



Public Relations and Economic Development Sub-Committee

Date: THURSDAY, 19 SEPTEMBER 2013
Time: 12.15pm
Venue: BASINGHALL SUITE, GUILDHALL, EC2

Members: Mark Boleat (Chairman)
Deputy Catherine McGuinness (Deputy Chairman)
Deputy Douglas Barrow
Deputy Michael Cassidy
Roger Chadwick
Deputy Alex Deane
Sophie Fernandes (Co-optee)
Stuart Fraser
Wendy Hyde (Co-optee)
Oliver Lodge (Co-optee)
Edward Lord
Jeremy Mayhew
Ian Seaton (Co-optee)
Sir Michael Snyder
James Tumbridge
Alderman Alan Yarrow

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John Barradell
Town Clerk and Chief Executive

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES**
To agree the public minutes and summary of the meeting held on 2 May 2013 (copy attached).

For Decision
(Pages 1 - 4)
4. **PARTY CONFERENCES**
Report of the Director of Public Relations (copy attached).

For Information
(Pages 5 - 8)
5. **SUPPORTING AND PROMOTING THE CITY OF LONDON**
 - a) **The City, the UK and Europe**
Joint report of the Director of Economic Development and the Director of Public Relations (copy attached).

For Decision
(Pages 9 - 22)
 - b) **EU Engagement and Chairman's Visits**
Update from the International Regulatory Strategy Group (copy attached).

For Information
(Pages 23 - 26)
 - c) **Research Programme - Update Schedule** (copy attached).

For Information
(Pages 27 - 30)
6. **SUPPORTING LONDON'S COMMUNITIES**
The Director of Economic Development to be heard on the establishment of a Supporting London Group.

For Information
7. **REPRESENTATION AT THECITYUK EVENTS**
Report of the Director of Economic Development (copy attached).

For Decision
(Pages 31 - 34)

8. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
9. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

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Agenda Item 3

PUBLIC RELATIONS AND ECONOMIC DEVELOPMENT SUB-COMMITTEE

Thursday, 2 May 2013

Minutes of the meeting of the Public Relations and Economic Development Sub-Committee held at the Guildhall EC2 at 3.15pm

Present

Members:

Mark Boleat (Chairman)	Stuart Fraser
Deputy Catherine McGuinness	Wendy Hyde
Deputy Douglas Barrow	Deputy Edward Lord
Roger Chadwick	Jeremy Mayhew
Alex Deane	Ian Seaton
Sophie Fernandes	James Tumbridge

Officers:

John Barradell	- Town Clerk and Chief Executive
Paul Double	- City Remembrancer
Tony Halmos	- Director of Public Relations
Paul Sizeland	- Director of Economic Development
Giles French	- Assistant Director of Public Relations (Corporate Affairs)
Liz Skelcher	- Assistant Director of Economic Development
Isabelle Almeida	- Economic Development Office
Sam Hutchings	- Town Clerk's Office

1. APOLOGIES

Apologies were received from Deputy Michael Cassidy, Sir Michael Snyder and Alderman Alan Yarrow.

2. MEMBERS DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THIS AGENDA

There were no declarations.

3. TERMS OF REFERENCE

The Sub-Committee noted its terms of reference as follows:-

To consider and report to the Grand Committee on all matters relating to the City Corporation's Economic Development, Public Relations, Public Affairs and Communication activities, including any related plans policies and strategies.

4. APPOINTMENT OF CO-OPTED MEMBERS

The Sub-Committee considered the appointment of its co-opted Members.

RESOLVED – That Sophie Fernandes, Wendy Hyde, Oliver Lodge and Ian Seaton be appointed to serve on the Sub-Committee as co-optees for the ensuing year.

5. **MINUTES**

The minutes of the meeting held on 14 February 2013 were considered and approved. Updates were provided in relation to the position to take on Corporation tax, research on the Financial Transactions Tax and the publication of the City Corporation's annual report. The Director of Economic Development agreed to circulate a note on Corporation Tax to Members.

RESOLVED: That, the minutes of 14 February 2013 be approved.

6. **SUPPORTING AND PROMOTING THE CITY OF LONDON**

6.1 **EU Strategy - Engagement Activities**

A note on the City Corporation's EU Engagement activities was considered. The Chairman updated Members on these activities and the views of business leaders towards the UK's membership of the EU. The Sub Committee discussed the City Corporation's current stance towards the EU and various views were put forward on the merits of the current arrangements. It was recognised that a comprehensive set of statistics and facts about the importance of Europe to business would be helpful and inform the City Corporation's position on the matter.

RESOLVED: That, the note be received.

6.2 **Chairman's Visits - Update on visits to India, the US, Poland and Lithuania**

The Chairman updated Members on his recent visits to India, Washington DC, Poland and Lithuania. Following visits to the US and India, the Chairman wrote to the Chancellor to relay the key messages.

RESOLVED: That, the update be received.

6.3 **Aviation Connectivity and the Economy**

A report on the City Corporation's position with respect to Aviation Connectivity and the Economy was considered. Members discussed the advantages and disadvantages to current approaches towards aviation. It was acknowledged that there was a need for greater aviation capacity in London and that this was important for economic growth. There was a requirement for a larger central airport hub in London and, given current circumstances, Heathrow was the ideal location for this. It was felt that the City Corporation should be more robust in this approach and

therefore the Policy and Resources Committee should consider how best to take this forward.

RESOLVED: That, the note be received.

7. **SUPPORTING LONDON'S COMMUNITIES**

A City of London Corporation publication entitled 'Corporate Community Involvement Guide' was distributed to Members. The Director of Economic Development provided an update on the work being done to support London's Communities. Discussion took place on the City Corporation's contact with certain boroughs at senior political/corporate level and consideration was given to how this could be enhanced.

RESOLVED: That, the update be received.

8. **HERITAGE AND GREEN SPACES**

The Director of Public Relations updated Members on plans for this year's Lord Mayor's Show. The Director advised that it had been proposed that the City Corporation should consider resuming the firework display, which followed the Show for a number of years. Members agreed that, despite the expense, the firework display was an important contribution to the celebrations of the day. It was therefore agreed that the Director should report to the next Policy and Resources Committee on this matter.

RESOLVED: That, the Director of Public Relations report to the next meeting of the Policy and Resources Committee on funding a firework display after this year's Lord Mayor's Show.

9. **2013 PARTY CONFERENCES ACTIVITY**

A report on the City Corporation's 2013 party conference activity was considered. Members discussed the importance of the conferences and the need for Member involvement. It was accepted that, in view of the expense of sending delegates to the conferences, attendance should be restricted. Following discussion, it was agreed that a maximum of six Members of this Sub Committee should attend each conference, including the Chairman and relevant Deputy Chairmen. The Director of Public Relations agreed to write to Members asking for their preference on which conferences they would like to attend.

RESOLVED: That;

- i. The overall plans for the 2013 conferences be noted;
- ii. No more than six Members of this Sub Committee, including the Chairman and relevant Deputy Chairmen, should attend each conference; and
- iii. A request for an additional £12,000 funding for the 2013 conference programme be submitted to the next meeting of the Policy and Resources Committee

10. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE

There were no questions relating to the work of the Sub-Committee.

11. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no items of urgent business.

The meeting closed at 4.30pm

Chairman

Contact Officer: Sam Hutchings

Agenda Item 4

Committee: Public Relations and Economic Development Sub	Date: 19 September 2013
Subject: City of London Corporation: Party Conference Activity	
Report of: Director of Public Relations	For Information
<u>Summary</u>	
<p>Every autumn UK political parties hold annual conferences to debate issues, set out policy priorities, and engage with key stakeholders and party activists. The 2013 party conferences provide the City Corporation with an opportunity to engage with the mainstream political parties by promoting its work among a wide range of stakeholders; developing and strengthening the political contacts programme with both the local and national politicians; and enhancing internal understanding of the likely policy evolution of the different parties. In so doing, the City Corporation uses its existing partnerships with think tanks to host a high-quality programme of activities, including fringe events and policy-focused dinners.</p> <p>As part of the City Corporation's political contact programme, this involves the City Corporation hosting, in conjunction with partner think tanks, public fringe events and private dinners at the 2013 Liberal Democrat, Labour Party and Conservative Party conferences on issues relating to the role government plays in promoting economic growth, as well as how to increase skills in the labour market and redress levels of youth unemployment. Speakers and participants at these events include Lord Newby, the government deputy chief whip; Lord Adonis, the shadow Treasury Minister; Xavier Rolet, the chief executive of the London Stock Exchange; Andrew Tyrie MP, chair of the Treasury Select Committee and Parliamentary Commission on Banking Standards; and, Gerard Lyons, Economic Adviser to the Mayor of London.</p> <p>Planning has also begun for the 2014 party conferences; bookings have been made at the relevant party conference venues and potential activities are being internally discussed. The 2014 conference season is likely to be one of the most important for a number of years, given that it falls a few months before the general election in May 2015.</p>	
<u>Recommendation</u>	
The sub-Committee is recommended to note the information in this report.	

Background

1. The City of London Corporation hosts events at the Liberal Democrat, Labour and Conservative Party conferences every year. This traditionally entails a public fringe event early on the Monday evening, and then a private dinner later on the same evening.
2. The events that the City of London Corporation hosts at the party conferences provide us with the opportunity to engage with a wide range of stakeholders, with some of whom we do not usually have the opportunity to engage regularly or at the same time.
3. The fringe events are typically attended by around 80 people, ranging from policy and industry experts, councillors, MPs and Party members, and have been held on a wide range of topics, including the economy, international affairs, and employment and skills. The panellists are populated by leading journalists, high-profile MPs and figures from the think tank and business worlds.
4. The dinners take the form of private discussions, sometimes with a theme with a guest speaker. Attendees include representatives from London Boroughs, MPs, MEPs, government and opposition front benches, London Assembly Members and senior figures from think tanks.

Party Conferences 2013

5. Liberal Democrat – Glasgow – 16th September

Fringe: The fringe event is being held in conjunction with CentreForum, a think tank with links to the Liberal Democrats. The theme is the role that government and business can play in supporting economic growth.

Title: “Supporting economic growth: the role of government and business”

Chair: Martin Kettle, The Guardian

Panellists: Mark Boleat (City of London Corporation)
Lord Newby (Government Deputy Chief Whip, House of Lords)
Neil Sherlock (PwC)

Dinner: The dinner will be held at Hotel du Vin Glasgow, and the discussion will focus on London issues.

6. Labour – Brighton – 23rd September

Fringe: The fringe event is in conjunction with the New Statesman, a well-known political magazine which is celebrating its centenary year in 2013. The theme of the fringe is youth unemployment and jobs for young people.

Title: “Jobs for young people – how do we solve the problem?”

Chair George Eaton (New Statesman)

Panellists: Mark Boleat (City of London Corporation)
Lord Adonis (Shadow Treasury Minister)
Xavier Rolet (London Stock Exchange)

Dinner: The dinner is being held at Hotel du Vin Brighton in conjunction with the Social Market Foundation, a cross party think tank who work across economic and social policy areas. The theme for the dinner will be NEETs, and the discussion will be led by Stephen Timms, MP for East Ham and Shadow Minister for Work and Pensions.

7. Conservative – Manchester – 30th September

Fringe: The fringe event is being held in conjunction with the Centre for Policy Studies, a free-market think tank founded by Margaret Thatcher and Sir Keith Joseph. The theme of the discussion will be economic recovery and growth, and the role of the government in these processes.

Title: “Economic green shoots – what the Government should or shouldn’t do”

Chair: Tim Knox (Centre for Policy Studies)

Panellists: Mark Boleat (City of London Corporation)
Gerard Lyons (Economic Adviser to the Mayor of London)
Fraser Nelson (The Spectator)
Andrew Tyrie MP (Chair of the Treasury Select Committee and Parliamentary Commission on Banking Standards)

Dinner: The dinner is being held at Manchester Art Gallery. There will be a general discussion on London and current political issues on individual tables, and the evening will be opened by Mark Boleat.

8. 2014 Party Conference activity

Preparations are already well underway for the 2014 Party Conference season. These party conferences will be particularly important given they are the last conferences before the 2015 General Election.

- Labour is holding its conference in Manchester; Manchester Town Hall has been booked for the fringe event and Manchester Art Gallery for the dinner (22 September).
- The Conservative Party conference will be in Birmingham; provisional bookings have been made at the Jurys Inn for the fringe event and Malmaison Birmingham for the dinner (29 September).
- The Liberal Democrats will be returning to Glasgow for a second year; the fringe event will be held in conjunction with CentreForum and the dinner at Hotel du Vin Glasgow (6 October). The Liberal Democrat conference has been moved to be the last of the conferences in 2014 due to the normal date (18 September) clashing with the Scottish Independence Referendum.

Conclusion

9. The party conferences are a vital and effective way of engaging with a wide range of stakeholders, including leading politicians and decision makers. The 2013 party conference season is set to be successful for the City of London Corporation, given the likely profile of our fringe speakers, dinner guests and because of the range of topics that we will be covered through these activities.

Contact:

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Committee: Economic Development and Public Relations Sub-Committee	Date: September 2013
Subject: The City, the UK and Europe	
Report of: Director of Economic Development and Director of Public Relations	Public
	For Decision
<u>Summary</u>	
<ol style="list-style-type: none"> 1. Following the approval of the City of London Corporation’s EU engagement strategy at the June meeting of the Policy & Resources Committee, attached is a revised version of the ‘Background paper’ that accompanied the proposed strategy. This was following the decision of the Policy & Resources Committee to ask Officers to revise in response to points raised by Members. 2. This paper will be used to contribute to City Corporation briefings and policy positions. <p style="margin-left: 20px;">Recommendation</p> <ol style="list-style-type: none"> 3. That the content of the position paper be noted and agreed. 	

1) Conservative Party Policy

i) On 23 January 2013, the Prime Minister, David Cameron, gave a speech as leader of the Conservative Party on Britain’s relationship with the EU. The key theme running through the speech was the opportunity to reform Europe to make it better able to meet the challenges of the 21st century.

- The problems of the Eurozone;
- The ‘crisis’ of European competitiveness;
- A growing gap between the EU and its citizens.

In response to these challenges, the Prime Minister proposed a reformed EU built on five principles:

- Competitiveness;
- Flexibility;
- Power should flow back to Member States with more focus on subsidiarity;
- Democratic accountability;
- Fairness to those inside and outside the Eurozone.

In conclusion, the Prime Minister committed a post-2015 Conservative majority Government to an ‘in-out’ referendum on Britain’s membership of the EU in 2017, following a renegotiated settlement with our EU partners.

The Prime Minister said he wanted to reform the whole of the EU, not just secure special status for Britain. He said that if he achieved a settlement where Britain could be comfortable, he would campaign for Britain remaining with the EU: *“And when the referendum comes let me say now that if we can negotiate such an arrangement, I will campaign for it with all my heart and soul.”*

“Because I believe something very deeply. That Britain’s national interest is best served in a flexible, adaptable and open European Union and that such a European Union is best with Britain in it.”

The full text of his speech can be seen [here](#).

- ii) As part of the UK’s presidency of the G8 this year, a summit was held in Northern Ireland. In advance, the Prime Minister gave a speech on his ‘Plan for Britain’s Success’ in the world.

In his speech he challenged those whose opinions he characterised as *“stop the world, I want to get off”*, saying we should not cut ourselves off from influential organisations.

He linked Britain’s success with its capacity to engage with international institutions and to wield influence within them: *“the common thread running through all of these things is ambition, a desire to shape the world because we know the world shapes us. Now, another key part of that effort is our place in international organisations – at the United Nations, the Commonwealth, NATO, the WTO, the G8, the G20 and yes, of course, the European Union.”*

“Membership of these organisations is not some national vanity; it is in our national interest. The fact is that it is international institutions, and in them, that many of the rules of the game are set: on trade, on tax, on regulation. And when a country like ours is affected profoundly by those rules, I want us to have a say on them.”

The Prime Minister links the UK’s participation and membership of supranational institutions as key to our national economic interest. Again, this provides the City Corporation with an opportunity to engage in the debate on an area of policy strength: international competitiveness.

The full text of the speech can be seen [here](#).

- iii) In July, the Foreign Secretary William Hague, gave a speech to the think tank Open Europe on the ‘Future of Europe’. In his speech he made the case for reforming the EU so that the UK would be happy in continuing to be a member, but also so that all Member States would benefit:

*“But I believe that reforming the EU so that Britain wants to stay in it would be the best outcome for our country, and indeed for Europe....
...So change in the EU is worth fighting for and that change would not just benefit Britain but every country in the EU.”*

2) Domestic and European Political Background

i) UK

The debate on how to reform the EU is not confined to one political party, nor indeed to one particularly Member State, and this provides the City Corporation with an opportunity to engage with, and to inform, this debate.

Conservative Party

The Prime Minister’s speech was well received by the Parliamentary Conservative Party, with cross-party approval for his analysis of the challenges facing Europe in the 21st century. Many political commentators noted that the speech was successful in uniting the Conservative Party on an issue that has caused divisions for a long period of time.

An important development since the Prime Minister's speech is the introduction of the 'European Union (Referendum) Bill'. The Bill was introduced to Parliament by James Wharton MP, the Conservative Member for Stockton South who came top of the ballot for private members' bills. His Bill enjoyed the support of the Conservative leadership and was passed when the majority of Labour and LibDem Members abstained from the vote.

The question it requires to be put is: *"Do you think that the United Kingdom should be a member of the European Union?"*

If it becomes an Act, it does not require a particular government to hold a referendum, but it commits a referendum to be held. So, in theory, a government of any political party would be committed to hold the referendum, although in practice a Labour majority or led government could repeal the Act.

The Bill has had its Second Reading in the Commons and is presently at Committee stage (August 2013).

The Backbench Conservative Party group Fresh Start Project, founded by Andrea Leadsom MP, Chris Heaton-Harris MP and George Eustice MP, has been looking at areas for potential reform. The group has also been visiting policy makers in other European capitals with the backing of the Party leadership. The Policy Chairman hosted a roundtable discussion with Fresh Start Project in May 2013.

Labour Party

At present, the Labour Party has refused to support a referendum on Britain's membership of the European Union. The Labour leader, Ed Miliband MP, has said he believes a pledge on a future referendum creates years of uncertainty that hurts the economy.

However, the Labour leadership has come under pressure to match the pledge to hold a referendum. Whilst there are only a small number of the Parliamentary Labour Party who support a referendum, one of Labour's biggest financial donors, John Mills, has called for the party to commit to holding a referendum if they win the next general election.

Liberal Democrats

The LibDems are regarded as the most ‘pro-European’ of the three major parties and they do not support the proposed referendum.

However, the LibDem 2010 General Election manifesto supported a referendum on EU membership, *"the next time a British government signs up for fundamental change in the relationship between the UK and the EU."* Given the UK Government is not currently negotiating a new Treaty, the LibDems do not believe a referendum is necessary.

UKIP

This year has seen the continued strong electoral performance of UKIP, as well as its frequent out-polling of the LibDems in national opinion polls. The party has performed well in by-elections, coming second in a number and polling over 27% in the Eastleigh by-election.

In the May local elections, UKIP achieved its best ever results averaging 23% in the wards where it stood candidates and winning 147 council seats.

On the issue of a referendum, UKIP would prefer for it to be held as soon as possible.

ii) Europe

Reaction in Brussels and in EU Member States to the Prime Minister’s speech has been mixed. Whilst some Member States, notably France, have been critical of what they see as the UK’s lack of commitment to the EU, some have been supportive of the Prime Minister’s analysis of the challenges facing Europe.

Several of our EU partners have said that they want the UK to remain in the EU, but there is no public support for unilaterally renegotiated terms of membership – the Prime Minister’s speech did not call for unilateral renegotiation, but that was how his speech was interpreted by some critics. This demonstrates the importance of approaching this debate in a constructive manner and for the UK to recognise the concerns and ambitions of other Member States.

However, significant support exists for a Europe-wide reform agenda to address the issue of competitiveness.

The Dutch government has published proposals for what it believes are areas for potential reform. The Dutch Foreign Minister, Frans Timmermans, has said, “*the time of an ever closer union in Europe is over*”. The proposals call for greater decision making and implementation of policy at a national level. You can see the proposals [here](#).

It is widely held, that many key decisions on European policy issues will be influenced by the outcome of the German Federal election in September 2013, and others are being delayed until the result. For example, we have been given clear indication from stakeholders in several Member States that the proposed Financial Transaction Tax (FTT) will be different in scope from its current form, but not revised until after the German election.

iii) European Parliamentary Elections and the new Commission

The European parliamentary elections in May 2014 are likely to see widespread changes to the composition to the Parliament. ‘Establishment’ parties are expected to lose seats, and reformist or protest parties are likely to do well.

The composition of the UK delegation is uncertain, but it is predicted that UKIP could send the largest grouping, with Labour the second biggest group

The new Commission offers an opportunity for the UK to regain influence over areas of importance, such as financial services or competition policy, but to have any realistic chance of securing a key Commissioner portfolio the UK would need to offer a credible candidate with international recognition. At this stage, there is no more than speculation as to who the UK candidate will be.

Whilst the likely candidates from other Member States are also only the subject of speculation, there is the suggestion that Eastern European countries could be given more important portfolios this time.

3) European Competitiveness: From ‘Austerity’ to ‘Jobs and Growth’

A key objective of the City of London Corporation’s work is to explain to policy makers in the UK and Europe the role of UK based financial and professional services in supporting the wider European economy.

Increasingly, the policy debate within the Eurozone is focused on how to move from implementing austerity, to how to deliver growth to tackle deficits and address high unemployment, especially youth unemployment. Having the world's leading international financial and business centre within the Single Market is a major advantage for all businesses looking to access finance or business support.

The City Corporation provides the joint secretariat for the International Regulatory Strategy Group (IRSG) in partnership with TheCityUK. The IRSG delegates to working groups of members to examine individual issues effecting European competitiveness, including the FTT, Data Protection, MIFID, and the Recovery and Resolution Directive. The work of the IRSG can help inform the competitiveness and reform agenda both in the UK and across the EU.

4) London as Europe's International Financial Centre

London is the world's leading international financial centre in part because it is Europe's financial centre, and because of its connectivity with the world's fastest growing economies. Major financial institutions locate their global, European, or EMEA businesses in London for many reasons, but access to the Single Market is an essential part of London's attractiveness. International decision makers have specifically cited access to markets in the EU as a core reason for choosing the UK over other financial centres in over 40% of the UK-positive investment cases considered. In over 45% of UK-positive investment cases, decision makers cited access to skilled staff, including EU nationals, as one of the core reasons for choosing the UK. (TheCityUK November 2012).

This is also true for small businesses based in the City, which also want access to the Single Market or provide part of the supply chain to the major global businesses located here.

London's position enables the provision of cross-border products and services to Europe, and the export of European financial services through London to the rest of the world benefits the UK economy.

5) The importance of the Single Market to London as an International Financial Centre

Independent of the EU membership debate, given that it is still the world's largest and wealthiest market, it is important that the UK

maintains access to the Single Market. A large number of export related jobs across the country are linked to the Single Market. The size and importance of the Single Market in international negotiations with the US, China and the fast growing markets of the East, should be recognised.

It is in the UK's interests to engage with EU partners and institutions, and have full access to the decision-making process that sets the rules for this Single Market. We should recognise that the Single Market does need reform and there are improvements that can be made.

An open, competitive Single Market that offers a level playing field is crucial to the continued prosperity of the UK and Europe.

6) The position of Business

Business opinion on Europe is not unanimous. The feedback from City businesses in meetings, at events, in roundtable discussions and from a number of opinion polls that have been published, suggests that a majority are in favour of UK membership of the EU, but of a reformed EU, not the status quo.

The City Corporation has commissioned Ipsos Mori to undertake a detailed survey of senior business opinion on EU related matters, to understand what they want to see reformed. The fieldwork will take place in the autumn and top-line results will be available in December.

7) City of London Corporation and recent EU engagement

i) Activities Programme

When engaging with Europe, the City Corporation operates under its own 'brand' and often in partnership with City stakeholders, TheCityUK and other organisations including HMG.

The Lord Mayor and the Policy Chairman made a commitment to engage with every EU Member State this year, either by visiting the country or hosting an event in London with them.

Between them they have so far visited: Brussels, Strasbourg, Berlin, Paris, Stockholm, Warsaw, Vilnius, Dublin, Bratislava, Tallinn, and

Helsinki. Plans are in place to visit the following countries: Luxembourg, Denmark, Netherlands, Czech Republic, Latvia and Spain.

Other events we have hosted in London include: visiting delegation from the Bundestag; keynote speech at Mansion House with Commissioner Barnier; another speech was given by the Irish Taoiseach; hosted meetings with the Finance Ministers of France, Ireland and Poland; hosted conference with President of the Council Herman Van Rompuy, Dutch Foreign Minister Frans Timmermans, the Economic and Monetary Affairs Commissioner Olli Rehn, and MEPs including Sylvie Goulard and Guy Verhofstadt, leader of the ALDE group.

On 23 May, the City Corporation hosted a series of events as part of a “Future of Europe” day. The Lord Mayor hosted a roundtable discussion of senior City business leaders, chaired by Lionel Barber, editor of the Financial Times; the Policy Chairman attended a meeting of the Anglo-French Committee; TheCityUK hosted a seminar in the Old Library on the UK in the EU; and the day culminated in a keynote speech by Mario Draghi, President of the European Central bank (ECB) which concluded with him saying, “*Europe needs a more European UK as much as the UK needs a more British Europe*”.

We have followed up with President Draghi offering to facilitate dialogue with industry on Banking Union and the Single Supervisory Mechanism.

Other activity includes: the Policy Chairman meeting the Europe Minister David Lidington on 18 July, a dinner with the Shadow Europe Minister Emma Reynolds on 9 July, sponsored a major Policy Network Conference on 12 July that featured Michel Barnier, Sharon Bowles and Andrea Leadsom.

The Policy Chairman has hosted two dinners with Conservative Backbench MP groups, Fresh Start Project and European Mainstream, to discuss issues relating to Britain’s relationship with the EU.

ii) Media Activity

Engagement with leading European media has been a major focus over the first half of 2013. ‘*The Future of Europe in the Global Economy*’ event at Guildhall was covered by all major UK broadsheets as well as being covered widely by European media. Meanwhile, the Lord Mayor and Policy Chairman have conducted media interviews with leading

financial newspapers from Sweden, Finland, Denmark, Lithuania, Estonia, Croatia, Russia, and Turkey.

A research report from the City of London Corporation of the financial transaction tax published in April was also reported widely across Europe and also in key markets further afield, including China and India.

8) Policy Engagement

i) Balance of Competences Review

The government is undertaking a review of the EU's competences. It is an audit of what the EU does and how it affects the UK. The process is taking two years and is examining all aspects of how European competences interact with the UK.

The City of London Corporation made its first submission in March 2013 to the Department of Business Innovation and Skills which reviewed the Single Market. TheCityUK also made a submission to this review. The submission (see [here](#)) made a number of key points, including:

- The Single Market helps to achieve economies of scale, greater market competition and specialisation;
- Financial hubs are spread across Europe and require open, competitive and efficient markets, and the ability to move people, capital and services across borders;
- The Single Market is a long-term project and further measures, including legislation, are required to complete it.

The City Corporation has also made a recent submission to the Home Office's review of 'free movement of people'. It made a number of key points:

- The UK-based, international financial and professional services industry benefits from access to the pool of skilled and talented people via the free movement of labour provisions of the EU single market;
- It would damage British trade and economic interests to withdraw from these provisions.
- It is, however, essential that access to the wider international market in skills in non-EU / EEA states is not made so difficult that talented individuals locate or do business elsewhere.

- Highly-skilled workers, particularly in financial services, are not a burden on the state (see paragraph 3 below); they generate wealth and are positive contributors to the UK economy. Their spending on goods and services in the UK also benefits the UK economy as a whole.

The next stage of the Balance of Competences review will see HM Treasury consult on ‘Financial Services and Capital Markets’. The City Corporation is working with the IRSG to make a submission to this consultation. The consultation is expected to be launched in late October 2013 and will continue until the end of January 2014.

The first six reports (synoptic reviews) were published at the end of July 2013 can be read [here](#).

iv) Alternative ‘models’ of EU engagement

As part of the debate on the UK’s future relationship with the EU, consideration should be given to alternative models of engagement, such as those used by Norway and Switzerland. Neither are members of the European Union, but both have varying degrees of access to the Single Market.

The City Corporation and the CBI have both conducted research into this subject. The City Corporation commissioned independent research to examine the political relationship between Switzerland and the EU, and the operation of Swiss financial services within this context.

The report found that Switzerland’s approach to engagement is, *“complicated, multifaceted and increasingly uncertain.... Rather than seeking to maintain economic and political distance, Switzerland’s bilateral approach has been a means of remaining close to the EU. Swiss financial services have accessed the EU’s Single Market through their presence in London, however the future of this is uncertain given tighter regulation and new supervisory regimes.”*

You can read the full report [here](#).

The CBI report looked at both Norway and Switzerland, and in the context of all business activity, not just financial services. The CBI’s Policy Director, Katja Hall, said:-

“Businesses will get behind what’s best for growth, jobs and the long-term health of our economy – retaining access to the single market in a reformed EU. The test for those arguing that the UK must remain in the EU and for those pressing for our departure is to come up with a clear vision of our future, inside or out.

“Whether we are in or out of membership we will still need a relationship with the EU. But Norway and Switzerland simply don’t appear to have set-ups the UK should aspire to. They are half-way houses on the margins of Europe with no influence over the market rules under which they operate.”

The CBI report can be read [here](#).

10) The position of the City of London Corporation

The City Corporation supports and promotes London as the world’s leading international financial and business centre. Access to the Single Market is a key element of what makes London successful, and means that it is not just the UK’s but Europe’s international financial centre.

Our research, stakeholder engagement and opinion polling demonstrate that the majority of financial and professional services businesses support the UK’s membership of the EU which gives access to the Single Market.

This informs our European engagement strategy and the key messages we use in our dialogue with political and business stakeholders in the UK and in other Member States.

Our engagement strategy has been supported by the UK government and business stakeholders who both agree the UK needs to be more engaged in shaping policy in the EU.

Our key messages for dialogue on Europe are:

- Promote London to policy makers as Europe’s international financial and business centre;
- Explain the role of financial services in supporting the wider economy;
- Europe needs to reform to be more competitive in the global economy;
- Strengthen and complete the Single Market;
- The UK needs to be fully engaged in EU policy making.

11) Future Policy Engagement in Europe

The City Corporation's strategy on engagement with Europe will be based on five key aims:

- Greater engagement with EU institutions;
- Greater engagement with EU Member States;
- Dialogue around the City's role as Europe's international financial and business centre, and its role in the wider European and global economy;
- Contributing evidence to the debate on the value to the UK of membership of the EU, and vice versa;
- Work with third parties, such as think tanks, political groups and business organisations, to provide forums to make the case for the importance of the Single Market to the UK.

Many different organisations are involved in the debate on the UK's future relationship with the EU, and Members are invited to agree this role for the City of London Corporation.

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EU Engagement: Extending the Brussels agenda to Member States

UPDATE

In March 2012, the IRSG Council adopted a new strategy aimed at expanding the IRSG's engagement beyond Brussels to national capitals, given that many actors in Brussels (MEPs, Permanent Representations) have their views shaped and determined by their home governments. The strategy aimed to establish a dialogue with national policymakers, business and trade associations and civil society representatives in Member States.

This note summarises the key developments since this strategy was adopted 18 months ago.

Key achievements for 2012/2013

By the end of 2013, the IRSG will have:

- Engaged with all 27 member states;
- Undertaken 24 outward visits to 18 Member States (France, Germany, Finland, Czech Republic, Luxembourg, Lithuania, Estonia, Greece, Slovakia, Poland, Belgium, Sweden, Denmark, Cyprus, Bulgaria, Ireland, Romania and Slovenia);
- Hosted events for the Prime Ministers of Ireland and the Czech Republic and the President of Bulgaria;
- Hosted events for the Finance Ministers of France, Poland, Ireland, Lithuania, and Luxembourg;
- Hosted inward visits for MEPs from France, Italy, Poland and Austria;
- Hosted inward visits for Parliamentarians from Germany, Latvia, Denmark, Netherlands and France;
- Hosted inward visits for representatives of national regulators or central banks from Germany, Netherlands, Spain, Poland and Ireland;
- Hosted City Programme for Lithuania, Croatia and Czech Republic.

A full list of all the engagement activities undertaken in 2012 and 2013 can be found in the EU Engagement Calendar (attached).

Key messages

In our engagement in 2012/2013, we have focused on the following key themes:

- The importance of the Single Market for financial services and that the City supports the UK's continued membership of the European Union;
- The importance of a well-functioning Banking Union for the Eurozone that works within the Single Market without causing fragmentation;
- The important role that wholesale financial markets play in funding the wider economy and how this role could be jeopardised by ill-considered regulation;
- The need for a workable third country regime to allow EU firms to operate abroad and vice-versa;
- The negative impact a FTT would have on European competitiveness and end-users.

Priority Countries

As part of the strategy, it was recognised that some prioritisation would need to take place. Efforts have been concentrated on the top 5 Member States by GDP- France, Germany, Italy, Spain and the Netherlands. Country plans were compiled for each of these. The plans serve to take stock of the engagement that is currently taking place with these countries and to make recommendations on how to improve these relations. The recommendations from these plans are in the process of being actioned. Below is a summary of these:

France

An established dialogue with Paris Europlace has been in operation since 2010. In the past year alone, the group has produced joint letters on CVA Exemption, Liikanen, EU-US TTIP and Long-term finance. The group, which today also includes CBI and their French counterpart MEDEF, has also published a set of 5 papers on the role of Wholesale Financial Markets in funding the economy. The papers were launched at a joint even in Brussels hosted by Sylvie Goulard MEP.

The main gap identified by the country plan was the lack of engagement with national policymakers. A first visit was made in January 2013 by the Chairman of the City of London and André Villeneuve to meet with the Governor of the Banque de France; the heads of the two regulators, AMF and ACP; the Tresor and ESMA. Another visit will take place on 20 September to meet with the regulators, the Tresor and the special advisor to the Finance Minister.

Germany

The IRSG has increased its engagement with German policy-makers in the last two years. In June 2013 the City of London Policy Chairman visited Berlin and met with the Chancellor's Chief Advisor for European Affairs, Members of the Bundestag's Europe Committee and Finance Committee, and high-level officials from the Ministry of Finance, the Foreign Office and the Justice Ministry. In July 2013 the Chairman of the TheCityUK met with senior officials at the ECB, the Chairman of EIOPA, the Vice President of the Deutsche Bundesbank and a Member of the Management Committee of the Financial Market Stabilisation Agency. Another visit to Berlin is due to take place in November 2013.

The main gap identified by the country plan was the lack of a structured dialogue with German industry. This has proven to be difficult as there is no single institution in Germany playing the role that the City of London and the TCUK are playing as central facilitator of a broad range of actors for obvious institutional reasons. The IRSG has recently had meetings with Frankfurt Main Finance and its members to discuss regulatory issues of concern and is planning to explore a more frequent cooperation with Frankfurt Main Finance.

The country plan also identified a lack of engagement with BaFin, the German Financial Supervisory Authority. Since then, the IRSG met with the Chief Executive Director for Securities Supervision/ Asset Management of BaFin in Frankfurt in November 2012 and the President of BaFin in January 2013 in London.

Italy

A country plan for Italy has been adopted following the parliamentary elections in February. This envisages engagement with Italian policymakers including Ministry of Finance, Bank of Italy and CONSOB (Securities Regulator) as well as engagement with Italian industry associations including Confindustria (Employers' Federation). Italy take over the EU Presidency in the second half of 2014 so IRSG engagement over the next 12 months in advance of the EU Presidency will be important. An early meeting with Pasquale Terracciano, Italian Ambassador to London is scheduled for September.

Spain

The country plan identified that engagement with Spanish stakeholders, both industry and policymakers, had been limited since the Pre-Presidency visit in 2009. A planned trip by the Chairman of the City of London to Madrid in November 2012 had to be cancelled to strike action. The Chairman of the City of London is scheduled to visit Madrid in January 2014.

Netherlands

A country plan for the Netherlands has been adopted envisaging engagement with Dutch policymakers including Ministry of Finance, Dutch National Bank, Authority for Financial Markets (AFM) and Dutch industry associations. The Dutch Government has just carried out its own Subsidiarity Review and is seen as a key ally for the UK on the EU reform agenda. Jeroen Dijsselbloem, Dutch Finance Minister also chairs the Eurogroup. A policymaker roundtable with Ronald Gerritse, Chairman of the Board of the Netherlands AFM was held in February and a policymaker roundtable with Laetitia van den Assum, Dutch Ambassador to London is scheduled for 21 October 2013 which will provide a firm basis for further IRSG engagement.

Plans for 2014

- Pre-Presidency visits to Italy (6-9 April) and Latvia (21-24 September);
- Ongoing dialogues with France and Germany and new dialogues with Poland and Ireland;
- Visits to Spain, Portugal, Sweden, Denmark, Finland, Czech Republic, the Netherlands, Austria and Hungary;
- City Programme in 2014 to focus on Latvia and Slovakia;
- Engagement programme with new MEPs and new Commissioners.

CITY OF LONDON CORPORATION: RESEARCH PROGRAMME 2013

www.cityoflondon.gov.uk/economicresearch

CITY INDUSTRIES	COMPETITIVENESS AND INFRASTRUCTURE	THE EU + REGULATION	INTERNATIONAL MARKETS	CORPORATE RESPONSIBILITY + COMMUNITY	CROSS CUTTING
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FULL	<p>The Social and Economic Impact of the City's Arts and Culture Offer (BOP Consulting) An analysis of the economic benefits of these organisations, the wider social impact and outreach work that they do, and the ways in which they improve the City's offer as a place to work, live and visit. <i>Published January 23rd, launch event at Mansion House</i></p>
FULL	<p>2012 Research Review Summary of the reports published across 2012 <i>Published February 2013</i></p>
SIP	<p>The Role of Tax Incentives in Encouraging Social Investment (Worthstone, with support from Wragge & Co) Co-funding from Big Society Capital An exploration of the possible change in investor behaviour and associated incremental flow of capital under different tax regimes. <i>Published March 5th 2013</i></p>
EVENT	<p>Annual Research Reception <i>March 6th, City of London, Basinghall Suite</i></p>
FULL	<p>Taking Stock: The Relationship Between Businesses and Office Provision in the City (Ramidus) A review and analysis of office stock and enterprises in the City of London over the last ten years and forward looking, considering the range of functions and activities that different types of office stock support and extending out to the City fringes. <i>Published March 12th, launched at MIPIM seminar</i></p>
SIP	<p>The Impact of a Financial Transaction Tax on Corporate and Sovereign Debt (London Economics) An analysis of the ways in which enhanced co-operation FTT will impact on different sections of this market <i>Published April 3rd</i></p>
SIP	<p>Switzerland's Approach to EU Engagement: A Financial Services Perspective (Centre for Swiss Politics, University of Kent) A short review of models of engagement with the EU, in particular the Swiss approach to bilateral trade agreements. <i>Published April 4th</i></p>
SIP	<p>SME Supply Chains in the City (Bone Wells Urbecon and London Metropolitan University) Research into the linkages between SME supply chains in the City and surrounding boroughs, and the clustering and agglomeration benefits. <i>Published April 25th</i></p>
SIP	<p>The Economic Outlook for London (Oxford Economics) Updated employment forecasts for London, with a focus on the City, Westminster and Tower Hamlets <i>Published April 30th</i></p>
SIP	<p>Tree Diseases in London – the Economic, Social and Environmental Impact (Ian Keen Associates) <i>Published June 5th</i></p>
TIP	<p>The Value of London's Green Spaces (BOP Consulting) An exploration of the benefits provided by the green spaces supported by the City of London <i>Published July</i></p>
FULL	<p>The Size and Impact of the UK's Social Investment Market (GHK) Co-funders: The Cabinet Office, Department for Work and Pensions, Big Society Capital, Big Lottery Fund A review of the current scale of the market supported by social investment funding and the economic impact thus generated. <i>Published July</i></p>

FULL	<p>The Impact of Firm Migration on the City (TBR)</p> <p>An analysis of the data on firm migration, looking at businesses moving into, out of and within the City by geography and business characteristics, considering also business clusters in neighbouring boroughs. This will also provide a separate analysis of the Tech City area. <i>Target publication October</i></p>
SIP	<p>Features of Global Financial Centres (Bourse Consult)</p> <p>This short piece will provide an analysis of the aspects of market infrastructure that provide critical underpinnings for centres able to operate with a global reach <i>Target publication October</i></p>
SIP	<p>Potential Wealth Effects of a Financial Transactions Tax on European Households (London Economics)</p> <p>A data-focused piece quantifying the economic impact of the FTT on household wealth. <i>Target publication October</i></p>
SIP	<p>Institutional Investment in the UK from Emerging Markets (Trusted Sources)</p> <p>This paper will look at flows of institutional investment from emerging markets into the UK. <i>Target publication November</i></p>
SIP	<p>Total Tax Contribution of UK Financial Services (PwC)</p> <p>Annual update providing detailed analysis of tax components contributed by FS Companies to UK Govt receipts. <i>Target publication December</i></p>

Topics being scoped

Full	Housing in London – Planning and Investment
Full	Work-based Health Initiatives for City Workers
SIP	Economic Impact of Short Term Proposals for Increasing Aviation Capacity in London – to be co-funded with London First
SIP	Impact of the FTT on regulatory reform/financial stability
Full	Balance of Competences – Financial Services Review

Regular Publications

City News Monitor – A summary of relevant news, circulated weekly

The Economic Outlook for London (Oxford Economics). A summary of issues relevant to London's economy, including GVA and the labour market, with employment forecasts for the City of London, Westminster and Tower Hamlets. Published online Spring and Autumn annually.

Types of Research Publication

- Full Reports** - Address an overarching research theme or set of issues in depth, incorporating new primary research or substantial review work.
- Special Interest Papers (SIP)** - Reviews of specific issues drawing on the views of experts.
- Policy Practitioner Papers (PPP)** - Focus on technical issues of particular relevance to practitioners.
- Topical Issues Papers (TIP)** - Brief explorations of current issues.

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Agenda Item 7

Committee: Public Relations and Economic Development Sub-Committee	Date: 19 September 2013
Subject: Representation at TheCityUK Events	Public
Report of: Director of Economic Development	For Decision
Summary	
<p>Attached for the Sub-Committee to consider is a protocol for attendance at TheCityUK's round table events. These events tend to have a very limited number of places and the preparation of this protocol follows a number of expressions of interest in attending them.</p>	
Recommendation	
<p>That the protocol be approved.</p>	

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City of London Corporation representation at TheCityUK events

The City of London Corporation is a founder and principal member of TheCityUK (TCUK) and as part of our membership status, the City Corporation receives invitations to events organised by TCUK.

For TCUK's major events and conferences, multiple attendees from the City Corporation is not a problem, however for the smaller roundtable events, TCUK request only one representative from each member organisation attends.

With more Members of Common Council receiving TCUK's email newsletters, several have replied to ask to attend a roundtable event, but found that the City Corporation is already represented.

To avoid a situation where representation is decided by who replies first, Members have requested that Officers devise a protocol to determine Member attendance.

Members

- Priority is for senior City Corporation Members – Lord Mayor or Policy Chairman - to attend TCUK events
- Secondary priority is then given to their nominated deputy – Deputy Policy Chairmen or LMLT as appropriate
- Finally, a Member from the ED & PR Sub Committee with recognised sector knowledge or experience relevant to the event can attend with the agreement of the Policy Chairman.

- Requests to attend TCUK events by Members other than the Lord Mayor and Policy Chairman to be sent to EDO (Giles French), who will then seek approval from the Policy Chairman.

This will mean TCUK is not responsible for the decision of who represents the City Corporation.

Officers

- A senior officer will attend events too, and will always attend if no Member is available.
- Again, this should be coordinated via EDO (Giles French) and Officers should inform EDO if they wish to attend a TCUK roundtable event.

Large TCUK events

- There isn't a problem with multiple representatives attending large events, but again this should be compiled via EDO (Giles French)
- If the event is hosted by the City Corporation, there can be greater flexibility with attendance by Members and Officers.

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