

Risk	The City Corporation fails effectively to defend and promote the competitiveness of the business city which loses its position as the world leader in international financial and business services. Links to: Strategic Aims SA1 & SA3 and Key Policy Priorities KPP1 & KPP3	Gross Risk		R
		Likelihood	Impact	
		5	4	

Detail	If the City Corporation fails to provide effective support for and promotion of the competitiveness of the business city there is a danger that the City will lose its international position leading to a reduction in business activity in the City, lower income for and industry engagement with CoL. One of EDO's main purposes is to mitigate this risk. However, it should be noted that damage to the City's competitive position could occur as a result of circumstances beyond CoL's ability to influence.
---------------	---

<u>Specific Issues</u>	<u>Mitigating Controls</u>
<p>Domestic and EU tax and regulation is crucial to City competitiveness</p> <p>The development of a European Banking Union and the ability to continue contracting euro-denominated business in the UK.</p> <p>The debate over the UK's relationship with, and membership of, the EU creates uncertainty over London's place in the Single Market and thus its attractiveness to international firms.</p> <p>Crisis over LIBOR and other issues which pose a major threat to the City's reputation.</p>	<p>Programme of work of the EDO - and with TheCityUK - to promote and maintain City's competitiveness; and explain CoL's role (ref. EDO Business Plan) and role of the industry in supporting the wider economic growth and jobs creation agenda.</p> <p>Increased International Regulatory Strategy Group activity in UK and in EU Member States to shape the European and international regulatory landscape in a way that preserves the free flow of capital and promotes open markets, and to minimise impact on the development of a European Banking Union on the European Single Market.</p> <p>Programme (since October 2010) to coordinate and promote various initiatives to improve professionalism and business culture across the financial services industry under the umbrella of the Lord Mayor's 'Investing in Integrity' initiative.</p> <p>Robust policy, media and political response to industry developments affecting public perceptions of the City as a whole.</p> <p>Role of the Lord Mayor as an ambassador for the Business City.</p> <p>Role of the Policy and Resources Committee Chairman in promoting the City.</p>

<u>Summary and Further Action</u>	The controls in place reduce the likelihood of this risk materialising from 5 to 3. At any given time there are a number of issues that could undermine the City's position as a world leader in international financial and business services. Specific issues will be refreshed at each review with appropriate mitigation.	Net Risk		A
		Likelihood	Impact	
		3	4	
		Control Evaluation		
		G		