

Committee(s): Economic & Cyber Crime Committee	Dated: 04/11/2021
Subject: Innovation & Growth – Update of Cyber & Economic Crime related activities	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	1, 6, 7
Does this proposal require extra revenue and/or capital spending?	No
What is the source of Funding?	NA
Report of: Innovation & Growth	For information
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Summary

The core objective of Innovation & Growth (IG) is to strengthen the UK’s competitiveness as the world’s leading global hub for financial and professional services (FPS). This includes promoting the strengths of the UK’s offer and enhancing the UK’s position as a leader in FPS technology and innovation.

As the national lead force for fraud and cyber, the City of London Police (CoLP) plays a central role in helping to build a resilient and secure eco-system in which both individuals and businesses across the UK can operate safely. This goes to the heart of the UK’s competitiveness and so the work of IG and CoLP is very much aligned.

The purpose of this report is two-fold:

- a. To summarise activity taking place across IG which is relevant to cyber and economic crime; and
- b. To update on projects involving IG and CoLP cross-team working.

Links to the Corporate Plan

1. The activities set out in this report help deliver against the Corporate Plan’s aim to support a thriving economy. This includes outcome 6c - to lead nationally and advise internationally on the fight against economic and cybercrime. It also supports outcome 7, positioning the UK as a global hub for innovation in financial and professional services.

Main Report

Background

2. Cyber and economic crime continue to be a key interest and concern for many of the stakeholders that IG engages with on a day to day basis. It is important that IG stays abreast of any key updates and issues arising across this topic. It is also important that there are effective mechanisms in place for sharing information gathered across the wider City Corporation and CoLP. A closer relationship between IG and CoLP will support this objective and each team’s ability to respond to the needs of their respective and mutual stakeholders in this area.

Innovation & Growth activity

Anti-Money Laundering and Counter-Terrorist Financing

3. Effective rules in relation to anti-money laundering and counter-terrorist financing are key to protecting the integrity of any financial system. In July 2021 HM Treasury published a call for evidence and a consultation on the UK's AML and CTF regime. The call for evidence relates to a broad review of the UK's AML/CTF regulatory and supervisory regimes whilst the consultation seeks views on proposed amendments to regulation.
4. IG has been involved in this consultation and the broader topic through the following activity:
 - a. IG attended two workshops hosted by UK Finance and HM Treasury to provide input to the consultation;
 - b. IG hosted a broader discussion on 'The UK as a centre for Trust in Digital Trade' exploring the barriers to trade that stem from AML regulations; and
 - c. IG is preparing a follow-up paper to the HM Treasury consultation which will focus specifically on the impact of the UK's AML regime on trade.
5. This work has also provided an opportunity for IG and CoLP to pool their interests and knowledge in this area. Through IG's contacts CoLP were brought into the workshops on the HMT consultation. CoLP will also be given an opportunity to review and provide input to IG's paper on AML and trade.

Digital Sandbox – Innovation Challenge

6. At previous Committee meetings IG's partnership with the FCA on the Digital Sandbox has been flagged. It has now been confirmed that the City Corporation will be partnering with Microsoft on a new 'Innovation Challenge' project. This will be hosted on the Digital Sandbox platform. The Innovation Challenge will bring together a small number of financial institutions and technology companies to develop technology solutions that address a common problem statement relating to cyber security.
7. The purpose of the Innovation Challenge is to eliminate innovation silos within individual organisations. The Digital Sandbox platform will support cross-sector collaboration and development of an effective feedback loop between the problems faced by financial services and the technology solutions being developed.
8. Over the coming weeks the financial institutions involved in the Innovation Challenge will be working with Microsoft and IG to select a problem statement to sit at the centre of the project. Tech companies and other relevant third parties will then be brought in to collaborate on developing potential solutions. The Digital Sandbox platform will open fully to those involved in early 2022.
9. Given that the Innovation Challenge will focus on cyber security solutions there is a clear overlap with the interests and work of CoLP. This provides an excellent opportunity for IG and CoLP to work together on some key parts of the Challenge:

- a. In selecting a problem statement that is common to multiple organisations it would be useful to draw upon CoLP's own insight on the cyber security issues prevalent across financial services;
 - b. As the Innovation Challenge will bring together key individuals in the cyber security space it would be useful to receive any suggestions from CoLP of potential candidates to support the development of the technology solutions and participate as third parties to the Innovation Challenge; and
 - c. The technology companies participating in the Innovation Challenge will be supported by having access to data sets relevant to the problem statement selected. It would be useful to get CoLP's views on public or other datasets that might be relevant as well as exploring the potential to access any specific data held by CoLP.
10. Working together on the Innovation Challenge will provide IG an opportunity to draw upon CoLP's expertise and insights on cyber security. At the same time CoLP will benefit from gathering information on the most pressing cyber security issues currently faced by the financial services sector and exposure to emerging technology in this area.

Innovation & Growth/City of London Police cross-team working

11. At the previous Economic and Cyber Crime Committee meeting in September a request was made for greater visibility of key initiatives between IG and CoLP. The cross-working currently taking place includes opportunities to collaborate on specific projects such as the AML work and Innovation Challenge referred to above. It also includes more general cross-IG and CoLP support to promote each other's activities.

Collaboration

12. **Benchmarking report** – in January 2021 IG published [‘Our global offer to business; London and the UK’s competitive strengths in a changing world.’](#) This research benchmarks London and the UK against other key financial centres such as New York City and the US, Hong Kong and Singapore across five competitiveness areas. One of those areas is ‘resilient business infrastructure’. Within this area an assessment was carried out of each centre’s digital and cyber resilience based on various metrics. These included the ITU’s Global Cybersecurity Index, the EIU’s digital security index and other measures such as the number of secure internet servers in a country.
13. A second edition of this competitiveness report will be released in January 2022. IG is working with CoLP to incorporate their insights into the approach of the UK and other markets to digital and cyber resilience. This includes taking account of emerging projects CoLP is aware of and/or involved in that might relate to the UK’s position.
14. **Global City campaign** – this is the City Corporation’s overarching initiative to showcase the UK’s offer for financial and professional services. It draws upon an evidence base of research, statistics and partner stories with the aim of attracting talent, business and investment.
15. IG and CoLP will be working together to update the cyber page on the Global City site. This will include refreshing facts and statistics about the cyber security

industry to support a positive story about the UK as a place to locate and invest, drawing upon insights and experience gathered by both teams. There is also an opportunity to include case studies about some of the cyber-related projects being progressed by CoLP or that they are involved in. The aim is to have an updated cyber webpage ready to launch by early in 2022.

16. **Destination City** – the City Corporation is currently carrying out a review considering the options for attracting more people into the Square Mile. Any recommendations coming out of this work will impact policing in the City. Therefore, members of IG and CoLP are working together to ensure that both these recommendations and the Policing plan for the year ahead are aligned. This collaboration will then continue with the teams working together to progress their respective plans.

Promotion of CoLP activity

17. A key focus of the IG/CoLP collaboration is exploring how IG can help to promote CoLP activity and projects. Numerous opportunities to do so have been flagged over the past few weeks and months, with IG drawing upon its stakeholder networks to increase the profile of the following activities:
- a. IG included a profile on Cyber Griffin in its recent report on [the changing tech landscape in the Square Mile](#). Cyber Griffin was included as an example of a programme available to protect operations and empower resilience for businesses through cyber security;
 - b. IG helped CoLP to promote the upcoming National Business Cybercrime Conference. This included asking trade association and other membership bodies to circulate information about the Conference to their members. Information was also sent out more generally across the IG Relationship Manager network and the SME network;
 - c. IG will help to disseminate a letter from AC McLaren inviting companies to join an Ambassador Group for the National Cyber Resilience Centre; and
 - d. In terms of more general promotion of CoLP activity, slots have been confirmed for CoLP to speak at both IG's internal Relationship Manager network meeting and an SME engagement group meeting. This is to help raise awareness of key CoLP initiatives including CyberAlarm and the Cyber Resilience Centres both internally and across our external networks.
18. In terms of cross-team communications and marketing there are already multiple processes in place for sharing information. Specifically, the City Corporation communications team carries out the following activities with the CoLP communications team:
- a. Issue joint news releases;
 - b. Amplify each other's social media;
 - c. Share CoLP media coverage every day with elected Members and City Corporation staff through the Morning Media Briefing;
 - d. Conduct political briefings through the Corporate Affairs team;
 - e. Deliver speeches and other stakeholder communications through the Police Authority Board team;
 - f. Attend the corporate grid meeting every Monday; and
 - g. Attend SCEP meeting every Thursday.
19. A request was also made at the previous Economic and Cyber Crime Committee meeting for reference to the Mayoralty and Policy platforms which can be utilised

to promote and progress activity relating to cyber and economic crime. Examples of the types of platform include the following:

- a. International visits – these visits provide opportunities for the Lord Mayor and Policy Chair to promote the UK cyber industry or other activity relating to combatting cyber and economic crime in the UK. For example, on previous visits to Latin America and Australia the Lord Mayor hosted roundtables and panel discussions on cyber insurance, exploring the role of the London Market.
- b. Regular meetings – both the Lord Mayor and the Policy Chair conduct regular meetings with high profile stakeholders across the private and public sectors, both in the UK and internationally. These meetings provide an opportunity for officers across the City Corporation to provide key updates relating to cyber and economic crime from both the City Corporation and CoLP. A key example is a recent quarterly catch up between the Policy Chair and The Law Society. At the meeting the Policy Chair was able to provide an update on activity being carried out by CoLP on cyber security.
- c. Specific events – the Lord Mayor and Policy Chair attend multiple events across the calendar year which involve a focus on cyber and economic crime. Again, these platforms provide an opportunity to highlight the work of the City Corporation and CoLP in this area. Examples include the annual Economic Crime Symposium and Defence and Security Lecture.

Conclusion

20. With regular meetings between IG and CoLP now taking place at all levels there is significant progress being made in building up the information flow and collaboration between the two teams. Both IG and CoLP are already realising the benefits of this new way of working with IG gaining valuable insight from the CoLP team. At the same time CoLP has access to a wider network of stakeholders and alternative platforms for promoting their activity.

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