

Committee(s): Economic & Cyber Crime Committee	Dated: 3/10/2022
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: Damian Nussbaum, Executive Director Innovation and Growth	For information
Report author: Elly Savill, Policy and Technology Adviser	

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 NPCC lead for cyber, the City of London Police (CoLP) plays an important role in helping to build a resilient and secure eco-system in which both individuals and businesses across the UK can operate safely. The work of Innovation & Growth (IG) and CoLP therefore remains closely aligned.

The following report summarises the activity that has been taking place across IG in relation to cyber and economic crime, as well as cross-team working between IG and CoLP since the ECCC last convened in May 2022. The report includes a summary of the evaluation produced by CoLC and Microsoft regarding the Cyber Innovation Challenge. An update is provided on plans for a new cyber project focused on supporting cyber security innovation to tackle emerging threats to business. The project would be a partnership between CoLC and CoLP with a main objective being to strengthen the UK’s cyber security credentials.

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

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

2. We continue to use this report to review those activities which demonstrate the benefits of IG and CoLP collaboration. IG continues to look for ways to promote

the activity of CoLP and support their work as part of our wider stakeholder engagement.

Collaboration

3. The shift to hybrid working and lower levels of tourism have resulted in reduced footfall to the City. In response, CoLC launched Destination City, a new vision with the long term aim of rebuilding audiences, boosting the area's leisure offer and supporting the City visitor's economy. Destination City will be overseen by a newly appointed Destination Director, who will sit within IG. This will be a complex project, requiring ongoing dialogue and strategic collaboration with multiple levels of the CoLP. In the run up to Destination City's launch event, officers at the CoLP are already engaged at an operational level to ensure safety and security is at the heart of planning.

Promotion of CoLP activity

4. The Lord Mayor and Commander Nik Adams participated at the 39th International Symposium on Economic Crime, where they promoted the work of CoLC and CoLP in preventing both economic and cyber-crime through initiatives such as Operation Othello and Cyber Griffin.
5. As part of his trip to Australia, the Lord Mayor is planning to meet with Edward Kitt, FCDO lead at the Consulate on illicit finance. The Lord Mayor aims to use this opportunity to highlight the CoLP's role as the National Police Chiefs' Council Lead for Economic and Cyber Crime and their work at the forefront of efforts to combat money laundering, asset denial, and development of financial investigation capabilities. The trip was scheduled for September 2022 but following the passing of her Majesty the Queen, is in the process of being rescheduled.

Innovation & Growth activity

The Cyber Innovation Challenge

6. In March 2022 CoLC publicly announced the launch of the Cyber Innovation Challenge in partnership with Microsoft. The Challenge was a six-week sprint with financial services institutions and technology companies collaborating to develop solutions to assess and actively monitor the cyber security risks across the supply chain whilst also highlighting steps that can be taken to respond to any emerging threats. The Challenge was supported by sessions with UK Finance, Osney Capital, London & Partners, Department for International Trade, Microsoft and CoLP. The Challenge culminated in a final presentation allowing technology companies to present their solutions.
7. A public event to build out discussions around the use case and showcase the solutions that had come through the Challenge was co-hosted by CoLC and Microsoft at Guildhall on 25 May. Around fifty stakeholders and industry representatives were in attendance.
8. In the last update to the ECCC, IG reported that the team was in the process of undertaking a joint evaluation of the Challenge with Microsoft, to identify the success of the Challenge against a set of pre-agreed criteria. It also took into

account more general feedback and insight received from participants with a view to helping shape any future activities of this nature.

9. Initial feedback from the Challenge was very positive with successful outcomes including pilots being conducted between some of the tech companies and the FPS partners, an acknowledgement from tech company participants that the Challenge had accelerated product development and all respondents confirming that they would recommend participating in the programme. A more detailed summary of the evaluation's key findings can be found below.

Evaluation summary

10. The Evaluation aimed to shape any future activities of this nature by evaluating against a pre-agreed criteria consisting of the following themes: Thought Leadership, Financial Services Institutions (FSI) Involvement, Collaboration, Market Facing Impact, Outcome/Impact on Innovation. A summary of feedback for each of these criteria can be found below.
11. On thought leadership, CoLC and Microsoft evaluated this aim against whether the Challenge accomplished something that has not been done before and if the Challenge met a need that is currently not being resolved by the market. Feedback was positive, suggesting that while other programmes focused on supporting the development of cyber security solutions exist, they are not of the same nature and format of the Challenge. Additionally, there are no other programmes that focus specifically on this use case of developing tech solutions to help identify and mitigate cyber risks across the supply chain.
12. A key measure of the success of the Challenge was the engagement of the FSI sector which was largely successful. Moving forward, we believe there is scope to bring more organisations in to the workshop stage. Scheduling the Challenge and the specific times at which FSIs would be required to participate further in advance may also increase levels of involvement.
13. Fostering collaboration not just between the tech and FSI participants, but also with the broader industry partners was a key driver for Microsoft and CoLC launching the Challenge. Two of the three criteria set to evaluate the success of collaboration were achieved. These were goals relating to the total number of FSIs and technology companies involved in the Challenge as well as the level of engagement and collaboration. The third criteria regarded use of the Digital Sandbox. Feedback shows that whilst the Digital Sandbox platform was beneficial at the application and initial stages of the Challenge, it was not used to support collaboration between participants, with Teams and email acting as the preferred methods for collaboration and engagement.
14. Feedback regarding the criteria measuring market facing impact was mixed. Of the three tech companies which completed the exit interview, all confirmed that they had made or planned to make changes as a result of being involved in the Challenge and also stated that participation had accelerated product development. However, there was less consensus around the tech companies' ability to fulfil their testing plans with only two out of three confirming that their plan had been fully completed. Timeframe and a delay in hearing back from FSIs was blamed for this

issue. With this said, all tech companies that responded and the majority of FSIs and IGPs confirmed plans for continued engagement including demos.

15. Finally, measuring the outcome/impact on innovation was assessed against whether the Challenge ended in steps that could be taken forward and if the Challenge provided further clarity on the issue in question. Feedback on both of these points was positive.

Future Cyber Project

16. The last report outlined proposals for a future cyber project for consideration by this Committee. This project would aim to build on the Cyber Innovation Challenge which sought to support cyber security innovation to tackle emerging threats to business. Championing this issue remains of the utmost importance as FPS continues to be one of the most targeted sectors for cyber-attacks, with bad actors constantly developing new methods for advancing cyber threats. The strategic outcomes of this new cyber project will be to:
 - a. Accelerate development of innovative cyber-security solutions that meet FPS demand;
 - b. Support cross-sector collaboration and information/data sharing on an emerging and/or key cyber-security challenge; and
 - c. Provide thought leadership on catalysing cyber innovation in the UK.
17. CoLP have a unique insight into the cyber-security challenges that businesses face on a day-to-day basis as well as information on emerging cyber threats. It has therefore been recommended that this cyber project be a partnership between the CoLP and CoLC. This will be the key difference between the recent Microsoft and Challenge and this project.
18. CoLP will play an important role by providing cyber security expertise and identifying the use case. We believe that combining CoLP's strengths as national cyber lead with IG's FPS and innovation networks, can elevate this cyber project and help achieve the ambitions set out above, as well as meeting our shared interest of supporting businesses within the square mile.
19. Since the last update to the Committee, a detailed project plan has been drafted that sets out key aspects of the project such as the objectives, proposed roles, responsibilities, and scope of work. IG and CoLP are in the process of agreeing final details with regards to resources and timelines to ensure optimal utilisation and to maximise impact.
20. The project plan includes eleven different phases of work. While this is still yet to be agreed between IG and CoLP, it is expected that the core of the project will take place during 2023, with the possibility of phases 1-4 starting in Q4 2022.
21. The participation and expertise of CoLP will be key to the success of this project. Working in partnership, IG and CoLP are aiming to jointly present the final product for support at the next Committee meeting.

Conclusion

Collaborating on this new cyber project aligns interests between CoLP and CoLC, provides multiple moments in which to promote CoLP's work on cyber-crime and is an

excellent opportunity to pool our respective strengths and resources to support the UK's FPS to defend against emerging cyber threats. This will contribute to ensuring the UK remains the leading global financial centre.

Elly Savill

Policy and Technology Adviser

Innovation & Growth

T: +44 (0) 7500 785073

E: eleanor.savill@cityoflondon.gov.uk