

Committee(s): Policy and Resources – Information Communications & Corporate Affairs Sub Committee	Dated: 11/04/2024 24/04/2024
Subject: Innovation and Growth Quarterly Report	Public with accompanying Non-Public Appendix
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	2 - 11
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	
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Summary

This report presents the impact of the City of London Corporation’s (CoLC) work in support of UK Financial and Professional Services in 2023/2024. It gives Members of the Committee visibility of upcoming areas of work in the Innovation and Growth (IG) Department, working with Corporate Affairs, Media, the Remembrancer’s Office, the Office of the Policy Chairman and Mansion House which will be reported on as part of a quarterly cycle.

Recommendation(s)

Members are asked to:

- Note the review of Financial Year 2023/2024
- Note the IG Forward Look ([Appendix 1](#))

Main Report

Background

1. CoLC, through IG working closely with Corporate Affairs, Media, the Remembrancer's Office, the Office of the Policy Chairman and Mansion House works to strengthen the UK's financial and professional services (FPS) creating jobs and growth right across the UK. Our programmes in this area support the recommendations in the corporation's Vision for Economic Growth Report and are aligned to the Competitiveness Strategy 2021-25.
2. Our core objective is to support the competitiveness of the UK as the world's leading global hub for FPS. We work to keep the UK innovative in technology, leaders in sustainable finance and open & global.
3. These priorities were chosen because the domestic and global context in which the UK's FPS and tech sector operates is changing rapidly and significantly.

Current Position

A: Review of Financial Year 2023/2024

4. The Review presents CoLC's work to strengthen the UK's competitiveness as a global financial centre and to create jobs and growth right across the UK.
5. Members will be aware that through the competitiveness strategy we aim to reinforce the UK's position as the world's leading global hub for FPS.
6. The review details:
 - CoLC's work in support of key FPS metrics: 2023/2024
 - An overview of reports published
 - A showcase of major work/projects from 2023/2024
7. Members are asked to note key stats relating to the UK's financial and professional services performance, including:
 - The UK is the world's largest net exporter of FPS, reaching a **record of £150bn in 2022.**
 - UK FPS services contributed nearly **13% of the country's tax contribution in 2020, totalling £100bn.**
 - **13% of the entire economic output** of the UK is produced by Financial and Professional services in 2022, equivalent to £294bn.
 - The UK is the second largest asset management centre in the world with **£4.2tn managed for overseas clients.**
 - The UK attracted the **highest foreign direct investment (£2bn)** for financial services in Europe in 2022.
 - London handled a **daily average of \$3.8tn in FX trades** in 2022, double that of New York.

- The UK is the **leader in OTC derivatives trading with \$2.6tn** traded in 2022.
8. Members are asked to note nine workstreams (see details in para 9 -17) that have contributed significantly to the support of FPS in the UK. Members should also note that the delivery of these workstreams involves a number of different teams and departments from across the Corporation, as detailed above.
 9. **Vision for Economic Growth**, co-chaired by the Policy Chairman and the Lord Mayor quickly became the most viewed report page on the Global City, with report content receiving 4,500 views to date. 322 attendees joined across two bespoke launch events. The report garnered wide media impact, where coverage was secured across leading UK and international media platforms in more than 40 outlets – including digital, broadcast and radio. Outlets include [Financial Times](#), Bloomberg Radio, LBC, Sky News Ian King Show, [Sky News](#), [The Times](#), [Reuters](#), [Daily Mail](#), [City A.M.](#), [Daily Express](#), [Financial News](#), [Yorkshire Post](#) and [Express](#). The report has had meaningful impact on the Harrington Review, CoLC's Budget submission, and emerging Labour Policy in relation to FPS, most notably *Financing Growth*.
 10. **The Net Zero Delivery Summit** brought together 200 leaders and over 50 speakers for 12 sessions of panel discussions, fireside chats and keynote speeches. The Summit was addressed by both the Policy Chairman and the Lord Mayor. NZDS 2023 was covered by over 400 news pieces across print, online and broadcast internationally. This included but was not limited to [Bloomberg](#), [Reuters](#), [Independent](#), [City A.M.](#), [National News](#), [City Matters](#), [Regulation Asia](#), [Sada Elabald English](#) and [Daily News Egypt](#).
 11. **The Mansion House Compact** is an industry-led voluntary expression of intent to take meaningful action to secure better outcomes for UK savers through increased investment in unlisted equities. 11 signatories, comprising businesses that represent £400 billion worth of assets, agreed to commit 5% of DC funds to private equity to benefit savers and support unlisted businesses. The Lord Mayor hosted The Mansion House Pensions Summit in October 2023, and 160 delegates participated. The momentum was continued by the signing of the Mansion House Compact and the announcement of the Mansion House Reforms by HMT. Extensive coverage was secured in national media including an op ed from the then Lord Mayor Nicholas Lyons in the [Daily Mail](#). More in [This is Money](#), the [Spectator](#), [The Times](#), (£) [The Guardian](#), [City A.M.](#), [Reuters](#), [Evening Standard](#), [LBC](#), [Independent](#), [Yahoo](#), [Bloomberg](#) and [BBC 5 Live Wake Up to Money](#). Further coverage in the [FT](#) (£), [The Sun](#), [The Telegraph](#) (£), [BBC](#), [Sky](#), [Channel 4](#), [ITV](#), [This is Money](#), [Financial News](#), [CNBC](#) and 12 other titles. Interviews were organised for the Lord Mayor on [Bloomberg TV](#), [Bloomberg's Day Break Europe](#), and Sky News' flagship business show [Business Live with Ian King](#).

12. **The AI for Innovation Dinner** welcomed 373 attendees and speakers include Rt Hon Michelle Donelan, Secretary of State for Science, Innovation and Technology alongside the Policy Chairman. The dinner was the largest pre-AI Safety Summit event and the main way for businesses to engage with the Summit. The dinner was a key moment in positioning the City of London's AI policy work, strengthening the working relationship between CoLC and DSIT and ensuring the experiences and insights of the FPS sector were not overlooked during this milestone occasion. Following a proactive announcement, The Daily Mail and [The Sun](#) reported on the City of London Corporation's AI Dinner Summit held at Guildhall, and there were further coverage in [The Times](#) and other outlets. The Policy Chairman's [City A.M.](#) column also highlights AI's enormous opportunities.
13. **The Global Investment Futures (GIF)** campaign has secured over 10 wins this year, including Foreign Direct Investment (FDI) wins, growth and Mandate wins. GIF is an international campaign to promote and support the UK's investment management offer. The UK is the second largest centre for Assets Under Management globally, second only to the US.
14. **The Corporation's US office launch** took place on 11 and 12 December and saw the New York and Washington DC launch events for the Corporation's US presence. The Policy Chairman and the Lord Mayor were joined by senior financial and professional services industry and policy leaders to mark the occasion. The events were hosted by JP Morgan in New York and the British Embassy in Washington and saw a total of over 200 attendees, alongside with widespread media coverage in over 73 outlets. The Policy Chairman was interviewed by [Bloomberg](#), [Sky News](#) and BBC Radio 4 Today on the new City Corporation office opening. The opening was also reported in [Reuters](#), Politico, [Evening Standard](#), Telegraph, and [City A.M.](#)
15. **The State of the Sector and Benchmarking reports** are IG's annual reviews on benchmarking the competitiveness of London and the UK. The State of the Sector is a report developed and published on 11 July 2023 in partnership by the City of London Corporation and HM Treasury. It considers the attractiveness and international competitiveness of UK financial services. With over 1,700 views on the Global City, it is the second most viewed webpage in 2023/2024. The report was announced during the Financial and Professional Services Dinner which welcomes 328 attendees. The Benchmarking report was published on 24 January 2024. This report garnered over 600 views within 2 weeks of the launch. The report was launched with a webinar hosted by the Policy Chairman and featured an expert panel which saw 180 attendees joining virtually. The report was reported in over 130 news stories, including in [the Evening Standard](#), [City A.M.](#), and [Reuters](#). Chris Hayward, was interviewed by [Sky News](#) and BBC News, and the broadcast ran on 18 national and regional radio stations. There were op eds in [the Telegraph](#) and [City A.M.](#)

16. **The Global City campaign** showcases the UK's offer for financial and professional services on one platform. With 53 publications on the Global City website, there were over 112,000 page views across the year; as well as over 1M impressions on social media platforms. The Global City provides a compelling evidence base of research, statistics, and partner stories, to tell the story of the UK as a great place for financial and professional services firms to do business, the campaign aims to attract talent, business and investment.
17. **Overseas trade promotion and policy visits** support the UK's competitiveness as a global financial centre. They promote the UK's offer and support coherent global approaches to policy and regulatory challenges. These reduce frictions and open market access opportunities. CoLC leads an extensive programme of overseas engagements through our Overseas Offices (Brussels, Beijing, Shanghai, Mumbai). The Lord Mayor and Policy Chairman had a total of 25 visits worldwide and visited 17 countries. They also engaged 6 regions across the UK as part of CoLC's intent to drive growth across the country.

B: Forward look

18. The table set out in Appendix 1 builds on the detail outlined in the high-level business plan submitted to Policy and Resources Committee in March 2023.
19. The table provides an overview of domestic and international visits and major moments or events. This work is managed by the Trade and Investment, Policy and Innovation, and Research teams.
20. Members can find the target outcomes for each activity detailed in Appendix 1.

Options

21. Members are asked to note the paper.

Proposals

22. Officers will return to Policy and Resources Committee to report on the outcomes of the activity outlined in this paper.
23. These reports will be made on a quarterly basis and also provide a forward look to upcoming activity in the following quarter.

Corporate & Strategic Implications

24. Strategic implications – the activity outlined in this paper support the Corporate Plan and deliver against the Corporation's Competitiveness strategy. Officers are aware that regular reports may in future be required against the high-level business plan and the Corporate Plan. Officers will ensure that papers such as this align with that process.

25. Financial implications – all financial implications are considered as part of IG’s departmental business planning and project planning processes.
26. Resource implications – all resource implications are considered as part of the project planning process.
27. Legal implications – none identified this paper.
28. Risk implications – all risk implications are considered as part of the project planning process and subsequent monitoring.
29. Equalities implications – none identified for this paper.
30. Climate implications – Officers recognise that international and, to a lesser extent, domestic travel has climate implications. These are considered as part of the Corporation’s wider commitment to climate action.
31. Security implications – none identified for this paper.
32. Health Implications – none identified for this paper.

Conclusion

33. This paper marks the beginning of a quarterly cycle of reports outlining the impact of the City of London Corporation’s work to support the competitiveness of the UK as a global financial and professional services centre. This work is led by IG working with Corporate Affairs, Media, the Remembrancer’s Office, the Office of the Policy Chairman and Mansion House.

Appendices

- Appendix 1 (Non-Public) - IG Forward Look

Background Papers

- High-level business plan - submitted to Policy and Resources on 18 March 2024

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