

<b>Committee:</b>	<b>Dated:</b>
Policy and Resources Committee – for decision	Thursday 6 <sup>th</sup> October 2016
<b>Subject:</b> European Financial Services Chairmen’s Advisory Committee (EFSCAC) Funding	<b>Public</b>
<b>Report of:</b> Director of Economic Development	<b>For Decision</b>
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### Summary

Following the decision for the UK to leave the European Union, a City group called the European Financial Services Chairmen’s Advisory Committee (EFSCAC) has been set up to help coordinate industry responses.

As part of the Chairman of Policy and Resources involvement in this group, the City of London Corporation has been approached to pay a contribution towards the costs of EFSCAC.

### Recommendation

Members are asked to:

- Agree to pay a contribution towards the European Financial Services Chairmen’s Advisory Committee, from the Policy Initiatives Fund 2016/2017, categorised under Promoting the City and charged to City’s Cash, for a total of £20,000.

### Main Report

#### Background

1. The European Financial Services Chairmen’s Advisory Committee (EFSCAC) was set up following the EU referendum vote to help coordinate industry responses and enable high level dialogue between government and financial services sector representatives.

#### Current Position

2. Several leading City figures wanted the City Corporation to be involved, and, hence, your Chairman is a Member of EFSCAC and together with Sir Gerry Grimstone is leading the work stream on international advocacy.
3. Until now, the work of EFSCAC has largely been supported by a range of consultancies on a pro bono basis.
4. However, some costs have been incurred and the firms and the City are each being asked to contribute £20k to cover these costs.
5. This is a crucial piece of activity for the City Corporation alongside other areas, including:
  - a. the regular meeting of the major trade associations that the City Corporation hosts, providing them with a forum in which to exchange intelligence

- b. the City Corporation's EU Engagement programme for the City's Special Representative to the EU, Jeremy Browne
- c. the City Corporation's International Engagement programme with the Policy Chairman and the Lord Mayor visiting India, Singapore and the US as well as China and Hong Kong
- d. the City Corporation has commissioned two research projects to provide new analysis on the potential impact of the Brexit outcomes – firstly, exploring how European corporates access financial and professional services in London and secondly a research project looking at potential labour market issues created by the referendum outcome, including options for 'regional visas'
- e. since the referendum, both the Lord Mayor and the Policy Chairman have authored many articles and given interviews in both the UK national and regional, as well as international media outlets.

### **Proposals**

- 6. The Policy and Resources Committee is asked to provide £20,000 from the Policy Initiatives Fund 2016/2017 categorised under Promoting the City and charged to City's Cash towards the cost of the running of EFSCAC.

### **Corporate & Strategic Implications**

- 7. This funding supports Key Policy Priority KPP1 as set out in the Corporate Plan 2015-2019, which commits to 'Supporting and promoting the UK financial based services sector throughout the world for the benefit of the wider UK economy', as involvement in this group means that the City of London Corporation plays a part in coordinating a united City's view in the priorities in post-Brexit negotiations and conveying these to HM Government.

### **Financial Implications**

- 8. It has now been agreed that the EFSCAC work will come under the Advisory Council of the TheCityUK and that the work will be absorbed by TheCityUK. Therefore this will be a one-off contribution.
- 9. Supporting the EFSCAC requires the City of London Corporation to contribute £20,000 to the group from Policy Initiatives Fund. This will be a one-off payment. The current uncommitted balance in the 2016/17 Fund is £347,400 prior to any allowance being made for any other proposals on today's agenda.

### **Conclusion**

- 10. Contributing £20k towards EFSCAC enables the City of London Corporation to be strongly involved in coordinating industry responses and enabling high level dialogue between government and financial sector representatives following the UK's decision to leave the European Union and supports the City of London Corporation's strategic aims.

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