



The London Government Dinner

Egyptian Hall, Mansion House

Thursday 12th January 2023

The Rt Hon The Lord Mayor of London

Alderman Nicholas Lyons

Mr Mayor. Ministers. Aldermen. Mr Recorder. Mr Dean. Sheriffs. Chief Commoner. My Lord Mayor of Westminster. Your Worships. Ladies and Gentlemen.

Good evening and welcome to the Mansion House.

I'm Nicholas Lyons, the 694th Lord Mayor of London...and it is my great pleasure to host you tonight for the London Government Dinner.

This event is a chance for us to come together to celebrate the excellent work happening across our capital...and discuss key issues facing the city today.

The Chair of London Councils usually speaks at this event, but, unfortunately, Councillor Georgia Gould is unwell.

I know she was very much looking forward to being here...and we wish her a speedy recovery.

I am delighted that our other speaker - the Mayor of London, Sadiq Khan - could join us at Mansion House once more this evening.

Mr Mayor,

My Speechwriter tells me that people's eyes *light up* when she informs them that she writes for the Mayor of London...

...but the excitement soon fades when she has to clarify, “no, not Sadiq...the other one.”

I’d also like to take this opportunity to thank, John Barradell, the City Corporation’s outgoing Town Clerk - who’s known to many of you - for a decade of tireless service.

Context

The last London Government Dinner happened a mere eight months ago, and it’s hard to comprehend the scale of change that has taken place since then.

The war in Ukraine has entered its eleventh month...

...and our city has hosted nearly a third of those Ukrainian refugees seeking safety in the UK.

In September, we lost our beloved monarch, Queen Elizabeth...

...and London was the backdrop for key events to mark her life...and welcome King Charles III to the throne.

The keys to No.10 changed hands twice, and to No.11 three times...

...and I was pleased to host the current Prime Minister, Rishi Sunak, at the Lord Mayor’s Banquet shortly after he took office.

In May, my predecessor spoke of the need for us to pull together to support London’s economic recovery.

A task that is now more complex - and more pressing - as the cost of living crisis has deepened.

For many Londoners, Christmas 2022 will have been one of hard choices...

And it’s no surprise that 77% of people think living costs are the most *important* issue facing the capital today.

Levelling up

In this context, the mission to “level up” our country gains fresh impetus.

Boosting jobs, pay and living standards...spreading opportunity...restoring local pride...

The objectives that sit behind “levelling up” are more relevant now, than ever.

But the narrative needs to change.

For too long, London has been cast as the villain in our national story: sucking the life and wealth out of regions like an evil fairy godmother on a quest for eternal beauty.

As we begin a New Year, commentators should cast the caricatures aside and recognise:

Firstly, that London must be included in any levelling up mission...

And, secondly, that that mission cannot succeed without London.

I know the Minister for London, Paul Scully - who's with us tonight - shares this view...acting as a champion for London within government.

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Friends, you know through your work that London is one of the most unequal places in the country.

50% of London's wealth is owned by the top 10%...

While some 2.5 million Londoners live in poverty.

Like the organisations you represent...the City Corporation is taking action to create a fairer capital.

Last year, we submitted plans to Parliament to relocate the historic Billingsgate and Smithfield markets to a purpose-built site in Dagenham Dock.

Around 42 acres of industrial land will be transformed: stimulating the local economy and bringing around 2,700 new jobs to the area.

Meanwhile, the City Bridge Trust continues to award £28 million each year to support communities across London.

Projects helped by the Trust include a community foodbank in Barnet...an urban garden in Camden...and a charity in New Malden that supports people fleeing the North Korean regime.

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London needs levelling up as much as anywhere else in the UK...

At the same time, the capital also has a critical part to play in making that vision a reality.

Home to a young, international population and leading financial and cultural institutions, London makes a huge contribution to the UK not just via the taxes it collects...but also by the investment it attracts...and the projects and industries it funds.

For example, a Leeds company was contracted to prepare the city's sewer networks for the new Elizabeth Line...and its trains were built in Derby!

With a strong London presence and fast-growing clusters across the UK, the financial and professional services sector I represent is a significant driver of jobs and prosperity around the country.

In the decade to 2020, all UK regions and nations saw the value of their FPS output grow by between 15 and 49%.

And, today, two-thirds of the 2.3 million people who work in the UK FPS sector are based outside of London.

Edinburgh Reforms / Financing our Future

A strong Square Mile - and strong FPS sector - will only support levelling up across the UK.

But, while I'm clear that the road to recovery runs through the City...

...there are some patches to mend on that road if we're to get to our destination in a timely way.

The fact that so many people come to London to study, work and visit is testament to our international reputation...

...but that reputation cannot be taken for granted.

I've worked in the Square Mile for 40 years, and remember a time...before the "Big Bang"...when London was seen as a city in decline.

Fast-forward to today, and our financial institutions and infrastructure have demonstrated resilience and a commitment to long-term stability in the face of economic turmoil...

Yet, London's position as Europe's largest stock market has been challenged, briefly, in recent months.

This reminds us that the City's success is not inevitable...

...and, if we want our FPS sector to continue to be the engine of the UK's economy, now's the time for a jump start.

I'm happy to say there's shared will across the political spectrum for increased investment and growth...spearheaded by an open, competitive capital city.

The opposition wants to "set a new direction on growth", with plans for a National Wealth Fund to invest in homegrown projects across the UK. And I applaud that vision.

Meanwhile, the "Edinburgh Reforms" unveiled by the Chancellor last month should be seen as an inflection point.

Taken alongside the Financial Services and Markets Bill...which provides a framework for Solvency II reforms...these changes promise more agile, proportionate regulation that supports the interests of British businesses and people.

They are a response to vocal calls from the sector to see some benefits from the freedoms afforded to us by Brexit...

...and the City Corporation will work with government and business to ensure they're a success.

As Lord Mayor, it's my job to make sure the city delivers for our country...when it needs us most.

Through my theme, "Financing our Future", I will focus on:

Ensuring that high-growth companies can access vital investment...

Attracting international asset owners to have more of their assets managed in the UK...

Keeping London at the forefront of the global conversation on green and sustainable finance...

And - at the Lord Mayor's Banquet - I spoke of the need for a private sector Future Growth Fund of at least £50 billion to invest in our growth economy,

mobilising our formidable pension fund assets of over £3 trillion. I'm glad to say talks are gathering pace.

During my mayoralty, I'll work alongside the Policy Chairman, Chris Hayward, to attract visitors to the Square Mile through the fantastic "Destination City" initiative.

The opening event, "The Golden Key" was a huge success – drawing over 30,000 people to the Square Mile for a day of theatre and fun.

I'll also promote the City Corporation's "UK Regions and Nations Strategy"...

...which seeks to increase inward investment to regions and build awareness of how London can act as a springboard for regional firms to prosper.

For example, last year, I took a delegation of London-based investors with me for the first time ever on a domestic visit...and helped connect them with innovative Welsh firms looking for growth capital.

Skills

If we're serious about levelling up, we need to unlock the work and life skills of everyone in society...no matter their birthplace or background.

And I know brilliant work is being done across London...for example, Mr Mayor, through your new Jobs and Skills for Londoners fund.

Friend of our late Queen - Paddington Bear - said that "in London, everyone is different, and that means anyone can fit in".

Yet, while quick to include people of different ethnicities and faiths...we've been too slow to embrace *neurodiversity*.

As Europe's top financial hub...the Square Mile can become the most inclusive place for neurodiversity in the world...if we act now.

And I know, Mr Mayor, that you support this goal.

The industry-led forum, Neurodiversity in Business, is doing great work in this space, and I'm pleased its CEO, Dan Harris, is here tonight.

Dan, it's good to know you don't just eat breakfast! Congratulations on your recent shortlisting for a Charity of the Year Award in the British Diversity Awards – a fantastic achievement.

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Now...around eight million adults in England have the numeracy skills of primary school children, and a quarter of UK adults have less than £100 in savings.

During my year as Lord Mayor, I'll focus on promoting financial literacy for all, so that people can improve their mastery of money...and, in turn, their prospects in life.

I'll work with the FT's Financial Literacy Inclusion Campaign, and National Numeracy, a Lord Mayor's Appeal charity partner...and convene a Financial Literacy and Inclusion Summit here at Mansion House.

The private and public sectors must work together on this issue...

So, I was pleased to see the Prime Minister outline an ambition for all pupils in England to study maths to the age of 18.

Conclusion

Thank you, once more, for being here this evening.

It's clear that...as custodians of this great city...we must do more to dispel the assumptions that only hold us back.

Londoners' pockets aren't lined with gold...

And, while the Square Mile punches above its weight on the world stage, we can't take that strength for granted.

Those of us working in London government must continue to speak out for what our capital needs...

To ensure "levelling up" doesn't leave London behind...and to create the conditions that will allow the City to drive investment and growth for the whole UK.

If we get this right, we can create a stronger, fairer capital...within a more prosperous, more equal UK. Thank you.