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| <b>Committee</b>  | <b>Dated:</b>          |
| Public Relations & Economic Development Sub-Committee   | 3 September 2019       |
| <b>Subject:</b><br>The City of London Corporation's involvement with the Professional and Business Services Council | <b>Public</b>          |
| <b>Report of:</b><br>Damian Nussbaum, Director of Innovation & Growth   | <b>For Information</b> |
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### Summary

The following report provides Members with an overview of the City of London Corporation's (City Corporation) involvement with the Professional and Business Services Council (PBSC). The PBSC provides a forum through which the professional and business services sector and government can engage and an opportunity for the City Corporation to both represent the sector and facilitate positive collaboration and action amongst key stakeholders.

In addition to sitting on the main council the City Corporation is also represented on a number of working and sub-groups of the PBSC including the Market Access Group, the Technical Trade Group, the Skills & Inclusion Working Group and the Apprenticeships Sub-Group.

### Recommendation

Members are asked to:

- Note this report.

### Main Report

#### Background

1. The PBSC was originally set up as an industry working group to represent the views of the Professional and Business Services (PBS) sector. It was then approached by government to feed into work being carried out by the Department of Business, Energy & Industrial Strategy. As a result, the Council is co-chaired by both a business and government representative.
2. The PBSC's mandate is to inform and challenge government on the key issues facing the professions, influence its thinking and gain insight into the future direction of the sector and the UK economy more generally. Business representatives within the PBSC are drawn from the following sectors:
  - Legal services
  - Accountancy
  - Management consultancy
  - Advertising and corporate communication services

- Architectural and technical consulting
  - Recruitment and human resource services
3. The Council currently operates through three main working groups:
    - (i) Market Access – led by Freshfields Bruckhaus Deringer and focused on the challenges faced by the sector in light of Brexit.
    - (ii) Skills & Inclusion – led by PWC and exploring the skills needed to allow the sector to continue to thrive and the steps required to improve inclusivity across the sector.
    - (iii) Importance of Place – led by AECOM and looking at the role of professional and business services across the UK.

### **Current Position**

4. The City Corporation engages with the PBSC through a number of points of contact and is represented on the following groups:
  - (i) Main Council – Policy Chair
  - (ii) Market Access Working Group – Policy Chair
  - (iii) Technical Trade Group – Duncan Richardson (Innovation & Growth)
  - (iv) Skills & Inclusion Working Group – Claire Tunley/Graham Sutton (Innovation & Growth)
  - (v) Apprenticeships Sub-Group – Claire Tunley/Graham Sutton (Innovation & Growth)
  - (vi) Sherpa meetings – Mary Kyle (Innovation & Growth)
5. The Main Council meets on a quarterly basis and is currently co-chaired by Nick Owen (Deloitte) and Andrew Stephenson MP, although new government representation is expected to be confirmed over the next few weeks. The meetings are regularly attended by government ministers and representatives and provide a forum through which the PBSC can bring its expertise to bear in influencing government thinking on matters that impact the sector specifically or as part of the wider economy more generally.
6. The Council is currently working with government to explore a ‘sector deal’; an agreement of actions and measures that both the PBS sector and government undertake to increase productivity and competitiveness of the sector. The Council has written to the Prime Minister requesting continued support for the deal which includes proposed initiatives to drive trade in PBS and increase social mobility into the sector. The Council is also in the process of finalising a ‘fact and figures’ document reflecting the component parts of the PBS sector and its role in enabling industry across both the UK and globally.
7. The Market Access Working Group has primarily focused on increasing the profile of PBS in the Brexit negotiations. This has included providing advice to government on the potential impact of Brexit on the PBS sector and preferred steps to be taken as part of the negotiations. It is also currently working on messaging around what practical actions government can take to mitigate the negative impacts of a no-deal exit from the EU.

8. The Technical Trade Group operates as a sub-group of the Market Access Working Group and provides a forum to coordinate between the government and professional services firms on the subject of trade policy and promotion. The Technical Trade Group is hoping to provide input to the Department of International Trade's Strategic Trade Advisory Group (STAG). The STAG is a cross-economy body of industry heads which exists to shape government's post-Brexit trade policy for third countries.
9. The Skills & Inclusion Working Group has recently been most focused on issues relating to apprenticeships (see below), immigration and social mobility to develop domestic skills supply and vocational routes into the sector; to promote access into the UK for individuals possessing the skills required across the sector and providing opportunities to share best practice on increasing social mobility.
10. The Apprenticeships Sub-Group sits under the Skills & Inclusion Working Group and is led by City Corporation officers. Its work has included developing evidence and identifying the issues and opportunities relating to apprenticeships in the PBS sector. It is anticipated that the PBSC will continue to provide a conduit through which recommendations on improving the apprenticeships policy and practice can be presented to government.
11. The Sherpa meetings take place every two months and provide an opportunity to discuss activity across all of the PBSC meetings and groups and attendees at these meetings are expected to deal with the day to day requests from the Council and its working groups as well as to brief Council members.

## **Conclusion**

12. The PBSC brings together key stakeholders across the professional and business services sector and government. The engagement set out above provides the City Corporation with a good opportunity to input to government on issues affecting the sector as well as to disseminate important messaging coming out from the Council and its various working groups across our wider government and industry contacts.

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