

## Innovation and Growth

*Innovation and Growth (IG) works to **strengthen the UK's financial and professional services (FPS)** creating jobs and growth right across the UK. Our programmes in this area support the recommendations in the corporation's **Vision for Economic Growth Report** and are aligned to the **Competitiveness Strategy 2021-25**. IG's second pillar is Destination City, which has a focus on the Square Mile to **increase footfall and bring visitor spend** back to pre-pandemic levels. IG's third pillar is to co-ordinate performance delivering the Climate Action Strategy (CAS). CAS delivers the **Corporation's transition to net zero and creates climate resilience for the Square Mile and Corporation assets**.*

### Our aims and objectives are...

*On the **competitiveness** of the UK as the world's leading global hub for **financial and professional services (FPS)** we work to keep the UK **innovative in technology**, leaders in **sustainable finance** and **open & global**.*

*On **Destination City**, we increase footfall that encourages spend; creating a seven-day-a-week leisure destination for UK and international visitors, workers, and residents to enjoy.*

*On **Climate Action**, we are aiming to be net zero in our operations by 2027, extending this out to our full value chain by 2040. By 2040 we will also increase climate resilience and support the achievement of net zero in the Square Mile.*

### What's changed since last year...

- Delivered *Vision for Economic Growth: A Roadmap to Prosperity*, spearheaded by industry leaders and informed by engagement with over 300 organisations.
- Launched a US presence to deepen impact on trade promotion and policy with the UK's biggest trade partner.
- Secured 11 signatories of [Mansion House Compact](#), an industry-led voluntary expression of intent to take meaningful action to secure better outcomes for UK savers through increased investment in unlisted equities. The signatories represent £400bn AuM, over two thirds of the UK's entire defined contribution pensions workplace market and could unlock up to £50bn of investment into high growth companies.
- Launched Destination City's new leisure brand, promotional channels and delivered a series of seasonal activations including Coronation events, Pride and the Bartholomew Fair.
- Prepared a one-year on Review of Destination City to consider how expectations of the programme are met through a Corporation-wide approach.
- During FY 2022/23, reduced the City Corporation's Scopes 1 and 2 net emissions by 66% since the baseline year (2018/19)
- Between 2018/19 and 2022/23 we achieved 18% reduction in emissions across the entire value chain, including notable 19% reduction in emissions from financial investments (which make up 50% of scope 3).

# Our 2024/25 timeline planner priority workstreams and key milestones\*



Innovation & Growth 2024/25 Business Plan



\*Some milestones are dependent on the outcomes of the general election and political appetite to deliver them

\*\*Indicative only - all Destination City activity is subject to the ongoing review

# Our major workstreams this year will be

| Workstream Name   | Funding allocation %                  | People resource %                     | Prioritisation category  | Dependencies  | Outcomes/ Impacts  | KPI  | Update Schedule             | 24/25 Target                                 | 22/23 Baseline  |
|---|---------------------------------------|---------------------------------------|--|---|--|--|-----------------------------|--|---|
| Update of the Competitiveness Strategy which runs to 2025   | Tbc pending detailed project planning | Tbc pending detailed project planning | 5. Power & Discretionary<br>4. Priority Outcome (Organisation) | Corporate Plan 2024-29  | Strong basis for COL competitiveness work from 2025  | 1. Annual Benchmarking Score Composite (Drawn from 101 indicators)                               | Annual through Benchmarking | Retain No 1 Position                         | 1 in rank. TBC/100 in 2023; 61st/100 in 2022 <a href="#">Benchmarking Dashboard</a>   |
| Open & Global –<br><br>Ensuring that UK is a global gateway for FPS business. We strengthen and promote a world class business environment which has unparalleled global reach to talent, capital and export capacity | 30%                                   | 25%                                   | 5. Power & Discretionary<br>4. Priority Outcome (Organisation) | Corporate Plan 2024-29<br><br>General election/ political environment | Unparalleled global reach to talent, capital and export capacity.<br><br>Strengthened UK policy and regulation that supports a friction-free trade experience. | 2. Growth of core financial services Asset Management, Insurance, Banking (IA/BCG, SwissRe, BIS) | Annual through Benchmarking | Grow absolute value of core FS over 3 years. | Asset Management = £10.3tn Global Market Share. Insurance = LMG \$121bn gross written premium (2020). Banking = \$5.3tn Cross border banking claims/\$5.4tn of Cross border banking liabilities |
|   |                                       |                                       |  |   |  | 3. FS FDI (fDi Markets)  | Annual through Benchmarking | UK FPS FDI = £2bn in 2022.                   | Positive annual growth rate over 3 years  |
|   |                                       |                                       |  |   |  | 4. Benchmarking talent score (Drawn from 22 indicators)  | Annual through Benchmarking | Rank = 1 Score = 63 (+3)                     | Maintain No 1 Ranking. Increase Score   |
|   |                                       |                                       |  |   |  | 5. Benchmarking regulatory and legal score (Drawn from 20 indicators)                            | Annual through Benchmarking | Target No.1 position and increase score      | Rank = 2 Score = 66   |

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|--|----------------------|-------------------|---|--|--|--|-----------------|--|---|
| <p>Sustainable Finance</p> <p>Positioning the UK as a one-stop shop; the go-to partner for countries and companies, looking for capital and expertise, to help them meet their sustainability goals.</p>   | 27%                  | 23%               | <p>5. Power &amp; Discretionary</p> <p>4. Priority Outcome (Organisation)</p> | <p>Corporate Plan 2024-29</p> <p>General election/political environment</p>                    | <p>Be the partner of choice for capital and expertise on green and social impact finance, helping countries, cities and companies meet sustainability goals.</p>   | 5. Z/Yen Green Finance Index (z/Yen)   | Bi-Annual       | Maintain No 1 Ranking. Increase Rating   | Rank = 1 Rating = 631 (-11)   |
| <p>Innovation in Technology</p> <p>Ensure that UK FPS – and our financial system – is recognised as Globally Leading in Technology. This will require access to the right combination of skills, innovation, infrastructure, and investment.</p> | 26%                  | 21%               | <p>5. Power &amp; Discretionary</p> <p>4. Priority Outcome (Organisation)</p> | <p>Corporate Plan 2024-29</p> <p>General election/political environment</p>                    | <p>Keep the UK's FPS at the forefront of tech adoption and innovation.</p> <ul style="list-style-type: none"> <li>– Ensure that UK FPS – and our financial system – is recognised as Globally Leading in Tech.</li> <li>– Access the right combination of skills, innovation, infrastructure, and investment.</li> </ul> | <p>KPI to be determined to reflect Association of British Insurers annual monitoring of impact of Mansion House Compact (starts June 24)</p> | Annual          | <p>Robust data is currently unavailable</p> <p>Targets and baseline to be set in consultation with key stakeholders in the context of the Growth Capital project tbc</p> |   |
| <p>Destination City</p> <p>Delivering a transformation underpinned by sustainable, inclusive &amp; innovative ideas &amp; commercial partnerships.</p>   | 17%                  | 26%               | <p>5. Power &amp; Discretionary</p> <p>4. Priority Outcome (Organisation)</p> | <p>A cross-corporation approach to delivery with COL departments driving respective areas.</p> | <p>Footfall and spend performance</p> <p>Improved consumer perception, NPS rating,</p>   | 7. Drive footfall that encourages spend. Deliver ROI on growth BID budget through new commercial and contra-deal brand partnerships.         | Annual          | <p>Programme targets to be reset and ratified following Paul Martin Review</p>   | <p>Annual performance to be added once Insight Programme is live with robust, reliable and regular reporting.</p> |

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|---|---|-------------------|---|--|--|--|-----------------|--|---------------------------------|
| <p>Climate Action</p> <p>Support the achievement of net zero emissions</p> <p>Build climate resilience.</p> <p>Champion sustainable growth.</p> | <p>100% Central Risk (67%, City Fund, 27% City Cash and 6% BHE)</p> | <p>4%</p>         | <p>4. Power &amp; Mandatory</p> <p>4. Priority Outcome (Organisation)</p> | <p>Funding of Cyclical Works Programme, buy-in of SLT and Membership (N.B . CAS is a multi-project programme, not a project)</p> | <p>Net zero in operations by 2027, NZ in value chain and Square Mile by 2040 and delivery climate resilience</p> | <p>Reduction in kilo tonne of carbon dioxide equivalent.</p> | <p>Annual</p>   | <p>Decreasing emissions over 3 years.</p> <p>Target net-zero</p> | <p>Reduced emissions by 66%</p> |

## Our strategic commitments

### Strategies 1 – 4 deliver against Vision for Economic Growth

#### Strategy 1. Attract and Retain Firms' Talent Capital and Export Proposition

- Pitch strengths of the UK, such as insurance, globally
- Growth of UK AUM.
- Drive cross UK growth for Tech

#### Strategy 3. Retain volume of capital, firms, talent and exports

- Increase digital and AI skills in FPS
- Support tech to start stay and scale
- Boost the skills supply needed to decarbonise the commercial built environment
- Monitor trends and international benchmarking across FPS activity

#### Strategy 5. Destination City

- Increase footfall and spend within the City.
- Promote the City's diverse culture and leisure offer.
- Martin Review to set out refreshed post pandemic strategy in early 2024.



#### Strategy 2. Nurture an Innovative Ecosystem

- Greater availability of green and impact finance, and services from the UK.
- Integrate tech across UK FPS
- Provide global leadership from the UK on green and other forms of sustainable finance

#### Strategy 4. Retain a World-Class Business Environment

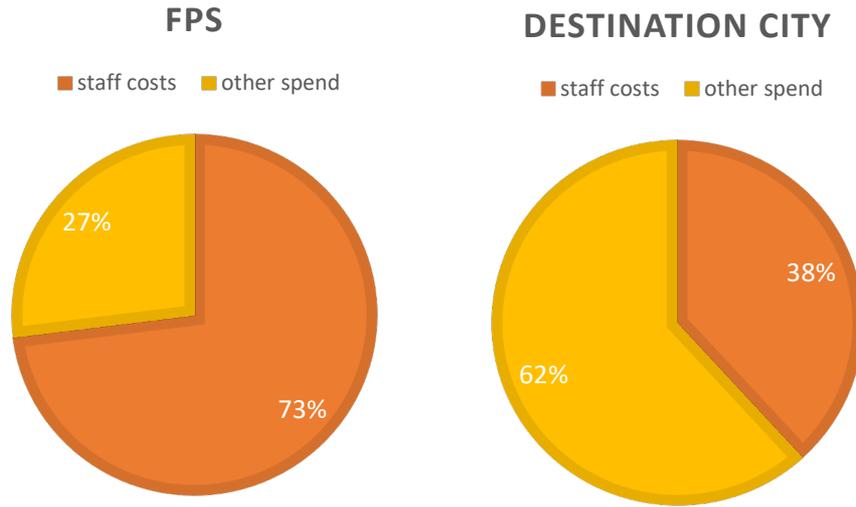
- Increase access to talent.
- Strengthen international competitiveness of UK FPS policy and regulation.
- Protect and increase access to key jurisdictions with a particular focus on environmental services and digital trade.

#### Strategy 6. Climate Action

- Improve energy efficiency by retrofitting our buildings and maximising the use of renewable energy.
- Embed circular economy principles into our building projects and reducing the carbon intensity of materials and design approaches.
- Enhance and protect carbon removal in our green spaces.
- Integrate climate considerations into all our decisions.
- Governed by cross-Corporate Climate Action Strategy 2021-2027 involving 13 workstreams delivered by 6 departments

## Where our money comes from and what we spend it on

Total 2024-25 budget estimate allocation (excluding CAS) is £9.168m (FPS) and £4.072m (DC), with c. 53% of this coming from City's Estate and 47% from City Fund



### Medium Term Plans under consideration (2025/26 and 2026/27)

| Priority list ( e.g. new legislation, services, projects, automation) | 2025/26 | 2026/27 | Funded or Unfunded |
|---|---------|---------|--------------------|
| CAS Programme delivery (13 project plans)                             | x       | x       | Funded             |
| FPS Competitiveness Strategy  | x       | x       | Funded             |
| Destination City Programme  |         |         | Partially funded   |
| P&R Growth Bid Budget   | x       |         |                    |
| CHL Budget  | x       | x       |                    |

## Key Risks

| Risk Title   | Score |
|--|-------|
| CR02 - Loss of Business Support for the City.  | 12    |
| CR30 - Insufficient resources and prioritisation allocated to Climate Action.            | 12    |
| IG-DC-01 - Major Incident at a programme (e.g. terrorist, vandalism, economic incident). | 12    |

## Corporate Risks

| Likelihood | Minor | Serious | Major | Extreme |
|------------|-------|---------|-------|---------|
| Likely     | 0     | 0       | 0     | 0       |
| Possible   | 0     | 0       | 2     | 0       |
| Unlikely   | 0     | 0       | 0     | 0       |
| Rare       | 0     | 0       | 0     | 0       |

Impact

# Operational Property Utilisation Assessment

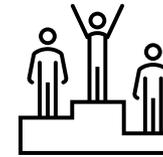
| Asset name              | Assessment Complete? | Assessment Completion Date |
|-------------------------|----------------------|----------------------------|
| Guildhall               | Y                    | October 2023               |
| Guildhall Art Gallery   | Y                    | November 2023              |
| City Information Centre | Y                    | November 2023              |
| Roman Baths             | Y                    | November 2023              |

## Partners we work with



# Our Impacts

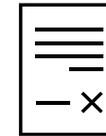
**1<sup>st</sup>** most competitive financial centre



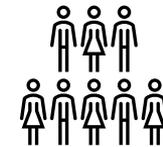
**£24bn** investment to UK tech companies



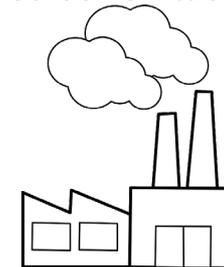
**11 signatories** of the Mansion House Compact representing over **£400bn in assets**



GIF has chieved a healthy pipeline of **48 mainly boutique asset managers**



**66%** reduction in carbon emissions



**27%** reduction of fuel combustion in our buildings



**700** trees planted



## Our People

### 2022 Staff Engagement score

- FPS 54% (+2 vs COL)
- DC 33% (-18 vs COL, survey coincided with TOM)

### Plans to increase staff engagement

#### Career and L&D

- Signposting L&D and career support offers and building a library of peer reviewed L&D opportunities based on our own experiences.
- Increased access and visibility of development opportunities.
- Developing IG’s internal L&D offer through peer support, lunch and learns etc delivered in collaboration with colleagues in OPC, Mansion House, Corporate Affairs and the Remembrancer department.
- Encouraging internal recruitment, and progression for junior staff as roles become available.

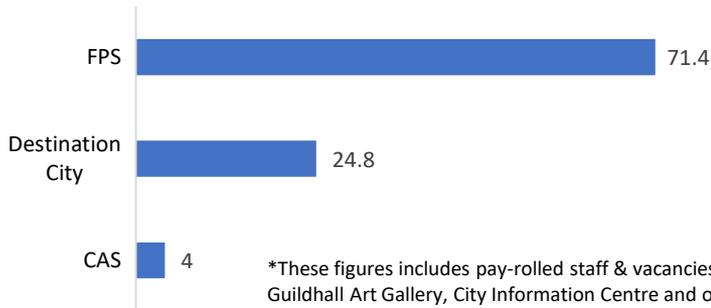
#### Culture

- Establishing a programme of work to establish a supportive and collaborative culture with an emphasis on wellbeing.
- Improving IG’s change management through better comms and improved project management approaches.
- Internal restructure to strengthen our strategic support functions by bringing them together into the new Strategic Operations & Engagement Directorate to enable better sharing of resource and economies of scale.
- Improving structure, decision making mechanisms and comms from SMT through support from the new Directors office.

### Equality Diversity & Inclusion

IG has established an EDI Council which is producing our department EDI plan. The Council is open to anyone in IG and sponsored by a member of the Senior Management Team. The Council will reflect the Corporation's EDI objectives, feed into Corporate wide programmes and provide EDI leadership within the Department. It also recognises the need to embed EDI in our programmes as we seek to influence industry and policy makers.

### IG FTE\*



\*These figures includes pay-rolled staff & vacancies based in Guildhall, Guildhall Art Gallery, City Information Centre and our EU office. This does not include other overseas staff (We are also responsible for our global offices in China, the EU, India and (from 2024) the USA.) It does not include hosted organisations. (correct as of Feb 2024)

### Our Work Locations\*

(FTE people resources )

|                         |          |
|-------------------------|----------|
| Guildhall complex       | 88.2 FTE |
| City Information Centre | 6 FTE    |
| EU office               | 6 FTE    |