

Committee:	Date:
Policy and Resources	28 May 2015
Subject: Report of Economic Development Activity for February 2015 to May 2015 and performance against the Business Plan 2014-17	Public
Report of: Director of Economic Development	For Information
<p>Summary</p> <p>This report covers highlights of Economic Development activity between February 2015 and May 2015, and a summary of progress against the 2014-17 Business Plan objectives. The last report to the Policy and Resources Committee covered activity and progress to January 2015.</p> <p>Recommendations</p> <p>Members are asked to note the report.</p>	

Main Report

A. Highlights and Key Achievements against Business Plan Objectives – February to May 2015

Objective 1: Promote the City internationally as Europe's and the world's preeminent financial and business centre, supporting City interests in global markets and building stronger links with other parts of the UK.

- As part of the **City of London Programme** a reception was held in February, for delegates from Bulgaria and Romania, host institutions, and representatives from other institutions which have previously supported the Programme in order to network and share experiences. The closing reception, hosted by your Chairman in March, was attended by 31 City Programme Alumni and included the participants of the Fellowship Programme. The Alumni also attended the Annual Forum of financial issues in March.
- Participants of **City of London's Fellowship Programme** spent two weeks of March in London researching their papers.
- The late Lord Mayor, Dame Fiona Woolf, hosted a roundtable for Jennifer Musisi, Executive Director of the **Kampala** Capital City Authority, to showcase infrastructure investment opportunities to City investors
- A small business delegation accompanied the visit of the **Lord Mayor to Burma, the Philippines and Thailand**. The visit focused on showcasing UK capabilities in infrastructure (PPP) finance, the UK's education training and qualifications offer and encouraging the liberalisation of financial markets.
- A **roundtable** was held with Mr. U Set Aung – Deputy Governor of the Central Bank of Myanmar, which focused on infrastructure development and finance, and was attended by a range of city stakeholders with an interest in this field.
- Your Chairman appeared before the All Party Parliamentary Group (APPG) for China and spoke about the work that the City of London has been undertaking to

create the conditions for the development of London as a centre for Renminbi (RMB) business, with a specific focus on the development of RMB debt products.

- Your Chairman appeared before a Canadian House of Commons finance committee (via videoconference): Study on the Canadian renminbi trading centre. During his submission, the Chairman detailed London as an RMB centre and how the City of London RMB initiative had been established and developed, as Canada seeks to develop its RMB business capabilities.
- A **roundtable discussion** was held between the Finance Minister of India and senior City stakeholders on the topic of institutional investment in India. The Chairman moderated the session, alongside London Stock Exchange host Xavier Rolet and with Priti Patel MP, representing the UK Government. The roundtable was also joined by the Indian High Commissioner in the UK and a delegation of senior financial sector business leaders from India. The discussion focused on international institutional investment in India and covered a wide range of areas including infrastructure funding, energy sector development and the Indian government's framework economic strategy, as announced by the Finance Minister in his recent Union budget 2015-16 statement.
- Two secondary research briefing papers are now available online on the research pages – '**The changing face of the City**', and '**The impact of Crossrail**'.
- A successful **Industry Briefing Course** was held for 21 FCO and UKTI officials. A networking reception at Pewterers Hall was hosted by Alderman Alison Gowman.

Objective 2: Ensure that the City of London Corporation, both in its own right and working with partners (e.g. TheCityUK), plays a leading role in promoting and developing a positive business, regulatory and policy environment, one in which the international financial services industry can thrive, continue to serve its customers and be a facilitator of economic growth and job creation.

- Your Chairman chaired a **breakfast for Labour MEPs** in February in the European Parliament. The breakfast, hosted by Glenis Wilmott, leader of the Labour delegation in the European Parliament, focused on the role of financial services in the regions of the UK and across Europe.
- In February, Jens Weidmann, President of the German Bundesbank gave a keynote speech – "Heading for stability and prosperity, bringing the Euro back on track". The speech addressed the future of the European monetary union and the role of monetary policy. It was followed by a high level roundtable discussion hosted by the Chairman of Policy.
- City Corporation hosted a **joint event with the Embassy of the Republic of Latvia** in February to mark the Presidency of the Council of the European Union (January – June 2015).
- A series of meetings were held in Brussels in February for IRSG Data workstream members. The delegation met with Latvian, German and Spanish Justice and Home Affairs attachés to discuss key financial services concerns at the draft Data Protection Regulation.
- The Lord Mayor and Chairman of Policy and Resources paid a 24-hour visit to Luxembourg in March in advance of Luxembourg taking over the Presidency of

the European Council on 1 July. The programme included meetings with the Minister of Finance and representatives of key financial institutions in Luxembourg. The Chairman and Lord Mayor also participated in a RMB roundtable with Chinese Banks hosted by HSBC.

- The Anglo French Committee met in April in London and was chaired by Andre Villeneuve. The discussion of the meeting centred on Capital Markets Union and long term finance, Bank Structural Reform and International Regulatory Coherence. Other issues that were touched upon were Benchmarks and Financial Transactional Tax.
- A meeting for **the financial attachés of EU embassies in London** was held in April. The main topic for discussion was Capital Markets Union with a representative from the European Commission presenting the Commission's Green Paper on the issue. In addition to this, presentations were also given on Openness, Regulatory Coherence & Third Countries and Technology and Innovation.
- A **Heart of the City** engagement breakfast for 91 senior leaders from City and City fringes businesses was hosted by the Lord Mayor at Mansion House in March.
- '**Future Places and Future Workstyles in the City of London**' by Ramidus Consulting was published in March and launched at a seminar in MIPIM hosted by the Chairman. Co-funded by the City Property Association, and working closely with CPAT, the research explores how the City's infrastructure, work space, and public realm, needs to adapt to the changing workforce and their work style and business needs over the next ten years.
- Following agreement by your Committee for a £1million grant towards the work of **Innovate / Finance** in building up London's role and facilitating innovation in the field of fintech, the team worked with various agencies to facilitate the successful and well-attended Conference here at Guildhall on 9 March.

Objective 3: Encourage, support and promote enterprise and responsible business growth across London, but especially in the communities of the City and neighbouring boroughs.

- The Lord Mayor made a visit to 2014 **Lord Mayor's Dragon Awards** winner of the Community Partners Award Beyond Food Foundation at the Brigade Bar and Bistro for the social enterprise's partnerships with PwC and De Vere.
- **Heart of the City 2015 Newcomers programme** has accepted 83 businesses from the City and City fringes to start Corporate Social Responsibility programmes. 78% are small to medium-sized businesses and 52% are financial and professional business service firms.
- Your Chairman participated in a panel discussion at the first of **Tech London Advocates**' two summit events for 2015, held at Central St Martin's on 17th April and attended by 300 of the 1,500 strong network of important players in London's technology sector. The event focused on key infrastructure issues facing the tech sector including connectivity and access to high-speed broadband, transport and property.
- The second '**Entrepreneur Academe**' programme for women technology entrepreneurs started in April. During the course of the 9 month programme, participants will receive access to high quality advice from a large network of

experienced business people with a wide variety of skills with the objective of accelerating their business.

- As part of the City Corporation's sponsorship of **Digital Shoreditch** your Chairman, spoke at a 'Tech City meets the City' networking event on 12 May at Guildhall that brought start-ups and City representatives together. A variety of City Corporation projects and resources were promoted to attendees of the week-long festival taking place from 11th to 24th May.
- Research by BDRC identifying and mapping current NHS and private healthcare provision in the Square Mile and its accessibility for residents and City workers was published in February. Jointly commissioned with Community and Children's Services, and supported by the NHS, this offers a public directory of services, as well as an assessment of provision, uptake of services, and cost, for use internally to inform CoLC policy.
- New research datasets have been commissioned from TBR and BankSearch to inform analysis of ways in which the City's business population is changing, including start-ups in the City and firm migration into and out of the Square Mile.
- PwC are undertaking research to identify the key features of a global social investment sector, and benchmark London's strengths and areas where further development would be beneficial. The report is due for publication in June.
- A secondary research briefing paper on '**Deprivation in London**' has been published on the research webpages. The paper presents secondary data from official sources on four key areas of deprivation – income and employment; education, training and skills; health and housing; and child deprivation – at the pan-London and London borough level.

Objective 4: Working with businesses and CoLC departments (including City Bridge Trust), to realise the economic and social potential of London, but especially the City and the neighbouring boroughs.

- As part of the '**Aspiration Academy**' Employee Volunteering Programme, City Corporation staff supported a careers fair at the City of London Academy Southwark. The event reached over 700 students and aimed to raise their career aspirations. 15 work experience placements have been secured for the summer.
- **The Buy Social Directory** which brings social enterprises into corporate supply chains and of which the City Corporation is a founder, was presented to a group of 20 businesses, including Deutsche Bank, Accenture and Department for Work and Pensions. There will be a follow-up workshop.
- MTW Consultants won the contract to support City property developers and their contractors to meet the CoL's target of 10% of project/build costs to be spent with local SMEs in the City and neighbouring boroughs, as part of their s106 requirements.
- **Central London Forward (CLF) have begun a series of Special Board Meetings** to coincide with the 2015 General Election and a wider dialogue between **Central Government and London Government on Devolution**. It is the intention of the CLF Board to develop a series of policy propositions and an evidence base to support greater devolution to a London, sub-regional and borough level. CLF will publish an initial policy statement in June with the view of further policy development and dialogue with Government over the first 100 days of a new Parliament.

- **CLF has commenced the procurement process for a Managing Agent to deliver the £11m Working Capital programme** in conjunction with the eight CLF boroughs. Twenty three initial expressions of interest were received, following which five organisations were invited to tender. Concurrently, CLF is also procuring a social research evaluation organisation to support the delivery of the Randomised Control Trial of which Working Capital is part. An outline application has been made to Government for ESF grant to pay for the cost of Working Capital, the evaluation and programme office staff. Recruitment for the Programme Manager is underway.
- The **CLF 'Into Work' employability programme**, funded by the City of London with £2m from City Bridge Trust and managed by Cross River Partnership, has now completed more than six months of activity. To date, more than 100 central London residents have secured employment through the scheme.
- In order to facilitate **quicker and cheaper broadband connectivity** within central London, working in conjunction with the City of London, CLF has commissioned the British Standards Institute to develop a standard wayleave framework and agreement for telecommunication use within the CLF area.
- At its meeting in March the **Cross River Partnership Board**, chaired by George Gillon, approved its 2015/16 forward plan and considered EU funding opportunities.
- The last of five learning events under the **Square Mile Jobs** programme for job brokerages in the neighbouring boroughs on supporting their candidates into City-type jobs took place in February, focused on opportunities for non-graduates.
- The **City Business Traineeship scheme**, our programme of paid internships within City businesses for school-leavers in neighbouring boroughs, is making good progress having secured 90 placements so far and registered 350 young people, an increase on the figures at the same point last year. The scheme secured placements for 114 young people in 2014.
- A dedicated page for **City residents looking for work** or to find better paid work is now live on the CoLC website: www.cityoflondon.gov.uk/cityresidentjobs.
- Your Chairman provided welcoming remarks to over 160 employers and education/employment stakeholders at the launch of **London Works'** 3 year strategy last week. Joined by Tim Campbell MBE and Sir Stephen O'Brien, City firms were encouraged to widen their talent pools to include high performing candidates from disadvantaged backgrounds. CoLC is a key sponsor of the social enterprise recruitment agency.
- As part of our work with City businesses to promote local recruitment, a fact-finding exercise has been carried out to gather views on the awareness of and attitudes to **apprenticeships**.

Objective 5: Contribute to the City of London Corporation's communications agenda and increase EDO's profile as a dynamic, responsive and proactive team across the Corporation and externally.

- **City Action**, our employee volunteering consultancy service for City businesses launched a new website. The website aims to attract more City businesses, match volunteers into voluntary sector opportunities, celebrate their volunteering achievements and reduce the administrative burden on the team

- City Corporation has been awarded the **Payroll Giving Silver Award** for the third year running, recognising 5% employee participation in Payroll Giving. This will be formally announced in June 2015.
- The opening of the **Lord Mayor's Dragon Awards**, which recognise best practice in corporate community engagement, was featured in 9 press outlets. The Awards were also featured on Havering radio station Time 107.5 and a range of trade newsletters, with the aim of attracting more applications from non-City SMEs.
- **Our partnership with KPMG as sponsors of The City Academy, Hackney** has been awarded shortlisted status by Business in the Community in their **Responsible Business Awards**.
- From 28 March to 1 May, **Heart of the City** ran a consultation period with small businesses to receive feedback on emerging research into new models of responsible small business. The research will be launched at the Bank of England in July.
- The annual **Research Reception**, held in March, was attended by around 120 City stakeholders, including consultancies, academics, think tanks, and economic attaches. A 'talking heads' video from the event is available on the research blog and City of London YouTube channel – speakers include PwC, the GLA, Centre for Cities and Bourse Consult.
- Recent **research blog articles** and videos discuss how the City is changing, the role of research in policy making, and poverty and deprivation across London.
- Profile of City of London's economic development activity was raised through extensive media and social media coverage.

B. Emerging Issues

- The result of the **General Election**, and the return of a majority Conservative Government, will mean there is almost certainly a referendum on the UK's membership of the **EU**. This will be proceeded by a renegotiation on EU reform. We will work with City businesses and other representatives to inform the debate.
- Exploring the capacity of City businesses to engage in the apprenticeship agenda will be a priority to support national policy
- Central London Forward will explore further areas for devolution to Central London

C. Budget

- Total net expenditure on the EDO local risk budget for the 2014/15 financial year was £3,960,699 on an approved budget of £4,000,000. As planned, requests will be submitted to carry forward three sums from 2014/15 into 2015/16 which total £39,000. Should the requests be agreed, the budget will show as balanced at 100% spent.