

Committee(s)	Dated:
Policy & Resources	14 th December 2023
Subject: Change to Competitiveness Advisory Board (CAB) Terms of Reference	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1, 5, 7, 10, 11, 12
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	NA
What is the source of Funding?	NA
Has this Funding Source been agreed with the Chamberlain's Department?	NA
Report of: Simi Shah, Acting Director of Innovation & Growth	For Decision
Report author: Ben Dixon, Head of Policy, Office of the Policy Chairman Daniel O'Byrne, Strategic Engagement and Operations Director, Innovation and Growth	

Summary

This report seeks agreement to expand the membership of the Competitiveness Advisory Board (CAB) for its next term (2024-27) increasing both the number of elected Members and private sector members. The CAB is an advisory Board of the Policy & Resources Committee created in 2021 following the Fraser Review.

If agreed, the new CAB Membership would comprise 8 Members of the Court of Common Council (currently 4) to join the 4 ex-officio Members (Chair and Deputy Chair of P&R, Chair and Deputy Chair of GP Aldermen) and 12 external members drawn from the private sector (currently 8). An expression of interest exercise for elected Members would be held early in the new year with the aim of making appointments at February P&R.

Recommendations

Members are asked to:

- AGREE to increase the Membership of the Competitiveness Advisory Board so it will comprise 12 external members and 12 elected Members (4 ex-officio and 8 Members drawn from the Court of Common Council).

Background

1. On 18th February 2021 the Policy and Resources adopted the recommendations of the Fraser 2.0 report including the creation of the CAB.

2. The role of the Advisory Board is:
 - a. To provide informal guidance or direction to Innovation & Growth and other officers on the implementation of the Competitiveness Strategy (whilst being clear that formal oversight would be held by Policy & Resources, with this group reporting in on an advisory basis).
 - b. To provide expertise and insight to officers and Policy & Resources on the ingredients of global success of UK Financial and Professional Services, acting as an internal forum for the testing of ideas and prioritisation in the work of promotion and policy of the sector.
 - c. To offer additional support to the Chair of Policy and Resources and the Lord Mayor as champions of UK financial and professional services (UK FPS).
 - d. To provide advice on the strategic deployment of hospitality as required.

3. The composition of the Steering Committee as previously agreed by Policy and Resources was as follows:
 - a. Chair of the Policy & Resources Committee (Chair)
 - b. Chair of the General Purposes Committee of Aldermen (Deputy Chair)
 - c. Deputy Chairman of the Policy & Resources Committee
 - d. Deputy Chairman of the General Purposes Committee of Aldermen
 - e. Four Members of the Court of Common Council with relevant expertise
 - f. Four co-opted external members with relevant expertise.

4. It was proposed that appointments are renewed yearly. Members could serve up to 3-4 years at the pleasure of the Chair. External members were asked to make at least two-year commitments.

5. Criteria for membership of the non ex-officio members of the Board was previously agreed by Policy and Resources as follows:
 - a. The Board would best benefit from broad and deep expertise across a number of markets and sub-sectors relevant to UK financial and professional services sector (FPS). Preference will be given to those with senior level experience and expertise on 2 or more sectors and/or markets.
 - b. Expertise and experience should be based on direct market participation.
 - c. Composition of the Board should balance diversity of perspective, thought, expertise and experience.
 - d. The Board will also benefit from members who: 1. have experience and expertise within new and emerging sub-sectors and themes of FPS and 2. in managing FPS businesses located in London with headquarters in foreign jurisdictions.

6. Internal Members were recruited to the Board by submitting a Expression of Interest (EOI) to the Office of the Policy Chairman. Officers in Innovation and

Growth sifted and scored the applications for presentation to the ex-officio Members of the Board. These Members were confirmed by this Committee on 8th April 2023 alongside the approach for the external recruitment of co-opted Members.

7. Proposals for co-opted external members was prepared by the Innovation and Growth Executive Director and presented to the 4 ex-officio Members for agreement. Invitations were issued directly by the then Chair of the Policy and Resources Committee.
8. In both the previous term and the next one there is a high value in constituting a Board with a diversity of perspectives and expertise and was used for the criteria of selection.

Priority Markets	Sectors	Perspectives
US	Banking	Sustainability
Europe	Asset Management	New FPS/Tech
China	Professional Services	Regulatory
India	Legal	Global Customer
Japan	Insurance	Cross UK
	Market Infrastructure	

Current Position

9. A current list of Members, which reflects that diversity, can be found in Appendix 1. The Board has consistently met quarterly since the summer of 2021. The Board first met in July 2021 and the membership has stayed consistent since that time with the exception of some changes in the ex-officio membership.
10. The CAB has been a very successful mechanism to inform the onward development of the Competitiveness Strategy. It provides the Chairman and this Committee one, but not the only, perspective in developing policy and strategies on how to strengthen and promote the UK's financial and professional services sector.
11. The CAB is conducted as an in person meeting only. This has facilitated debate and discussion in a productive way. However, due to the senior nature of both the internal and external attendance rate has meant that some meetings have had less than 8 members in attendance. While the overall board carries diverse perspectives, this could be improved in the context of a sole meeting.
12. The policy leads are not all regular Members of the Board. They are invited guests of the Chairman on relevant topics.

13. The Lord Mayor while not a Member of the Board has also attended at the pleasure of the Chair when in London.

Options

14. It is proposed to increase the membership of internal to 8 members from the Court (rather than current 4) to join the 4 ex-officio Members. And to increase the external Members to 12 from a current 8.
15. It is proposed that no other changes to the terms are made for the 2024-2026 including the method of recruitment of internal and external Members.

Next Steps

16. Assuming confirmation of the above, expression of interest will be requested from internal Members by 10th January 2024. A paper to confirm internal Members will come to February Policy and Resources.
17. External invitations to be issued from the Chairman of Policy and Resources along a similar timeline.
18. A joint meeting of both the 2021-2023 and 2024-2026 Boards will take place in the second quarter of 2024. The 2024-2026 Board will take full duties from July 2024.

Corporate and strategic implications

19. Strategic implications - The approach outlined in this report supports the commitments set out in the Corporate Plan, 2018-23, and the strategy itself is being designed to impact upon the outcomes and high-level actions of commitments 5, 6, 7 and 8.
20. Financial implications – No financial implications arise from the recommendations in this report.
21. Resource implications – No resource implications arise from the recommendations in this report.
22. Legal implications – No legal implications arise from the recommendations in this report.
23. Risk implications – No risk implications arise from the recommendations in this report.
24. Equalities implications – Members internally will have equal opportunity to access the CAB membership process. Consideration of diversity of thought

expertise and perspective will drive composition across the Board membership.

25. Climate implications – No climate implications arise from the recommendations in this report.

26. Security implications – No security implications arise from the recommendations in this report.

Conclusion

27. It is within the Corporation's core purpose to steward the UK's financial centre and financial, tech, and professional services sectors through current and future challenges and opportunities. A stronger and more diverse CAB will allow us to fulfil this important role by combining the deep industry expertise that exists in the Membership with external industry voices.

Appendices

28. Appendix 1 - Current list of Members

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