

<b>Committee(s):</b> Policy & Resources Committee	<b>Dated:</b> 07/11/2024
<b>Subject:</b> UN Global Compact and Sustainable Development Goals (SDGs) - Communication on Engagement 2024	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	All
<b>Does this proposal require extra revenue and/or capital spending?</b>	Y/N
<b>If so, how much?</b>	N/A
<b>What is the source of Funding?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	N/A
<b>Report of:</b> Dionne Corradine, Chief Strategy Officer	<b>For Decision</b>
<b>Report author:</b> Alice Reeves, Assistant Director of Corporate Performance & Analysis, Town Clerk's Department.	

### Summary

As a participant in the United Nations Global Compact (UNGC), the City of London Corporation is required to produce a Communication on Engagement every two years, reaffirming its support and outlining the actions taken to support the UN Global Compact and its Ten Principles. The next Communication on Engagement is due on 19 December 2024.

The Communication on Engagement provides a retrospective summary for 2023 and 2024, demonstrating our ongoing policy commitment to the UNGC in the areas of Human Rights, Labour, Environment and Anti-Corruption.

Members previously agreed three themes of action for the City Corporation in relation to its commitment to the UN Sustainable Development Goals (SDGs), to

- Embed relevant SDGs into strategy development, implementation and reporting processes
- Demonstrate the actions the City Corporation is taking to achieve the SDGs, by reporting actions on SDG partnership platforms – both UK and Global
- Take part in business initiatives focused on the SDGs and use our influence to encourage other businesses to take part.

## Recommendation(s)

Members are asked to:

- Approve the UN Global Compact and Sustainable Development Goals Communication on Engagement 2024 at **Appendix 1**.
- Authorise the Chief Strategy Officer, in consultation with the Chair and Deputy Chair, to approve any final changes which may be required following Committee and, once approved, authorise the Chief Strategy Officer to submit the Communication on Engagement 2024 for publication on the UNGC website, in accordance with the deadline of 19 December 2024.
- Note the annual £550 + VAT membership fee to the UNGC, and that Officers will review our membership and the requirement for future reports, prioritising the value added to the City of London Corporation in doing our business.
- Note that commitment to the UN SDGs is sustained through our policy and ongoing activities in the three themes previously agreed by members of the Policy and Resources Committee.

## Main Report

### Background

1. In September 2020, the Policy and Resources Committee agreed that the City of London Corporation should be a signatory to the UN Global Compact (UNGC). This commitment, agreed by a previous administration of the Court, is a legacy of the Responsible Business Strategy which commenced in 2018 and integrated into business as usual in 2021.
2. There are over 25,000 participants in the UNGC, the majority of which are businesses. As a non-business signatory to the UNGC, the City of London Corporation is registered as one of 46 city participants<sup>1</sup>. In the UK, Derby City Council is also a signatory, and some other UK local authorities reference the UN Sustainable Development Goals (SDGs) in their corporate strategies and reports but are not signatories to the UN Global Compact.
3. The City of London Corporation is committed to working towards achieving the SDGs and supporting the UN Global Compact, and its ten principles, in its ambition to drive business awareness and action to achieve the SDGs. The relationship between specific SDGs is sustained through City Corporation strategies, policies, and initiatives; for example, the Responsible Procurement Supply Chain Commitments.

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<sup>1</sup> The UN Global Compact was originally set up as an initiative for businesses. It is now open to other types of organisations, collectively referred to as “non-business participants”. Types of organisations under the “non-business participant” banner include academic institutions, public sector organisations, and cities/municipalities. The City of London Corporation is registered as a city/municipality.

## **Current Position**

4. As a non-business participant, the City of London Corporation is required to demonstrate its continued engagement with the UN Global Compact by submitting a Communication on Engagement (COE) every two years. The COE discloses to stakeholders the specific activities that a non-business participant takes in support of the UN Global Compact.
5. The UNGC stipulate the following minimum requirements for a COE:
  - A statement by the chief executive or equivalent expressing continued support for the UN Global Compact and renewing the participant's ongoing commitment to the initiative.
  - A description of the practical actions that the organisation has taken to support the UN Global Compact principles and to engage with the initiative.
  - Measurement of outcomes.
6. Information from across the City Corporation has been gathered to form a retrospective summary for 2023 and 2024, demonstrating our activity, outcomes, and ongoing policy commitment to the UNGC in the areas of Human Rights, Labour, Environment and Anti-Corruption.

## **Options**

7. Recommended: Members authorise the Chief Strategy Officer, in consultation with the Chair and Deputy Chair, to approve any final changes which may be required following Committee and, once approved, authorise the Chief Strategy Officer to submit the Communication on Engagement 2024 for publication on the UNGC website, in accordance with the deadline of 19 December 2024.
8. Not recommended: Members decide that the Communication on Engagement should be redrafted and returned to them for later approval. This would require making a formal request to the UNGC, published on their website, for a ninety-day extension in which to submit the report, for a new deadline of 19 March 2025.
9. Not recommended: Members decide that City Corporation should not submit a Communication on Engagement for 2024. The City Corporation would be publicly recorded as "non-communicating" for 2024 on the UNGC website and would subsequently be expelled from the UNGC if no Communication on Engagement is submitted by 19 December 2025.
10. Not recommended: Members decide that the City of London Corporation should withdraw from participation in the UN Global Compact. This would require communicating the decision and reasoning to the UNGC and would result in the City of London Corporation being publicly recorded as a delisted participant.

## Proposals

11. That members of Policy & Resources Committee authorise the Chief Strategy Officer, in consultation with the Chair and Deputy Chair, to approve any final changes which may be required following Committee and, once approved, authorise the Chief Strategy Officer to submit the Communication on Engagement 2024 for publication on the UNGC website, in accordance with the deadline of 19 December 2024.
12. Note the annual £550 + VAT membership fee to the UNGC, and that Officers will review our membership and the requirement for future reports, prioritising the value added to the City of London Corporation in doing our business.
13. Note that commitment to the UN Sustainable Development Goals is delivered through our policies and ongoing activities in the three themes previously agreed to:
  - Embed relevant SDGs into strategy development, implementation and reporting processes.
  - Demonstrate the actions the City Corporation is taking to achieve the SDGs, by reporting actions on SDG partnership platforms – both UK and Global.
  - Take part in business initiatives focused on the SDGs and use our influence to encourage other businesses to take part.

## Corporate & Strategic Implications

Strategic implications – Relevant SDGs into are embedded into corporate strategy development, implementation and reporting processes. This report provides an aggregated summary of activity.

Financial implications – There is an ongoing annual cost of £550 + VAT to support the City of London Corporation's continued membership of the UN Global Compact. This was funded by the Policy Initiative Fund for 2020-22, and from the Corporate Strategy and Performance Team budget in 2023 and 2024. It is unfunded for FY2024-25.

Resource implications – The Responsible Business Strategy 2018-2023 has been embedded into City of London Corporation Business as Usual activity. However, there is considerable staff resource time invested in compiling the Communication on Engagement every two years.

Legal implications – None.

Risk implications – There is a reputational risk if the City of London Corporation were to be recorded as non-communicative or delisted from the UN Global Compact.

Equalities implications – None.

Climate implications – None.

Security implications – None.

## Conclusion

14. Commitment to the UN SDGs is a public demonstration of our ongoing, positive and effective efforts in the four action areas in our operations, our supply chain and our partnerships with responsible businesses in the City. Our participation encourages and influences businesses located in the City and beyond to demonstrate their own commitment to the principles of the UN Global Compact.

## Appendices

- Appendix 1 – City of London Corporation UN Global Compact and Sustainable Development Goals Communication on Engagement 2024

## Background Papers

Previous report to Committee on this subject:

[Commitment to UN Sustainable Development Goals \(24 September 2020\)](#)

[UN Sustainable Development Goals Communication of Progress Report \(17 November 2022 - Committee Report\)](#)

[City of London Corporation Communication of Progress Report 2022 \(17 November 2022 - Appendix 1\)](#)

Link to listing on UN Global Compact website:

[City of London Corporation | UN Global Compact](#)

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