

---

# SCOTTISH GOVERNMENT AND THE CITY OF LONDON

---

Partnership Agreement: Framework, Principles and Priorities



**Scottish Government**  
Riaghaltas na h-Alba



JANUARY 2024-JANUARY 2025  
DIRECTORATE FOR INTERNATIONAL TRADE AND INVESTMENT,  
SCOTLAND HOUSE LONDON, AND  
THE CITY OF LONDON CORPORATION

## **Introduction and Executive Summary**

Scotland and London are economic powerhouses for the UK Economy. Scotland is an ancient nation with a track record of innovation and excellence in Financial Services. A nation which led the world in the industrial revolution and is now poised to seize the advantages of future innovation – as we transition to Net Zero. The City of London, itself an ancient institution and governing body of the Square Mile, plays an important role in representing, championing and supporting the development of the Financial and Professional Business Services sector across all four nations of the United Kingdom.

Through working collaboratively, the City of London can support Scotland's ambition to grow a modern, thriving and sustainable financial centre that builds on our heritage and supports our wider economic transformation. By providing access to global investors, collaborating on shared initiatives, engaging the UK Government on issues of common interest, and ensuring the financial and economic benefits of a thriving Financial Services industry are shared across the UK, Scotland has much to gain from nurturing this partnership.

The support of the Scottish Government is also beneficial to the City of London Corporation, which has long recognised the value of Scotland's contribution to the United Kingdom's standing as a world class Financial Services centre, with Scotland offering distinctive specialisms and strengths in banking, asset management and servicing, insurance, pensions and fintech.

Therefore, the Scottish Government and the City of London are natural partners. The City's support and networks are immensely valuable while Scotland's distinctive global offer, array of specialisms and rich history underpin our contribution to this important bilateral relationship.

This partnership between the City of London and the Scottish Government has flourished in recent years – benefitting from the commitment of successive Lord Mayors, Policy Chairs and Scottish Ministers. It is based on a shared understanding that the financial sectors of Scotland and London have more to gain from cooperating and coordinating, than competing.

To recognise the value this relationship provides to both respective parties, the Scottish Government and the City of London have agreed to put in place a framework for engagement activity going forward to identify shared priorities in financial and professional services, utilise our shared networks and expertise, and build a programme of work which can support positive outcomes for both the growth of the sector and for wider investment.

This will culminate in the implementation of a working-level partnership agreement which will seek to galvanise the relationship, drive action on priority areas of mutual interest, and implement processes to achieve positive outcomes for the benefit of both Scotland, London, and the UK.

## **Framework, Principles and Priorities**

To deliver on these ambitions, the Scottish Government has agreed to develop and progress in conjunction with the City of London Corporation (CoLC), a Partnership Agreement. This Agreement sets out key priority areas of shared interest and the programme of activity which will support this.

An integral part of this agreement is the commitment **to host a senior level programme of engagements annually**, with host responsibilities alternating each year between London and Scotland. These visits will culminate in an evening Burns supper event which will provide the opportunity to reflect on the engagements of the day, network with senior figures in the Financial Services sector, and to strengthen the relationship between the City of London and the Scottish Government (SG).

This agreement has been reviewed, following the former Lord Mayor Alderman Nicholas Lyons and Policy Chairman Chris Hayward's visit to Scotland in January 2023, to ensure the outputs from the important discussions that have taken place are reflected in this agreement and align with City of London and current Scottish Government priorities. The agreement will also be informed by the Mayoral agenda of the Lord Mayor Michael Mainelli and the Corporation's policy priorities to ensure the agreement builds on the objectives outlined within. Within the City of London, this agreement will be driven forward by the Policy Chairman to provide long-term support and continuity for the priorities set out.

The agreement will provide a foundation for the relationship going forward and will set out specific areas that have been agreed with City of London Corporation that both sides can work in partnership to deliver in the longer term.

The agreement will empower respective policy areas in Scottish Government and the City of London Corporation to take these forward at an official level as appropriate. Progress will be coordinated and monitored by Scotland House London, who will also facilitate regular official level "workshop and roundtable" meetings with City of London to monitor progress, and update priority areas accordingly.

Shared objectives and priorities have been identified and agreed between City of London Corporation and Scottish Government.

Regular workshops, meetings, and roundtables will be held at both a ministerial and official level to update on outputs on each priority, and to identify other areas of collaboration which could add to the activity taking place and support desired outcomes. Actions that arise from these engagements will be progressed at official level.

A programme of these engagements will be developed in conjunction with City of London and the regularity of these engagements, and who will be invited, will form part of these initial discussions. The Partnership Agreement, once it has been formalised and agreed, will be renewed and updated annually to coincide with the Burns Night engagements that take place in either Edinburgh or London in January. Participants for this agreement will encourage cooperation in the following priority areas:

- 1. Promotion and Communications:** identify opportunities to align messaging and develop a coordinated approach to the promotion of the UK and Scotland's offer on Financial Services and Professional Business Services internationally.
- 2. Green and Sustainable Finance:** London is a recognised global leader in Green Finance due to the City's strong mix of expertise and innovation. Scotland is also a natural home for green and sustainable finance, with strengths which stem from the range and depth of its ecosystem and fostered by effective collaboration amongst the investment management, banking and fintech sectors.

These are strong foundations on which to build - where City of London and The Scottish Government are natural partners. Through this agreement, we will promote and strengthen Green Finance and ESG principles within the Financial Services sector and support collaboration across this area to strengthen the UK's position at the forefront of this market.

- 3. Growth Capital and Asset Management:** develop activity that aims to grow the asset management sector in Scotland, such as SFE's Growth Strategy, which is a strategy also supportive of other strategies focused on the UK as a whole, such as the City of London Vision for Economic Growth.
- 4. Collaboration between SNIB and the City of London:** open a structured dialogue with the Scottish National Investment Bank (SNIB) on a range of priorities such as key projects, targets, and opportunities that align with City of London Corporation's work to mobilise global investment into the UK.
- 5. Financial Inclusion and Social Mobility across the UK:** Prioritise actions which can support those who find it difficult to access fair or affordable financial services, such as free banking and affordable credit. This is with particular reference to Scotland's unique geographical landscape and, in particular, our rural and island communities.

This priority also includes a commitment to promote social mobility in the Financial Services sector to improve the diversity of the sector.

- 6. Green and Place Based impact Investment:** Maintain collaboration across ongoing activity to improve both private partnerships and support the flow of capital, while also linking this up with work going on in the public sector in terms of project originations and development.
- 7. Fintech, Data, and AI:** capitalise on the existing foundations at our disposal to drive forward progress on innovation and maintain opportunities to work together with the City of London, and other partners across the UK. As part of this, Fintech, Data and AI are clear areas where activity can be identified and progressed with the ambition of improving the UK's innovation offer even further.
- 8. Skills:** Support skills capability in the Financial Services sector and capitalise on the activity underway within both Scottish Government and the City of London Corporation to facilitate positive progress in this area.

**By signing this agreement participants agree to:**

- 1. Recognise the importance and value of the long-term relationship between Scotland and London, and the Scottish Government and the City of London Corporation.**
- 2. Support the intention of this agreement to engender activity across the priorities outlined to achieve outcomes for mutual benefit.**
- 3. Continued commitment to an annual First Minister and Lord Mayor of London Burns Night Dinner, where circumstances permit.**
- 4. Progress with the implementation of the framework that this document outlines, and that a full partnership agreement should be enacted over the course of 23/24.**
- 5. Review this agreement annually to align its content with current organisational priorities for both the Scottish Government and the City of London.**

**X**

---

Rt Hon Humza Yousaf, MSP  
First Minister of Scotland

**X**

---

The Rt Hon the Lord Mayor  
Alderman Professor Michael Mainelli

**X**

---

Christopher Hayward, Deputy  
Policy Chairman of the City of London Corporat...