up as a partner on the biggest stages. Work with partners in Brussels, Switzerland and the US illustrate the forms of engagement that are becoming increasingly important within an uncertain Brexit context. In parallel, the growing momentum of the Leaders of Tomorrow programme is laying the foundation for future responsible leadership within the City and placing the City Corporation at the heart of those conversations.

## Recommendation

Members are asked to:

- Note the report.

## Main Report

1. Demonstrating the opportunities for the City Corporation to engage with international priorities on the largest stages, the City Corporation's Sustainable Development Capital Initiative (SDCI) was launched at the United Nations General Assembly conference in New York on Tuesday 25<sup>th</sup> September. The SDCI was launched at an event hosted by Prime Minister Theresa May, Canadian Prime Minister Trudeau, Rwandan President Kagame, and Ghanaian President Akufo-Addo. The SDCI's mission is to coordinate the private and public sector and work with partner countries to develop products and vehicles that will move capital to flow from London, accelerate the UN Sustainable Development Goals and realise the trillion-dollar opportunities they present. The UK Prime Minister gave her support of the City Corporation initiative saying that she was "delighted to welcome the Sustainable Development Capital Initiative which, in partnership with UK Government, will develop the City of London's role in raising the capital needed to meet the sustainable development goals".
2. As uncertainty increases in the Brexit negotiations, the City of London Annual Brussels Reception offered the Chairman of Policy and Resources the opportunity to present the ongoing strengths of the City and the desire for cooperation and mutual prosperity. Danuta Hubner MEP, Chair of the European Parliament's Constitutional Affairs Committee and a member of the European Parliament's Brexit

Steering Group, gave the second keynote speech, noting “avoiding disruption for both sides is top of my list of priorities”. The reception highlighted the value of on the ground engagement as we build towards the ‘new normal’ in Brussels. As the future relationship becomes clearer, we will bring proposals for how the City Office in Brussels can build on its current engagement.

3. In parallel, the City Corporation is increasing its engagement with US regulators, developing deeper partnerships. The Chairman of Policy and Resources welcomed Chairman Chris Giancarlo of the US Commodity Futures Trading Commission (CFTC) to the Guildhall, where Chairman Giancarlo made a landmark speech on the future of international regulatory cooperation in the derivatives markets in front of a senior City audience. This was built on in engagement with HMT and DIT, with the City Corporation helping to shape the ambitions for future UK-US trade policy work. The developing year-round engagement with US partners was also seen in the Director of Economic Development’s attendance of the Securities Industry and Financial Markets Association conference, which itself laid a strong foundation for the Chairman of Policy and Resources’ US visit in November. We continue to partner closely with other trade associations to ensure a ‘one industry voice’ approach.
4. The City Corporation is also further developing our partnerships with Swiss counterparts. As part of a two-day programme of meetings with UK Government officials, the Lord Mayor and the Chairman of Policy and Resources hosted a delegation of 30 senior business representatives from the Swiss Economic Forum. Due to the success of the event, we are working with the UK Embassy Berne to include a follow-up meeting with the Swiss Economic Forum as part of the upcoming Lord Mayor’s visit to Geneva and Zurich in early October.
5. A sense of responsibility within the sector depends on future leadership. The offer to the Leaders of Tomorrow network continues to develop, as does its value to the City Corporation. The network met to focus on ‘Embedding the right culture’ – panellists included David Halpern, CEO, Behavioural Insights Team; Nicole Bigby, Partner, BCLP LLP; and Joe Garner, CEO, Nationwide. The message was of the importance of extracting the opportunities and managing the risks of the intersection of technology and financial and professional services. The City Corporation also hosted a dinner for the network, where Elizabeth Corley, Vice Chair of Allianz Global Investors, spoke from her experience and reflected on her key insights into leadership within financial and professional services.
6. The City Corporation also launched our research ‘Apprenticeships in London’s Financial and Professional Services sector’, with keynote speeches from Catherine McGuinness and representatives from the Institute for Apprenticeships and Société Générale. Over 50 guests attended and the research has had over 3000 views across social media. The report drew on engagements with over 125 Financial and Professional Services firms located in London and noted key ways that increased flexibility in levy spend could unlock more apprenticeships.
7. Alongside this research report, the City Corporation published infographics on Green Finance and Cyber Security, noting London’s continuing leading position.

**Annexes**

Annex 1 – Apprenticeships in London's Financial and Professional Services sector

Annex 2 – Cyber and Green Finance Infographics.

**Alex Greaves** | Senior Business and Policy Officer, Economic Development Office

[Alex.greaves@cityoflondon.gov.uk](mailto:Alex.greaves@cityoflondon.gov.uk) | 0207 322 316

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# APPRENTICESHIPS IN LONDON'S FINANCIAL AND PROFESSIONAL SERVICES SECTOR

A SURVEY OF BUSINESS USE



## INTRODUCTION

Apprenticeship reforms were introduced in April 2017 to increase the quality and quantity of apprenticeships in England, with a target of three million new apprenticeship starts by 2020. As part of these reforms, the Apprenticeship Levy on employers was introduced.

The City of London Corporation launched a survey in May 2018 to understand how businesses are using their levy payments and engaging with apprenticeships and what the impact has been, one year since the levy's implementation.

The findings in this report reflect the insights gained from 129 responses from Financial and Professional Services firms located in London. These businesses collectively pay over £27.3 million in apprenticeship levy contributions and employ over 329,000 people. The findings are a temperature check of the impact of the Apprenticeship Levy on London's Financial and Professional Services businesses.



## LONDON'S FINANCIAL AND PROFESSIONAL SERVICES BUSINESSES ARE USING APPRENTICESHIPS

# 01

**62% of businesses paying over £500,000** in levy payments hire apprentices, compared to **12% of those paying £101,000-£499,000** and **14% of those paying under £100,000**.

A diverse range of apprenticeship standards, levels and salaries are being offered by businesses.

The most common apprenticeship standards are **Accounting; Business Admin; Finance Assistant; IT Assistant; Risk & Compliance**.

Salaries offered to apprentices range from **£6,240 for Level 2 apprentices** to over **£40,000 for Level 7 apprentices**.

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**54%**  
of businesses  
offer higher level  
apprenticeships at  
Levels 4, 5, 6 and 7

**63%**  
of businesses do not  
expect to use their full  
levy payments before  
they expire

## BUSINESSES USE APPRENTICESHIPS FOR DIFFERENT REASONS AND THE NUMBER OF APPRENTICESHIPS IS LIKELY TO INCREASE

# 02

**Businesses are finding apprenticeships can have different benefits** – for some they support skills gaps whilst for others they are helping to diversify their workforce.

**34%** said apprenticeships only help address skills gaps in some areas.

**54%** of businesses have hired apprentices as new recruits.

**18%**  
said apprenticeships  
do address  
skills gaps

**59%**  
of businesses  
said the number of  
apprentices they hire  
will increase  
in the next  
12 months

**53%** of levy-payers who do not currently employ apprentices expect to employ them in future.

**38%** expect the number of apprentices they employ will stay the same.

*"Our apprenticeships are focused on providing opportunities for those from underprivileged backgrounds, rather than being viewed as a specific talent pipeline."*

*"There is some immediate closing of the skills gap. We are taking the view of skills needed in 2019 onwards."*

## APPRENTICESHIPS HAVE BROUGHT BUSINESSES SOME BENEFITS

03

**50%** of businesses said the levy has incentivised them to look at apprenticeships as a new recruitment and development option.

**42%** of businesses said the levy has made them consider new routes into the businesses.

**97%** of businesses expect to retain apprentices as permanent staff following their apprenticeships.

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*"They can help us to potentially tap into a more diverse applicant pool who are considering an apprenticeship."*

*"The levy is providing options and ideas for managers who struggle to recruit and retain talent and devise succession plans. It could offer a budget for an entire professional development and talent management platform."*

*"The levy has doubled our rolled-up L&D budget by 100%, which has elevated L&D to strategic partner."*

**97%**  
of businesses expect to retain apprentices as permanent staff

**22%**  
said apprenticeships have made their business more attractive to a more diverse range of candidates

**45%** of businesses reported apprenticeships have created new options for professional development and staff training

*"We are only now realising the potential the levy can offer in building training programmes for existing employees."*

**37%**  
said apprenticeships demonstrate business commitment to professional development

**50%**  
of businesses said apprenticeships have created opportunities for training existing employees

## BUSINESSES REPORTED BARRIERS TO TAKING ON APPRENTICES AND USING THEIR LEVY PAYMENTS

04

### Requirement for 20% off-the-job training

**52%** of businesses reported the 20% off-the-job training component to be a deterrent to hiring apprentices.

### Apprenticeship costs and management

**23%** reported that apprenticeships are more costly than other training methods.

**48%** of businesses who pay the levy but do not use it reported that the apprenticeship system is too complex.

### Headcount

**52%** of businesses reported that limits on additional headcount mean they cannot hire apprentices.

### Concerns over training and standards

**28%** of businesses said they had not been able to identify apprenticeship standards that would support their business needs.

**29%** of businesses were not satisfied with the range of standards available, 34% were satisfied.

### Small and medium sized businesses have a unique set of challenges

SMEs reported reduced access to apprenticeship training. **31%** said improved training provision (courses and delivery methods) would improve usability.

Smaller businesses reported that administering apprenticeship programmes is a significant burden to their business.

*"It has been very administrative, we have had to take on more people to support."*

*"We face a multimillion pound levy, but the constraints and nature of our business means we are unlikely to spend much of this."*

*"20% off-the-job doesn't fit with consulting firms."*

*"If it wasn't for the 20% we would be using the levy a lot more."*

**46%**  
have invested additional resources to administer apprenticeship programmes

*"Our specialist business is based on people who have 20-30 years of high level experience."*

**57%**  
of SMEs said flexibility over course content and inclusion of professional qualifications would be beneficial

*"We are simply too small to recruit apprentices."*

## BUSINESSES SAID THE FOLLOWING CHANGES WOULD IMPROVE THEIR ENGAGEMENT WITH APPRENTICESHIPS

# 05

### Changes to apprenticeship policy

1. Businesses said flexibility in how they can use their levy contributions would be beneficial.

They highlighted:

- a. They would value the ability to use levy funds for other certified training, particularly in areas of skills shortages;
  - b. They want flexibility around the 20% off-the-job training requirement, and for other training to be included as part of an apprenticeship.
3. Businesses said the ability to use levy funds to develop and manage their apprenticeship scheme would support them to hire apprentices.
  4. Businesses would value the integration of industry-specific professional qualifications in non-industry specific apprenticeships.
  5. Businesses want new apprenticeship standards that meet their needs to be approved in a timely manner.

### Changes to training provision

1. Businesses want an increase in open access courses so that smaller employers can engage with the apprenticeship system.
2. Businesses want training providers to bring together groups of employers to create and tailor apprenticeship training to their needs.

## ABOUT THIS SURVEY

# 06

Apprenticeship reforms were introduced in April 2017 to increase the quality and quantity of apprenticeships in England, with a target of three million new apprenticeship starts by 2020.

The Corporation launched this survey in May 2018 – one year after the levy was introduced – to understand how businesses are using apprenticeships and what the impact has been.

Insights were gained from 129 responses from Financial and Professional Services firms located in London, who collectively pay over £27.3 million in apprenticeship levy contributions and employ over 329,000 people. The findings are a temperature check of the impact of the Levy on London's FPS businesses, one-year in.

We would like to thank the 129 businesses who completed the survey and provided us with their valuable insights.



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PO Box 270, Guildhall  
London  
EC2P 2EJ

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# Why the UK & London are attractive for Cyber investors



The UK has the largest cyber security market in Europe valued at just over

## \$5 billion



The UK is the world's **fourth** largest exporter of security services. Cyber security accounts for the largest share of these exports at 38%.



The Government is committed to making the UK one of the most secure places in the world to do business, with

## £1.9 billion

in transformative cyber security investments by 2021.

**One third** of all global cyber insurance goes through the City of London.



Made up of around

## 8,000 companies

across a full range of capabilities, the UK cyber sector includes a large community of cyber start-ups and SMEs.



The City of London Police have national responsibility for tackling cybercrime. The Cyber Griffin programme will support businesses to build an ever more cyber resilient business ecosystem.



# How the Cyber sector adds to London's strengths



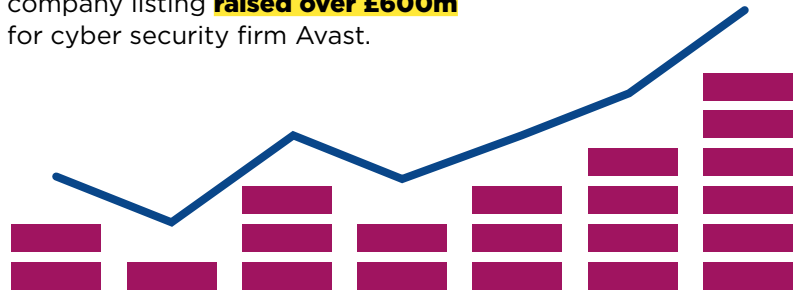
The UK exported **£1.8bn** of cyber security services in 2017 and exports are forecast to rise to **£3.2bn by 2022**, adding to the national accounts.



14 universities and **27 MSc courses** in cyber security guarantee the future labour force.

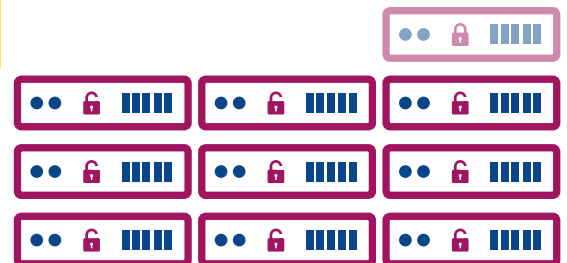


In 2018 London's largest ever tech company listing **raised over £600m** for cyber security firm Avast.



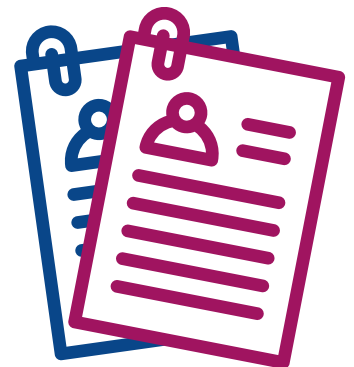
**92%**

of European businesses have experienced a cyber breach within the last five years.



Currently the UK cyber industry employs more than

**100,000 people**



Recruitment fairs such as *Silicon Milkroundabout* match graduates and tech workers with high-skilled jobs in London.

# Financial and business services' contribution to the UK economy



## Exports

Between 2016 and 2017, finance and insurance services exports increased from £75bn to

**£78bn**

an increase of **£3bn** or **4%**, driven by financial services.

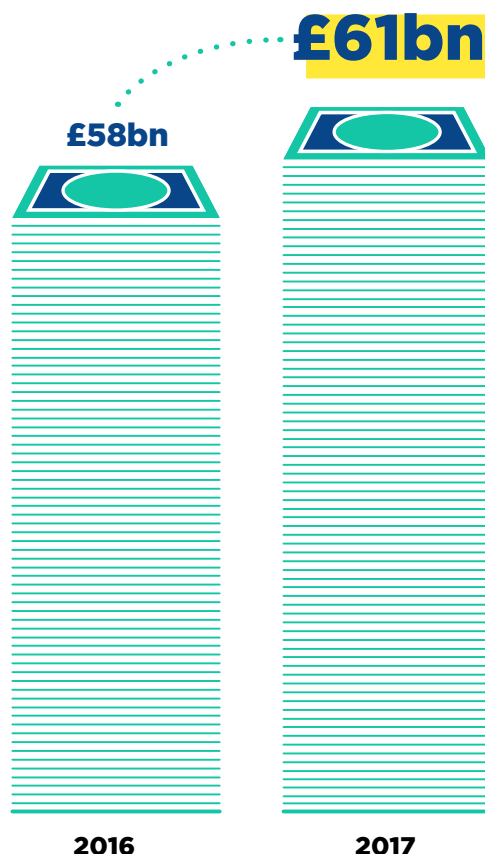
## Imports

Finance and insurance services imports increased from £16.6bn to over

**£17bn**

an increase of **£440m** or **3%**, driven by a small increase in both finance and insurance imports.

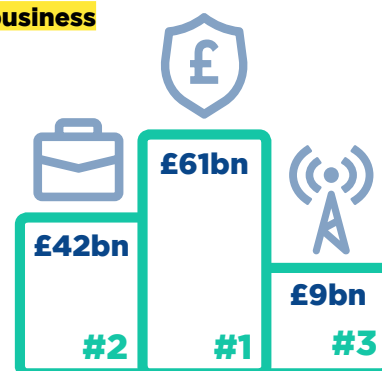
The UK's financial and insurance services sector trade balance has increased to almost **£61bn**. This is by far the **largest trade surplus** of any UK services sector.



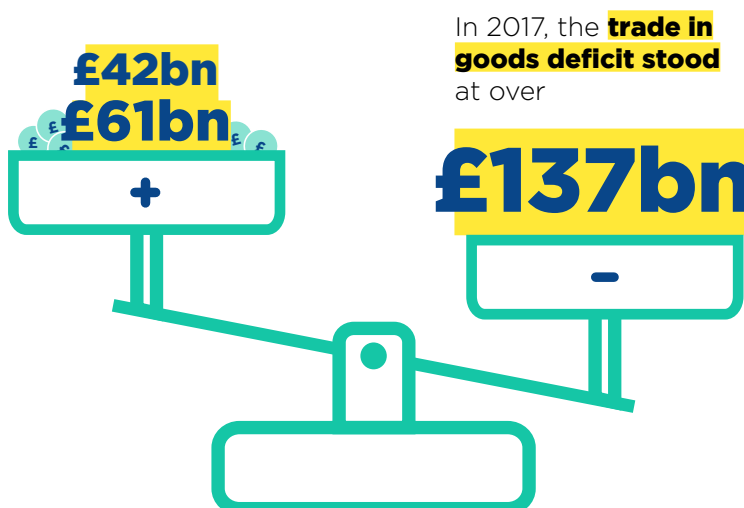
The second largest trade surplus is generated by the **other business services sector** at almost

**£42bn**

The third largest is **telecommunications and IT services** at **£9bn**.



The surplus in financial services and business services trade helps to balance the UK's trade in goods deficit.



# Key markets for UK financial services



Financial services trade **with the EU** has increased from £29bn in 2016 to



The **share** of financial services exports going to the EU has risen from 39% to

**42%**



a sign that the EU is becoming an increasingly important market for financial services.

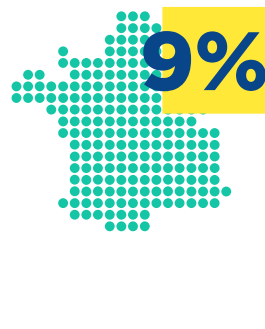
Key markets within the EU include

**Germany**

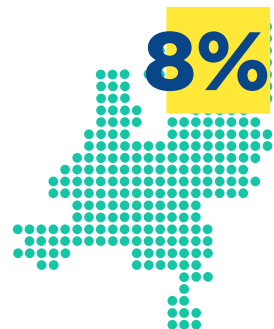
They make up...



**France**



and **the Netherlands**



of **UK financial services exports.**

**Trade with high growth markets has increased**

**China** has increased from £280m to £340m.



Trade with our key markets has increased, such as

**US**

from £15bn to



**Japan**

from £3.8bn to



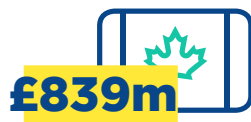
**Switzerland**

from £2bn to



**Canada**

from £817m to



**Australia**

from £814m to



**India** has remained fairly steady



<b>Committee(s)</b>	<b>Dated:</b>
Public Relations and Economic Development Sub-Committee	9 October 2018
<b>Subject:</b> Corporate Affairs Update	<b>Public</b>
<b>Report of:</b> Bob Roberts, Director of Communications	<b>For Information</b>
<b>Report author:</b> Jan Gokcen, Corporate Affairs Officer	

## Summary

This report has been prepared to update Members on key elements of the Corporate Affairs team's activity in support of the City of London Corporation's external political engagement and corporate communications.

The updates covered in this report span the period since the last meeting of the Public Relations and Economic Development Sub Committee on 3 September 2018 until 25 September. Updates within the period of 26 September and 9 October have, at the time of writing, yet to take place, and have therefore been listed as planned activities.

## Recommendation

Members are asked to note the report.

## Main Report

1. The Corporate Affairs update is presented thematically.

## Domestic Engagement

### *Liberal Democrat party conference*

2. On 16 September, the Policy Chairman met with Caroline Pidgeon AM, Member of the London Assembly, at Liberal Democrat party conference, where issues such as Brexit, the apprenticeships levy, London's transport infrastructure needs, and the importance of promoting London were discussed.
3. On 17 September, the Corporate Affairs team organised a private roundtable with the Social Market Foundation on innovation and inclusion in the financial services sector. The guest speaker was Baroness Susan Kramer, Liberal Democrat spokesperson on Treasury and Economic Affairs.
4. On 17 September, the Policy Chairman spoke at the Liberal Democrats Business Lunch alongside Jo Swinson MP, Spokesperson for Foreign Affairs. The Policy Chairman's speech focused on the implications of Brexit on the City,

digital innovation in Artificial Intelligence, the importance of Fintech to the City, and the broader economic challenges facing the national economy.

5. On 17 September, the Corporate Affairs team organised a private drinks reception and dinner at Liberal Democrat party conference. The theme of the dinner was 'City, Capital and Country: the Future of London and the Regions' with Tim Farron MP, Liberal Democrat spokesperson for the Environment, Food and Rural Affairs, being the guest speaker and the the Policy Chairman, providing remarks along these lines. The Policy Chairman also emphasised the importance of resolving Brexit-related issues concerning contract continuity. A number of other Liberal Democrat politicians, senior local government officials, and senior industry figures were also present.

### ***Labour party conference***

6. On 23 September, the Policy Chairman met with Jonathan Reynolds MP, Shadow Economic Secretary to the Treasury, where both parties discussed the current status of Brexit negotiations and the Institute for Public Policy Research's Commission on Economic Justice. Jonathan expressed interest in the City Corporation's report into improving the UK's visa application system, as well as issues relating to the Apprenticeships Levy survey and Green Finance.
7. On 23 September, the Policy Chairman met with Stephen Timms MP, member of the Select Committee on Exiting the European Union, where both parties discussed the current status of Brexit negotiations. The Policy Chairman also explained the City Corporation's priorities in other areas such as digital innovation, arts and culture, as well as matters related to Stephen's East Ham constituency.
8. On 23 September, the Policy Chairman spoke with Conor McGinn where the latter expressed his interest in the City Corporation's relationship with Belfast specifically and Northern Ireland more generally.
9. On 23 September, the Policy Chairman attended a private dinner, organised and hosted by Prospect Magazine, alongside Jonathan Reynolds MP and Peter Dowd MP, Shadow Chief Secretary to the Treasury, as well as senior industry figures. Matters discussed included the importance of a flexible immigration policy, the need to invest in development of skills, and the importance of an effective nationwide regional policy.
10. On 24 September, the City Corporation, together with the Fabian Society, organised a private roundtable discussion on the importance of arts and culture to local economic growth. The guest speaker was Kevin Brennan MP, Shadow Minister for Arts, Heritage and Tourism, while Tracy Brabin MP and Ian Lucas

MP, Member of the Digital, Culture, Media and Sport Select Committee, were also in attendance.

11. On 24 September, the Policy Chairman attended the Business Forum at Labour party conference, where private roundtables and question and answer sessions were held with the Shadow Chancellor of the Exchequer, John McDonnell MP; the Shadow Secretary of State for Exiting the European Union, Keir Starmer MP; and the Shadow Secretary of State for Business, Energy and Industrial Strategy, Rebecca Long-Bailey MP.
12. On 24 September, the Corporate Affairs team hosted a private drinks reception and dinner with UK Finance, a trade association representing the UK's financial and professional services, which brought senior national, local and regional politicians from the Labour party together with policymakers, and industry figures. The guest speaker for this event was Barry Gardiner MP, Shadow Secretary of State for International Trade, while the Policy Chairman and Stephen Jones, CEO of UK Finance, also provided some remarks.
13. On 25 September, the Policy Chairman met with Stephen Kinnock MP, Member of the Exiting the European Union Select Committee, where both parties discussed the status of Brexit negotiations.
14. On 25 September, the Policy Chairman attended the Bloomberg Business Lunch. Alongside senior industry figures, also in attendance were Keir Starmer, Shadow Foreign Secretary, Emily Thornberry MP, as well as other representatives of the Shadow Cabinet.

### ***Conservative party conference***

15. On 30 September, the Policy Chairman is due to attend a drinks reception where the guest speaker will be the Home Secretary, Sajid Javid MP.
16. On 1 October, a private roundtable on the future of the financial services, organised by the City Corporation in partnership with the Centre for Policy Studies, will take place. The guest speaker will be the Economic Secretary to the Treasury, John Glen MP. Moreover, in addition to various senior industry representatives, Bim Afolami MP will also be participating.
17. On 1 October, an open fringe event on the future of international trade, organised by the City Corporation in partnership with Chatham House, will take place. The guest speaker is Nicky Morgan MP, Chair of the Treasury Select Committee.
18. On 1 October, the Policy Chairman will hold private meetings with Bim Afolami MP, Stephen Hammond MP, and the Minister at the Department for Exiting the European Union, Robin Walker MP.

19. On 1 October, the Corporate Affairs team in partnership with UK Finance will be hosting a private drinks reception and dinner, bringing together senior Conservative politicians at local, regional and national level with policymakers and senior industry figures. The guest speaker for this event is Sir Graham Brady MP.

***Business engagement***

20. On 2 October, the Policy Chairman is scheduled to attend a private roundtable organised by TheCityUK with John McDonnell MP.

***Scottish National Party conference***

21. Between 8 and 9 October, the Policy Chairman will be attending the Scottish National Party conference.

**Jan Gokcen** | Corporate Affairs Officer, Town Clerk's Department  
T : 020 7332 1426  
M: 07864 954 797  
E: [jan.gokcen@cityoflondon.gov.uk](mailto:jan.gokcen@cityoflondon.gov.uk)



<b>Committee(s)</b>	<b>Dated:</b>
Public Relations and Economic Development Sub-Committee	9 October 2018
<b>Subject:</b> Parliamentary Team update	<b>Public</b>
<b>Report of:</b> Paul Double, City Remembrancer	<b>For Information</b>
<b>Report author:</b> Emma Wade, Parliamentary Engagement Officer	

## Summary

This report has been prepared to update Members on the main elements of the Parliamentary Team's activity in support of the City of London Corporation's political and parliamentary engagement.

This report spans the period since the last meeting of the Public Relations and Economic Development Sub Committee on 3 September.

Parliament is in recess from 14 September until 8 October.

## Recommendation

Members are asked to note the report.

## Main Report

### Legislation

1. Work on a private Bill relating to the City's markets and a separate private member's measure on air quality in Greater London is being undertaken by the Office. Work is being undertaken, in collaboration with the Economic Development Office, ahead of the Immigration White Paper which is currently scheduled to be published after the party conference season.

### Select Committees

2. The Office provided support for the Policy Chairman's meeting with Lord Boswell, Chair of the European Union Select Committee, to discuss the ongoing EU-UK negotiations. Further engagement is being conducted with the Committee's policy analysts following the meeting.
3. Letters are being drafted for the Policy Chairman to send to relevant Select Committee Chairs to provide an update on the City Corporation's Brexit positioning.

4. A written response has been submitted for a Foreign Affairs Committee inquiry on 'Global Britain and India', in liaison with the Asia team and Global Exports and Investment team in EDO.

### **All-Party Parliamentary Groups**

5. Preparations are in an advanced stage for the Lord Mayor's appearance before the India APPG on 16 October.
6. Discussions are taking place in liaison with EDO to organise a parliamentary breakfast roundtable with the APPG for Africa in October.

### **Party Conferences**

7. A member of the Parliamentary Team is attending each of the Liberal Democrat, Labour and Conservative party conferences, and will be attending the SNP conference in due course. Committee Members will have received reports of the Liberal Democrat and Labour conferences, with reports on the other two to follow.

### **GLA and the Regions**

8. Caroline Russell, Chair of the GLA Environment Committee, was sent a briefing on the Corporation's decision to make permanent the Bank Junction safety scheme.
9. An introductory officer meeting was held with the GLA Conservative Group's lead Environment researcher. The meeting was used to facilitate insights into the work of the City Corporation and of the officers supporting the Conservative Group respectively.

### **Unified Patent Court**

10. The Office has been monitoring the debate on the UK's participation in the EU's Unified Patent Court. The Government has been clear that it wishes the UK to participate in the UPC and in the Brexit White Paper "The UK has ratified the Unified Patent Court Agreement and intends to explore staying in the Court and unitary patent system after the UK leaves the EU". This tone was softened in the recent Technical Notice on intellectual property, published on 26 September. The Notice states that UK "will explore whether it is possible to remain within it". If the UK is unable to remain in the UPC system, the Notice indicates the UK will replace unitary patent rights with "equivalent rights". Under current proposals the UPC's central division would be headquartered in Paris, with branches in London and Munich. The City Corporation has been acting with others over the last three years in supporting the case for a central London location for the UPC branch.

### **EU Citizens**

11. The Office has continued to engage with the Ministry of Housing, Communities and Local Government on the matter of EU citizens as local government councillors and EU citizens' voting rights after the UK's withdrawal from the European Union. As part of this engagement, the Office has shared its view with the Ministry and the Cabinet Office, that the electoral rights currently held by EU citizens will not change

after the UK's withdrawal unless the Government introduces legislation to change the law.

12. This position accords with London Councils, who are supportive of maintaining the current position and have publicly called "for EU citizens' rights to vote and serve as councillors to continue after the UK leaves the EU" and for this to be advocated for by both London Councils and the Local Government Association.
13. Current information suggests that the Government does not intend to introduce legislation to change the rights currently held.

**Emma Wade**

Parliamentary Engagement Officer, Office of the City Remembrancer

T: 020 7332 3901

E: [emma.wade@cityoflondon.gov.uk](mailto:emma.wade@cityoflondon.gov.uk)

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<b>Committee(s)</b>	<b>Dated:</b>
Public Relations and Economic Development Sub (Policy and Resources) Committee	9 October 2018
<b>Subject:</b> 2018/19 Mayoral Programme	<b>Public</b>
<b>Report of:</b> Bob Roberts, Director of Communications	<b>For information</b>
<b>Report author:</b> Jan Gokcen, Corporate Affairs Officer	

## Summary

This report presents the theme of the 2018/19 Lord Mayoralty of the City of London, ***‘Shaping Tomorrow’s City Today’*** to be championed, subject to election, by Alderman Peter Estlin.

This report sets out the Mayoral theme and accompanying messages. In sum, these are:

- Shaping a City that is Digitally Skilled;
- Shaping a City that is Digitally Innovative;
- Shaping a City that is Digitally Inclusive.

This paper also outlines how the 2018/19 Mayoral theme aligns with the Corporate Plan for 2018-23, as well as other City Corporation initiatives.

## Recommendation

Members are asked to note the 2018/19 Mayoral theme as set out in this report.

## Mayoral Theme

1. The 2018/19 Mayoral theme, ‘Shaping Tomorrow’s City Today’, will champion the City as a digital leader.
2. The messages (available below) show how we are working to ensure we retain this leadership position.
3. We are ‘Shaping Tomorrow’s City Today’ by:
  - a. **Shaping a City that is Digitally Skilled;**
  - b. **Shaping a City that is Digitally Innovative;**
  - c. **Shaping a City that is Digitally Inclusive.**
4. These messages are aligned with other activities across the organisation, providing a consistent framework for promoting and explaining the Mayoral theme and the activities that underpin it.

5. **‘Shaping a City that is Digitally Skilled’** outlines the value of digital skills to the City and the modern economy, and our work supporting investment in talent and preparation for the jobs of the future:
  - a. We value digital skills as being vital to the success of tomorrow’s City, driving innovation and enhancing quality of life and the nature of business.
  - b. We are investing in talent to ensure the City, the capital, and the country has access to the necessary digital skills.
  - c. We are providing education in digital skills, enabling students – young and mature alike – to thrive and succeed in the jobs of tomorrow.
6. **‘Shaping a City that is Digitally Innovative’** affirms how, heading into a new technological era, the City is embracing the benefits of digital technology, ensuring we remain the world’s business capital and a global tech hub:
  - a. We are using our capacity as a global digital and business hub to spur further innovation in the City and beyond.
  - b. We are raising awareness of the global business standards necessary in the digital economy.
  - c. We are playing a national role in tackling cyber-threats, while raising awareness of the need for improving digital resilience.
7. **‘Shaping a City that is Digitally Inclusive’** commits the City to widening access to the benefits of digital transformation and growth to all sections of society.
  - a. We are committed to enabling economic growth that reverses inequality and fuels social mobility.
  - b. We are investing in digital infrastructure, helping businesses and people gain access to digital technology.
  - c. We are supporting people of all ages and backgrounds access the benefits of digital transformation.

## **Corporate and Strategic Implications**

‘Shaping Tomorrow’s City Today’ will support the City Corporation to deliver the following outcomes within the Corporate Plan for 2018-23:

- Outcome 1: People are safe and feel safe.
- Outcome 2: People enjoy good health and wellbeing.
- Outcome 3: People have equal opportunities to enrich their lives and reach their full potential.
- Outcome 4: Communities are cohesive and have the facilities they need.
- Outcome 5: Businesses are trusted and socially and environmentally responsible.
- Outcome 6: We have the world’s best legal and regulatory framework and access to global markets.
- Outcome 7: We are a global hub for innovation in finance and professional services, commerce and culture.
- Outcome 8: We have access to the skills and talent we need.

- Outcome 10: We inspire enterprise, excellence, creativity and collaboration.

The theme directly links with the City Corporation's Digital Skills Strategy for 2018-23, which, subject to approval by this Committee in October 2018, will seek to deliver a vision where 'People and businesses, across the City, London and beyond, are equipped to take advantage of digital technologies and innovations to help themselves and their economies thrive.'

The theme links to the following existing activities within the City Corporation:

- Employability Strategy for 2017-2020
- Skills Strategy, 2018-23
- Bridging Divides Strategy for 2018-23, City Bridge Trust,
- Towards a Sustainable Future Strategy for 2018-23,
- Social Mobility Strategy for 2018-23,
- Apprenticeships Strategy for 2018-23,
- Culture Mile Strategy for 2018-23,
- Cultural and Creative Learning Strategy for 2018-23, and
- Business Plans for Mansion House, EDO, Corporate HR, Department for Built Environment, City of London Police and DCCS.

9. Based on the above, 'Shaping Tomorrow's City Today' will drive the City Corporation's vision of a *'vibrant and thriving City, supporting a diverse and sustainable London within a globally-successful UK'* and its aims to *'contribute to a flourishing society, shape outstanding environments and support a thriving economy'*.

## **Conclusion**

Designed to be a proactive and influential response to the technological innovations revolutionising the way that we work and live, the 2018/19 mayoral theme focuses on championing and developing the digital skills necessary for innovative and inclusive City in the 21<sup>st</sup> century.





Mayoral theme	<b>‘Shaping Tomorrow’s City Today’</b>		
Message pillars:	<b>The Digital City is Skilled</b>	<b>The Digital City is Innovative</b>	<b>The Digital City is for Everyone</b>
Headline pitch:	<b>‘Shaping a City that is Digitally Skilled’</b> outlines the value of digital skills to the City and the modern economy, and our work supporting investment in talent and preparation for the jobs of the future	<b>‘Shaping a City that is Digitally Innovative’</b> affirms how, heading into a new technological era, the City is embracing the benefits of digital technology, ensuring we remain the world’s business capital and a global tech hub	<b>‘Shaping a City that is Digitally Inclusive’</b> commits the City to widening access to the benefits of digital transformation and growth to all sections of society.
Supporting activity:	<ul style="list-style-type: none"> <li>• A ‘Future Skills Forum’ comprising policymakers, captains of industry, and Academics</li> <li>• Roundtable on widening access to work experience with sufficient development opportunities</li> <li>• Launch: City Corporation’s digital skills strategy</li> <li>• Continue ‘Future Leaders of Tomorrow’ initiative</li> <li>• Supporting skills workshops in youth centres such as London Youth and Onside Youth Zone</li> <li>• A Digital skills pilot in a City of London Academy, combining</li> </ul>	<ul style="list-style-type: none"> <li>• The Lord Mayor’s Show</li> <li>• Regional visits to UK cities</li> <li>• Lord Mayors’ Overseas Visits Programme</li> <li>• Contributing to ICAEW’s ‘One Young World 2019’</li> <li>• Annual Security and Defence Lecture – Keynote: Jeremy Fleming, Head of GCHQ</li> <li>• Keynote address at Innovate Finance 2019 dinner</li> <li>• Mobility Forum on Electric Vehicles and Digital Transport Infrastructure</li> <li>• Cyber Security roundtable – with City of London Police, Cyber Defence Alliance, and</li> </ul>	<ul style="list-style-type: none"> <li>• Preparing learners for the jobs of the future</li> <li>• Championing digital inclusion and encouraging digital citizenship globally through speeches, strategic engagements, roundtables and other forums – at home and abroad</li> <li>• ‘She Can Be’ – a programme to inspire girls and adult women to take up technology related roles in the digital economy</li> <li>• The Lord Mayor’s Appeal activity (e.g. Mental Health Week, City Giving Day &amp; Dragon Awards, Opera</li> </ul>

	<p>formal and informal learning methods to equip students with vital digital skills</p> <ul style="list-style-type: none"> <li>• Roundtable on digital governance with Cyber Defence Alliance, City of London Police, GCHQ and others</li> <li>• Digital treasure hunt at Lord Mayor's Show</li> <li>• A National Apprenticeship Institute event, exploring the benefits of vocational learning</li> </ul>	others	Outreach and Dinner)
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