

**City Dinner**  
**Mansion House**  
**Monday 16<sup>th</sup> October 2023**  
The Rt Hon The Lord Mayor of London  
Alderman Nicholas Lyons

Good evening and a very warm welcome to Mansion House for our annual City dinner, where we welcome our regulators to thank them for all they do for the City of London and UK financial services, and also badger them a little bit about what other things we would like them to do as well.

In all seriousness, I would like to say a huge thank you to Sam and Nikhil, and to all your staff at the PRA, the FCA and the Bank of England, for keeping our financial system safe, secure, and trusted.

It has been an intense period for financial regulation – with banking turmoil at home and overseas to contend with – handled very professionally by the PRA and FCA - along with inflation, global instability, the climate crisis, and technological developments moving not just the goalposts but the entire pitch.

I would also like to thank you for your support for the financial inclusion agenda, particularly the work and the recommendations of the Financial Literacy and Inclusion Steering Group.

So, on behalf of the whole of the City of London, thank you.

And, before I go any further, there is another group of people I would like to recognise tonight: the Mansion House Scholars.

For 25 years, the Mansion House Scholarship Scheme has helped exceptional young professionals from around the world to train in the UK financial services sector.

This year, for the first time, we have scholars from the Republic of Ireland, Senegal and Ethiopia. We also have scholars from Chile, Poland and Ukraine.

Could I ask this year's Mansion House Scholars to please stand up...

Thank you, and we wish you all the best of luck. You have made an excellent choice to study in the UK.

And you are a reminder of how the workforce of this financial centre is international and diverse, and all the stronger for it.

The joint consultation paper recently launched by the FCA and PRA on diversity and inclusion in financial services is being carefully examined by firms and trade associations.

In recent years, the City Corporation has continued to support the efforts for greater diversity... from sponsoring the Women In Finance Charter...to leading Progress Together, the organisation chaired by my predecessor, Alderman Vincent Keaveny.

This group is driving socio-economic diversity in financial services, making sure we have people from a wide range of backgrounds at senior levels.

We look forward to engaging on the proposals for a new regulatory framework on Diversity and Inclusion.

Engaging with the regulators is one of the most important things which we do, and we always value the closeness and the confidence which this inspires.

We welcome regulators' efforts to fulfil their secondary objective... of facilitating international competitiveness and economic growth,

and to establish the metrics for measuring progress - strongly supported by the sector, which is keen to ensure this is part of our regulatory culture, from top to bottom.

I know the regulators have held conferences and consultations on how they and the sector can work together to drive economic growth.

Fortunately, we have an answer:

Last month, alongside our Policy Chairman Chris Hayward, I spoke at the launch of the City Corporation's *Vision for Economic Growth*, an industry-led roadmap for the future of UK financial services, which more than 300 stakeholders fed into.

It sets out the route to ensure maximum competitiveness, so our world-leading sector can drive economic growth across the UK.

I encourage you all to read the report - you can do so by scanning the QR codes on the cards in front of you.

This is an opportunity for our regulators to lead the way.

It is not about deregulation, but e-regulation.

Maintaining the highest of standards, applied in an agile, collaborative way, using the latest technological advancements.

We depend on world-class regulation, because the high standards here are often derived from international standards which we have helped to structure in the first place.

We equally depend on world-class implementation of those standards - implementation which is agile, proportionate and predictable.

This is a critical part of driving growth, and ensuring that the UK will always provide a great home for financial and professional services.

The *Vision For Economic Growth* is about ensuring that growth and competitiveness continue to reinforce one another, mutually.

It makes recommendations across the board, including many where industry needs to work in partnership with regulators.

A central proposal is bringing government, regulators and industry together in a Partnership Council, in support of a UK FPS Strategy where Government sets out how it will continue to set the conditions for growth for the sector.

We want all parties to consider these ideas.

I note that Iain Anderson has been asked to lead an Independent Review by Labour on government-business partnership, and I very much hope that the Review will look very closely at our proposals.

We suggest a major secondment programme between industry, regulators and government, to help strengthen skills and encourage innovation.

Perhaps we could take inspiration from the Now Teach example, and bring in more experienced professionals at a later stage in their careers: "Now Regulate."

We advocate a new FPS Knowledge and Support Hub for the sector, which would draw on the expertise, the insights and the international connectivity of our regulators, to showcase the UK's financial and professional services sector on the world stage like never before...

...And to develop international networks for innovation, building on the leadership already being shown by the FCA and PRA in bodies such as the Global Financial Innovation Network, the Basel Committee and the IAIS.

Raising investment levels is central to the *Vision for Economic Growth*.

Regulators, not least in the pensions sector, have an important part to play in enabling improved returns to savers, by encouraging greater investment in unlisted asset classes like infrastructure, real estate, private debt and private equity – building on the Mansion House Compact and Mansion House reforms, and moving from intent to implementation.

We also commend TheCityUK's report this year on '*Improving regulatory efficiency on authorisations*', which suggests further steps to improve the authorisation processes - making sure we bring down any unnecessary barriers to international firms investing and expanding here.

And above all, at the heart of the *Vision for Economic Growth*, is a Digital-first Britain.

Regulators have a crucial part to play on digital verification, digital company filing, and machine-readable regulation.

Continued investment into innovative technology and financial supervision, building on the FCA's and Bank of England's pilots on digital regulatory reporting, will be critical.

All of this depends on regulators working in partnership with each other, across sectors, to meet the challenges and make the most of the opportunities.

The *Vision for Economic Growth* highlights two areas where very close, collaborative working by the regulators will make a positive difference.

Working closer together for today's tasks, such as looking at a firm's strategy together, rather than separately.

And working closer for tomorrow's tasks: cooperating to make the most of new technology, such as AI, tokenisation, the digital pound – or 'Bitcoin' as it has become known.

The Digital Regulation Cooperation Forum, which Nikhil is soon to chair, is a great start, and one which we will need to build on in the years ahead.

With a renewed partnership between regulators, government and industry, we can unlock investment, we can drive innovation, and we can achieve better results for consumers, for citizens and for businesses.

I very much look forward to hearing from Nikhil and Sam.

And I thank you for all you do to keep the UK's financial services the best in the world.

Thank you.

- **END** -