

Committee	Dated:
Public Relations & Economic Development Sub-Committee	3 December 2019
Subject: The City of London Corporation's work on insurance	Public
Report of: Damian Nussbaum, Director of Innovation & Growth	For Information
Report author: William Elliott, Head of Trade and Investment Strategy	

Summary

The report provides Members with an overview of the City of London Corporation's recent support for the insurance sector, as well as plans for 2020.

The City Corporation engages regularly with the industry, and with the London market in particular. Recent work has focussed on building a stronger and more representative insurance voice at City events, insurance as a theme in international programmes and support for industry initiatives around innovation.

In 2020 the ambition is for the City Corporation to co-host two major events around the theme of insurance in *Resilience*, develop a working group on cyber insurance, and involve a senior figure from the London Market in a Lord Mayor visit to a key market for the industry. The industry will also be closely involved in City Corporation-led discussions about post-Brexit trade arrangements with the EU and other key markets.

Recommendation

Members are asked to:

- Note this report for information.

Main Report

Background

1. Insurance is a complex ecosystem, covering the speciality of the London Market, general (retail) insurance, insurers as providers of pensions/savings products, insurers as asset managers and – increasingly – insurtech.
2. While the City Corporation engages across this landscape, the anchor relationships are with the London Market, which accounts for 25% of the City's GDP and some 50,000 jobs in the Square Mile. Following concerns raised by Members in 2017 that the voice of insurance was under-represented in City events and programmes, Innovation & Growth (IG) has looked to build engagement in four areas:

General insurance

3. **Better insurance representation at City Banquets and other set-piece events:**

Standard guest-lists have been updated, and account management relationships used to boost attendance. At the September Trade Dinner, the figures were 11 insurance (including 4 CEOs) and 13 banking.

4. **Better insurance briefing:**

the incoming Lord Mayor was briefed by the CEOs of Lloyd's and key trade bodies: Association of British Insurers (ABI), London Markets Group (LMG), International Underwriters Association (IUA) and the London International Brokers Association (LIBA). The Policy Chair meets the Director General of the ABI each quarter to discuss policy and regulation issues – particularly Brexit.

The London Market

5. Japanese insurers (major stakeholders in the London Market) met the Policy Chair in London in Jan 2019, and with the Lord Mayor in Tokyo in Feb 2019, organised by Lloyds.
6. The Chief Executive of the IUA joined the Lord Mayor's visit to Singapore in February 2019.
7. The CEO of LMG joined Lord Mayor visit to Indonesia in July 2019. The Policy Chair also has regular contact with the CEO of LMG in the context of Brexit and Switzerland.
8. Insurance workstreams in Sustainable Development Capital Initiative (SCDI), in partnership with Willis Towers Watson.
9. The Lord Mayor launched City Corporation/Accenture/AXA report on cyber insurance in May 2019, which led to follow-up work (see below).
10. Continued discussions with Aon, the Department for International Trade (DIT) and HM Treasury on *Resilience*, leading to two potential events in 2020 (see below).

Other Insurance work

11. Support for UK general (retail) insurers to access key international markets, notably in Asia. For example, the Lord Mayor brought the CEOs of Aviva and Prudential to meet the Chinese Vice-President; CEO of BUPA (Global) joined Lord Mayor visit to Turkey; insurtech mission accompanied Lord Mayor to India.
12. A wide variety of insurance firms and associations are members of the International Regulatory Strategy Group (IRSG) and contribute constructively to common City positions on Brexit and other regulatory issues.
13. Insurance companies (as asset owners) are stakeholders in the Green Finance Institute.
14. The City Corporation has supported development of Insurtech UK, the new trade body for the insurtech industry. The Lord Mayor spoke at June 2019 launch.

Plans for 2020

15. Accenture will shortly produce a follow-up report on cyber insurance, in partnership with the City Corporation. One recommendation is likely to be that it would be useful to have a working group on cyber insurance, to promote the current London offer and address barriers to further developing the market.
16. The City Corporation will host and support a major global conference on Resilience in Feb 2020 with Aon, AXA.
17. IG will again look to secure one or two senior figures from the London Market to accompany the Lord Mayor on overseas visits. Lloyds of London have already requested that their CEO or Chairman join one visit. Cyber insurance, insurtech and resilience will also be explored as themes in relevant markets.

Corporate, strategic or financial implications

18. Our work on insurance delivers against 6d, 7a, 7b and 7c of the Corporate Plan under the objective 'To Support a Thriving Economy'. Furthermore, it is resourced from existing budgets. The Lord Mayor's overseas visits are funded from the MVAC budget.

Conclusion

19. Insurance is a broad and complex ecosystem and yet at the same time highly specialised and difficult to navigate for outsiders. But it is one of the 'crown jewels' of the wider City. London is still the premier insurance hub of the world, in particular for the high-value business in cross-border underwriting, specialty insurance, innovation and insurtech. The City Corporation can play a useful role in promoting the London insurance offer globally, and working with a wider variety of stakeholders on initiatives to retain London's insurance competitiveness.

William Elliott

Head of Trade and Investment Strategy, Innovation & Growth

T: 0207 332 3373

E: William.Elliott@cityoflondon.gov.uk