

NAME/TITLE

Lord Mayor's Conference on Trust and Values

<http://www.icaew.com/~/media/Files/Technical/Ethics/trust-and-values-city-conference-287-11-2011.pdf>

Date: November 2011

Contributors, funders, political or ideological position

Cass Business School, TheCityUK, tomorrow's company, Berwin Leighton Paisner, Ken Costa

ABOUT/KEY MESSAGES (in its own terms)

As Lord Mayor I have seen for myself the importance of the City of London to every one of the 22 countries I have visited to promote UK financial and business services. The reputation of the City as the world's leading financial centre remains strong.

But these are challenging times. We face global economic uncertainty and greater competition in an ever-changing world. The gap with our competitors is narrowing.

Does this initiative offer any compelling narrative for business leaders in particular, i.e. about the purpose and role of business and financial institutions, about values and ethics, about the relationship between business and society?

Those of us who work within the financial system are capable of reforming it in the way needed. And we will only be able to do that if we reconnect the robust search for profit and financial incentives that is core to a free market economy with the moral values that are at its foundation. (Ken Costa)

WHAT QUESTIONS IS THIS INITIATIVE TRYING TO ANSWER?

WHAT PROBLEMS IS THIS INITIATIVE ADDRESSING/ATTEMPTING TO SOLVE?

An important part of our competitive edge is our badge of quality. Probity and integrity are the key elements of this. However, the perception remains that the City does not serve the wider society. Demonstrating that we are worthy of trust and helping the public understand the role we play in supporting growth are crucial to our success.

That is why, back in February, I established an initiative that focused on restoring trust in the City. Our aim was to look at practical ways to embed the right values and behaviours in the DNA of every City business and worker.

HOW DOES THIS INITIATIVE IMAGINE CAPITALISM WILL BE DIFFERENT IN THE FUTURE?

Our ambition is to harness the UK financial services industry, and the talent within it, to society's interest, so that every business and the nation as a whole can prosper. The big steps required are a moral code, delivering sustainable value, partnership with society, transparency, education and global competitiveness.

(TheCityUK Next Generation Vision, developed by 21 young professionals from asset management companies, banks, insurers, business schools, consultants, and accountancy and legal firms, some of whom joined the Trust and Values Conference)

WHAT RECOMMENDATIONS DOES THIS INITIATIVE MAKE FOR THE VARIOUS ACTORS

National governments/regulators

Trading corporations/business leaders/collective business institutions

Investors: individuals and institutional

Financial institutions

This is more about attitudinal change than behavioural compliance or more 'rule-making'.

Following our research, we have established the City Values Forum to take this work forward. This will include developing a new City Obligation, a personal development programme in ethics, HR best practice policy guidelines and training tools and a new approach to governance and values as well as enhancement of our 'integrity resources' website as set out on the pages that follow.

A working party will evaluate and develop a City Obligation to update and refresh the spirit of the phrase 'My word is my bond'.

As part of wider work on best practice approaches, Cass Business School will develop a personal development programme in ethics.

We have launched the 'Integrity Resources' website, which provides a single point of access to ethical standards and advisory materials submitted by numerous professional bodies, enabling individuals, employers and organisations to learn about and adopt best practice. It also includes a synopsis of the Trust and Values Conference.

www.integrityresources.org.uk

International institutions

Does this initiative have anything to say about major medium to long term economic and social issues

- Supplies of the essentials of life: Food, Water, Housing, Energy and Transport
- Climate change, resource depletion, loss of biodiversity
- Population growth and demographic change
- Economic growth, innovation, employment, the distribution of income and wealth
- The governance of business and the financial system; public trust
- The respective roles of government and business
- The respective values of economic, social and environmental capital