

<b>Committee(s):</b> Communications & Corporate Affairs Sub Committee  Policy and Resources Committee	<b>Dated:</b> 28 February 2024  18 March 2024
<b>Subject:</b> Enhanced Political and Strategic Engagement	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	2,3,4,7 and 10
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>Yes</b>
<b>If so, how much?</b>	<b>£137,000</b>
<b>What is the source of Funding?</b>	<b>PIF</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>Yes</b>
<b>Report of:</b> Emily Tofield, Executive Director of Corporate Communications and External Affairs	<b>For Decision</b>
<b>Report author:</b> Kristy Sandino, Assistant Director, Corporate Affairs	

### Summary

This report sets out the City Corporation's proposals to significantly increase strategic planning and engagement with key partners and stakeholders in 2024/2025 due to the certainty of a General Election taking place before January 2025. 2024 is an important year for politics and policy making and will provide a final opportunity for the City Corporation to engage and influence political stakeholders ahead of manifesto launches and any potential change of government. A large-scale opinion poll published in January estimated an 11.5% swing from Conservative to Labour, possibly the largest since 1906.

There is a core budget set for political engagement and, though all activity is reviewed on an annual basis, the majority of the budget is pre-committed to set annual events and engagement such as the City Corporation's party conference programme and think tank partnerships. The allocation of this core budget to necessary annual engagement means that the City Corporation cannot take up more proactive, unique, or broader opportunities to raise, profile, build understanding of our role and impact or support policy development or delivery. It is crucial in the 2024/2025 period to penetrate a much broader audience to ensure the work of the City Corporation is properly understood – both with politicians, and also with a broader audience across the country. 2024 will be a very crowded field with many organisations jostling for position to ensure they can effectively influence the next government.

In view of the strategic importance of political engagement and the unique context of a possible change in government, it is proposed that an allocation of **£137,000** be made from the Policy Initiatives Fund in 2024/25 to cover this additional expenditure. The Communications & Corporate Affairs Sub Committee, which has responsibility for

political engagement in the City Corporation, should continue to monitor and oversee the plans to engage as they develop.

### **Recommendations**

That, Members of the Communications & Corporate Affairs Sub Committee:

- i) Endorse the City Corporation's engagement approach as outlined in this report; and

That, Members of the Policy and Resources Committee

- ii) Agree that £137,000 be allocated from the 2024/25 Policy Initiatives Fund, categorised as 'Promoting the City' and charged to City's Estate to cover costs of this engagement.

### **Main Report**

#### **Background**

1. Led by the Corporate Affairs Team, and in close collaboration with the Remembrancer's Office, the City Corporation aims to engage with the most relevant stakeholders across the whole political spectrum, to inform and influence policymaking, communicate our key messages and to build relationships with influential stakeholders.
2. It is proposed that the City Corporation increase its activity for the 2024/2025 year due to a General Election being held before January 2025. It is a highly political year, with much at stake as new policies and approaches will be announced and pursued by both major parties. It will require significant City Corporation influencing and engagement to ensure focus on our priority areas are maintained. The planned programme will provide additional opportunities to engage policymakers across a broad political spectrum, to ensure there is cross-party understanding of what the City Corporation does, its specific and unique role in supporting the financial and professional services sector, its work in relation to policing and fraud, the benefits it can bring to the nation and wider society, and the role it can play in supporting future policy development and its delivery.
3. Every year, the Corporate Affairs Team consults across the organisation on strategic policy priorities for the year ahead to determine its approach. Interventions, such as through a targeted media approach and events, provide opportunities to promote and explain the current and future benefits that a globally competitive financial and professional services sector could continue to bring to the country. Target audiences include senior politicians, policymakers, political advisers, regulators and wider business audiences.

#### **Rationale**

4. On an annual basis, there is a core budget set for political engagement; however the majority of the cost is committed to set annual events and engagement such as party conferences and think tank partnerships. While the budget is static, the

cost spent on party conferences can vary year on year and is also impacted by the number of Members joining the delegation. This budget has also not been adjusted for inflationary pressure since at least 2020/2021.

5. Party conference engagement also provides an opportunity to continue the momentum of messaging reiteration with industry stakeholders, already mapped out in our post-launch stakeholder engagement plan. Additional objectives for the conference programme include building and strengthening relationships with politicians and their current and potential future advisers in the Government and the Shadow Cabinet. Party conference activity will continue to be funded through the Corporate Affairs local budget. It has become clear that other organisations operating in our space are also pursuing wider media partnerships during party conference season and the City Corporation may wish to pursue a wider strategic partnership with a media partner to ensure it is reaching a broad audience. The current budget would not allow for this while we maintain our current programme of events, which is recommended. Any additional events over and above the normal level of party conference activity would also need to utilise proposed PIF funding, particularly due to inflationary increases.

### **Strategic/Priority Link**

6. It is pivotal that the City Corporation is able to communicate its role in the city, capital and country. The scale of the organisation's impact is broad, yet as engagement continues to reinforce, it is not well understood to wide audiences, covering areas from financial services to education, policing to culture. An overall new narrative is required that is clear on the impact of the organisation, which must include our priority work on competitiveness and articulates the impact the FPS sector makes to the economy, jobs and overall growth. Despite focused engagement by the Corporate Affairs Team and Remembrancer's Office, the relevance of the FPS sector beyond the City remains poorly understood by key political stakeholders, and there is still evidence of regional divides that must be addressed.
7. 2024 is sure to be a very crowded field with many organisations jostling for position to ensure they can effectively influence the next government. Any significant policy interventions ahead of the General Election will require additional funding to ensure they are strategically planned, targeted and well executed. This could take the format of media partnerships or partnering on major events and conferences.
8. Last year, the City Corporation launched *Vision for Economic Growth: a Roadmap to Prosperity*, the City's strategy to raise investment levels, transform tech and digital, drive the net zero transition, and enhance world-class promotion. In 2023, one core objective was to promote and influence key actors regarding *Vision for Economic Growth*, as well as to strengthen relationships with key influencers and policy makers in the areas covered by the report. In 2024, this will continue to be the strategy guiding our financial and professional services work.
9. There are other areas of strategic importance to the City Corporation where targeted engagement is beneficial and additional resource is needed to deliver dedicated programmes. For instance, fraud accounts for approximately 40% of all

estimated crime in England and Wales. Fraud has grown significantly as new technologies are exploited. The City is the internationally recognised financial heart of the UK and has well established relationships and reputation with financial institutions within the UK and globally. The City of London Police (CoLP) is the National Lead Force for fraud and the National Police Chiefs' Council lead for economic and cyber-crime. This entails coordinating and supporting national, regional and local police forces to tackle fraud, economic and cyber-crime across England and Wales.

10. Working alongside colleagues across Remembrancer's, Innovation and Growth and the Police Authority Board, it is proposed that the organisation dedicate more resource to coordinated development of strategic messaging, and engaging with key actors on fraud, to inform and strengthen relationships with key influencers and policy makers around fraud and economic crime.
11. Another area of interest for the City Corporation is financial inclusion and the overall role that FPS sector can play in social mobility. Previous PIF funding was secured to deliver a small pilot with the Financial Literacy and Inclusion Campaign which concluded in Spring 2023. While there was demonstrated impact from the pilot, there is no long-term funding or officer resource and attention focused on financial inclusion. A portion of this allocation could be dedicated to exploring further where the City Corporation can have an impact in this policy area.

## **Outcomes, Economy and Delivery**

12. Flexibility will need to be maintained to ensure that the City Corporation can be reactive to key opportunities that arise. All proposed activity is over and above the yearly activity already undertaken by the Corporate Affairs and Remembrancer's Teams. In order to develop this bid, indicative costs below have been explored through insight gathering, though no funding or formal agreements have been entered into at this time. Should funding be approved, the following range of opportunities would be explored:
  - a. Partnership with a media partner across 2024/2025 that allows for targeted interventions that will increase profile, reputation and demonstrate our impact. [Estimated / indicative cost: **£30,000**]
  - b. Delivery of an additional series of roundtables above what the Corporate Affairs team would deliver in a typical year on key policy areas such as fraud and competitiveness. [Estimated / indicative cost: **£10,000**]
  - c. Additional partnership with an academic institution or think tank on reports or papers investigating key areas of interest to the City Corporation. Potential topics to explore in particular are on the impact of FPS on the country, trade policy, fraud and financial inclusion. Reports would be released in 2024 in the run-up to manifesto development and the General Election. Exploratory meetings have taken place to confirm possible scope and costings. [Estimated / indicative cost: **£25,000**]
  - d. Partnership with a strategic advisory firm to provide Member and Officer briefings to ensure all are briefed and well-informed on the Opposition's approach to key policy areas, such as Financial and Professional Services. [Estimated / indicative cost: **£10,000**]

- e. Proactively targeting additional large conferences or events for the City Corporation to partner on, ensuring speaking engagements for senior Members and attendance at the events. In return for any financial support (which traditionally would be venue space, catering or AV/tech), the City Corporation would be appropriately recognised through brand and message promotion, given an opportunity for speaking remarks. [Estimated / indicative cost: **£10,000**]
  - f. Membership of additional influential think tank Corporate Forums and Councils for the year 2024/2025, where there is clear policy alignment, to ensure opportunities to engage and representation by City Corporation Members during key policy discussions and conferences. These seats frequently allow for front bench engagement and position Members alongside other senior leaders. [Estimated / indicative cost: **£52,000**]
13. Subject to Members approval of the overall funding, further discussions will be taken forward to finalise the terms of partnership with key organisations, negotiating to obtain the most cost-effective partnerships and contracts to ensure best value for money. A delivery plan including timeline for 2024/2025 will be developed to align with the outlined suggested activity.
14. Success of the project would be determined by completed delivery of the specified Outcomes.
15. It is proposed that an update is prepared and delivered to the Communications & Corporate Affairs Sub Committee for each Committee so it can monitor the plans for engagement and outcomes during this period. Any unspent amount will be returned to the PIF account and can be spent on other initiatives as determined by the Policy & Resources Committee. Progress Update will be provided at the end as specified in the new Contingency Fund Bid Policy.
16. Benefit Sustainment

### **Corporate & Strategic Implications**

17. Strategic Implications – As well as supporting the priorities set out in the new Vision for Economic Growth strategy, the proposals in this paper will align to the City Corporation's new Corporate Plan outcomes of 'dynamic economic growth' and 'diverse engaged communities'.
18. Financial Implications – Owing to the expenditure commitment required to engage meaningfully across 2024/2025 on areas of strategic interest to the City Corporation, it is proposed that an additional allocation of £137,000 be drawn from the 2024/25 Policy Initiative Fund categorised as 'Promoting the City' and charged to City's Estate. The current uncommitted balance in the 2024/25 PIF is £505,000 prior to any allowances being made for any other proposals on this agenda.
19. Resource Implications – None.
20. Legal Implications – Any agreements will be checked for legal implications with the Comptroller and City Solicitor once finalised.

21. Risk Implications – None.

22. Equalities Implications – There are no immediate equalities implications as a result of the proposals set out in this paper.

23. Climate Implications – None.

24. Security Implications – None.

## **Conclusion**

25. This report provides an update to Members on the proposals in negotiation to ensure the City Corporation is well positioned to engage meaningfully with stakeholders and partners during the course of 2024/2025. It is proposed that £137,000 be allocated to cover costs of strategic engagement and partnerships and that the Communications & Corporate Affairs Sub Committee continue to monitor the plans for engagement during this period. Any unspent amount will be returned to the PIF account and can be spent on other initiatives as determined by the Committee.

## **Kristy Sandino**

Assistant Director, Corporate Affairs

E: [Kristy.Sandino@cityoflondon.gov.uk](mailto:Kristy.Sandino@cityoflondon.gov.uk)