

Committee(s)	Dated:
Public Relations & Economic Development Sub-Committee	29 May 2018
General Purposes Committee of Aldermen	15 May 2018
Subject: The Business of Trust - six month update	Public
Report of: Director of Economic Development	For Information
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Summary

The Economic Development Office has a strategic objective to 'cultivate trust' in financial and professional services. We do this by supporting businesses in the sector to adopt responsible practices. This is in part delivered through the 'Business of Trust', an ongoing City Corporation initiative, launched by the Lord Mayor. The Business of Trust aims to improve the trustworthiness of the UK's financial and professional services sector.

This report provides an update to Members of the Public Relations and Economic Development Sub Committee on progress of the Business of Trust, with a particular focus on EDO's workstreams. This includes our efforts to understand the trust issue, shine a spotlight on it, and inspire action. Over the next six months we will build on what we have achieved to gather momentum externally and embed trust into future plans.

Recommendation

Members are asked to note the content of the report and two attachments.

Main Report

1. UK trust in business is at its lowest level since 2012 at 43%¹. Prompted by this sharp decline in public trust, we led a unique research programme to scan the horizon for how we could best challenge and support financial and professional services to increase their trustworthiness. We consulted widely with:
 - Members of the public through citizens' juries in London, Nottingham and Edinburgh,
 - Business and industry groups through a review of existing codes of conduct , and
 - A Trust Advisory Group of industry experts chaired by the Lord Mayor
2. Based on this research, the Business of Trust was launched at Mansion House in November to over 200 senior business leaders. The Rt Hon Lord Henley, Parliamentary Under Secretary of State at the Department for Business, Energy

¹ Edelman Trust Barometer 2018

and Industrial Strategy made opening remarks and gave the government's support. Please see attached for the launch brochure.

3. The CIVIC principles, distilled from our research, were published at the event to provide a shared foundation of the values that can help to increase trustworthiness. These are Competence and Skills, Integrity, Value to society, Interests of others, Clear communication.
4. Since November, the Mayoral platform has shone a spotlight on the issue and these principles. This has raised awareness amongst influential leaders of the importance of putting trust high up on their agenda.
5. Events such as the Lord Mayor's Banquet, the Business and Investment Dinner, and the Gresham Lecture, as well as regional and international visits, have engaged a wide audience on a topic that clearly resonates and is timely.
6. In February, we launched an insight paper to support businesses to understand public perception and to take action to increase their trustworthiness. This has reached approximately 1,500 of our key financial and professional services stakeholders, and has had strong engagement on Twitter, as well as a reach of 400,000 via press. Please see attached for a copy of the paper.
7. The Lord Mayor is gathering further insight through:
 - i) a series of 30 interviews on trust with iconic figures, such as the First Minister of Scotland and Governor of the Bank of England
 - ii) a survey on trust to gather views on the role of the CIVIC principles and the actions organisations can take to increase trustworthiness
8. These insights will provide fresh perspectives and thought leadership for the City Corporation to continue to raise awareness and share best practice on what business can do to demonstrate and grow its positive impact.
9. In order to now inspire action, we have built a diverse network of some 60 next generation financial and professional services leaders. These 'Leaders of Tomorrow' have been nominated by their CEOs as champions of change and ambassadors for the Business of Trust. They are 5-10 years away from board level and have the energy and influence to make a difference in their own organisations and the wider sector.
10. We will support the Leaders of Tomorrow to identify the areas where they are passionate for change and begin to act through a series of workshops and leadership dinners. The first session explored the changing expectations of business and featured speakers such as Dame Colette Bowe, Chairman of Banking Standards Board and Amra Balic, Head of Investment Stewardship at Blackrock. Future sessions will look at technology and ethics, organisational culture, governance, and purposeful leadership. Speakers include, Jayne Anne Gadhia, CEO of Virgin Money, Joe Garner, CEO of Nationwide, and Sacha Romanovich, CEO of Grant Thornton.

11. To catalyse sustained change at the most senior levels of business, and beyond the Leaders of Tomorrow network, we have also begun to co-create a 'Trustworthiness Thermometer'. This will support boards to engage meaningfully with the trust agenda. It will be a tangible product to stimulate discussion and encourage boards to own and respond to their 'trust gaps'.
12. A celebration event at the end of the Mayoralty will launch the 'Trustworthiness Thermometer' and bring the Leaders of Tomorrow together with their nominating CEOs/Chairs. This will also be an opportunity for the City Corporation to demonstrate how trust will continue to be an integral part of our work with financial and professional services. This is a critical part of maintaining the City's high standards and competitiveness.
13. We will report back to Members at the end of the mayoral year on impact and next steps. This will continue to build momentum and sustain trustworthiness and trust within the City Corporation's policy priorities.

Appendices

- Appendix A: The Business of Trust
- Appendix B: Understanding Trust in Business