

Committee(s)	Dated:
Policy and Resources Committee – for decision	18022016
Subject: Sponsorship of a lecture by Yanis Varoufakis, as part of the Labour Party’s “New Economics” lecture series and event with former Shadow Chancellor of the Exchequer Chris Leslie MP	Public
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Summary

On 18 January 2016 John McDonnell MP, Shadow Chancellor of the Exchequer, announced the Labour Party is organising “a series of public events to broaden the debate around economics in Britain.” A range of events will be taking place around the country and the aim will be to shape the debate around the economy of the future.

The City of London Corporation was contacted by John McDonnell MP’s office to see if we would provide a venue for one of the lectures. Haberdashers’ Hall has provisionally been booked on March 30 for a lecture to be given by Yanis Varoufakis, who was the Greek Minister of Finance between January and July 2015 and chaired by Professor Anastasia Nesvetailova, Director of the City Political Economy Research Centre at City University London. The lecture will be on the subject of finance.

The City Corporation has also been liaising with former Chancellor of the Exchequer Chris Leslie MP about holding an event at Guildhall with senior City representatives to discuss key issues. The Livery Hall has been reserved for 22 February.

This report recommends that your Committee agrees to sponsor the lecture by Yanis Varoufakis and event with former Chancellor of the Exchequer Chris Leslie MP at a combined cost of £19,000. In return for this sponsorship the City Corporation would receive due recognition and the Policy Chairman would speak at both events.

Recommendation(s)

This report recommends that your Committee agrees to sponsor the lecture by Yanis Varoufakis at Haberdashers’ Hall at a cost of £15,000 and the event with former Shadow Chancellor Chris Leslie MP in the Livery Hall at a cost of £4,000, a combined figure of £19,000, to be met from your Committee’s Policy Initiatives Fund for 2015/16, categorised under Events and charged to *City’s Cash*.

Main Report

Background

1. On 18 January 2016 John McDonnell MP, Shadow Chancellor of the Exchequer, announced he is convening “a series of public events to broaden the debate around economics in Britain.” A range of events will be taking place around the country with the aim shaping the debate around the economy of the future.
2. The Shadow Chancellor has expressed his desire to engage constructively with financial and professional services and to have a conversation about a new approach to economics.
3. On 26 November 2015 the Policy Chairman met John McDonnell MP at Portcullis House for an initial discussion about the role of the City Corporation and any areas of mutual interest. Following on from this a briefing was arranged for the Labour Party’s Shadow Treasury team and their advisers with a number of senior City representatives. The briefing, which was productive, took place at Guildhall on 17 December 2015 was chaired by the Policy Chairman.
4. Yanis Varoufakis is an economist who was the Greek Minister of Finance from January to June 2015. Before entering politics, Varoufakis taught economics at a number of higher education institutions, including the University of Essex and the University of East Anglia. He was appointed Minister of Finance after left-wing political party Syriza was elected to form a government in Greece. Syriza was elected on a pledge to renegotiate Greece’s debt with the European Union and International Monetary Fund. Varoufakis resigned in September 2015 after voting against the terms of the third bailout package for Greece. His role in the renegotiations gave rise to his international prominence and he is seen as one of the leading voices against austerity.
5. On 27 February the Policy Chairman met former Shadow Chancellor Chris Leslie MP to discuss key issues in the City and expressed interest in holding an event with Chris Leslie MP in the City. This is to continue the City Corporation’s political engagement with Opposition Members of Parliament who are not in the Shadow Cabinet. An event is set to take place on 22 February in the Livery Hall.

Current Position

6. The City Corporation plays a leading role in supporting and promoting the City as the world leader in international finance and business services and in promoting the interests of the financial services sector in the City and the UK. This work includes strategic economic development and that is why it is important to convene discussions of key economic issues.

7. The “New Economics” lecture series will receive a high level of interest and media coverage. The City Corporation has hosted many events with incumbent Finance Ministers and former Finance Ministers, so this is consistent with our role of convening such debates.

Proposals

8. This report proposed to provide a venue, invite guests and the Policy Chairman speaks at the event. This report recommends that your Committee agrees to sponsor the two events at a combined cost of £19,000 to be met from your Committee’s Policy Initiatives Fund for 2015/16, categorised under Events and charged to *City’s Cash*.
9. The City Corporation’s political engagement programme aims to maintain relationships with key political figures at national and local level. Sponsorship of these two events, along with previous meetings held with the Shadow Treasury team, ensure the City Corporation’s constructive relationship with the Official Opposition continues.

Corporate & Strategic Implications

10. The City Corporation’s sponsorship of this lecture as part of the “New Economics” series accords with its role in promoting and supporting London as the world’s leading international financial and business centre.
11. In the City Corporation’s Corporate Plan (2015-19), one part of Key Policy Priority 3 is adapting to the political landscape following the 2015 UK General Election. Under new leadership after Jeremy Corbyn MP’s election by a huge margin on 13 September 2015 the Labour Party is embarking on a number of reviews in key policy areas. Since his appointment as Shadow Chancellor John McDonnell has made several speeches, the thrust of which has been adopting a new approach to economic policy.

Implications

12. There is no possibility of meeting the proposed financial support from existing local risk resources, because this proposal entails a substantial one-off item of expenditure for which no provision has been made in the Economic Development or other local risk budgets. It is therefore proposed that the required total funding of £19,000 is drawn from your Committee’s Policy Initiatives Fund for 2015/16, categorised under Events and charged to *City’s Cash*. At time of writing, the current uncommitted balance available within your Policy Initiatives Fund stands at £167,000. This is prior to any allowance being made for any other proposals on today’s agenda.

Conclusion

13. The “New Economics” lecture series aims to reshape the economic debate in the UK. The City Corporation’s political engagement programme aims to maintain relationships with key political figures at national and local level. Sponsorship of this lecture and event with the former Shadow Chancellor of the Exchequer, along with previous meetings held with the Shadow Treasury team, ensure the City Corporation’s constructive relationship with the Official Opposition continues. This lecture will see a leading international figure talk about issues surrounding finance that are of high interest to our key stakeholders and fits well with similar events the City Corporation has sponsored in previous years.

Appendices

‘None’

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