

# The City does have a better side, honestly

THEY'RE not all bad in the City. I feel I ought to say that because you could be forgiven for supposing that the place is the preserve of greedy, grasping connen and downright robbers, given everything that has been said and written these past months.

Evidence I've not sold out to Lloyd Blankfein's god comes from Daniel Pinto. The chairman and co-founder of Stanhope Capital (£2 billion under management for charities, including The Institute of Cancer Research and The Vintners' Company, and private individuals), Pinto has set up New City Initiative, a think-tank of 25 similarly leading wealth management firms in London.

In all, he says, the members of New City Initiative, or NCI as it will become known, speak for £150 billion of assets. Among them are Fleming Family & Partners, the investment office established by the Robert Fleming banking dynasty, the Iveagh Wealth Fund that invests on behalf of the Guinness family and others, Crispin Odey's Odey Asset Management and George Robinson's Sloane Robinson hedge fund.

The idea, Pinto tells me, is to pursue two objectives: "To show the other face of the City, the one that creates a lot of wealth for this country; and to take part in public debate about reforming financial services without jeopardising that valuable place in the economy."

Crucially, he says, all 25 believe in aligning themselves with their clients.



**User friendly:** Crispin Odey, left, is among the supporters of Daniel Pinto's 25-strong think-tank, whose members believe in investing alongside their clients



Chris Blackhurst's archive:  
[standard.co.uk/chrisblackhurst](http://standard.co.uk/chrisblackhurst)

"We invest alongside our clients. We won't give advice unless we would invest there ourselves – at too many firms the clients don't receive advice but products. The firm is using their portfolio to distribute high margin products to them, irrespective of risk."

Who can he be talking about, I wonder? He laughs. He won't mention any names, not on the record anyway.

But one thing Pinto does believe is that the City has lost something in the last two decades. The old partnerships that put clients' interests first and built their business around service and caution have vanished. Pinto himself experienced at first hand that shift. French by

birth, he worked for SG Warburg, one of the banks that espoused those traditional values, until it was consumed by UBS.

"I saw what happened when a true partnership was absorbed by a large public corporation," he says. The result was Stanhope. "We created it in reaction to the dysfunctionality of the banking world."

New City Initiative, he says, is not a lobbying group. Presumably, in the discreet, oh-so-polite, world of private wealth management, lobbying is brash and to be frowned upon.

"Polite persuasion" is how he would like to describe what NCI does. "We're a think-tank of practitioners not academics. We comprise

people, all of whom stand for independence in the City – none of us are connected to any of the big banking groups."

Right now, says Pinto, "the standing of the City is at an all-time low in terms of its reputation vis-à-vis politicians and the public. When people talk about the City and what's wrong with it, they think in terms of the banks but not firms like ours."

"On our own, we've done a good job and we behave in an ethical way. But I'd got to the point where I thought we needed to be making a wider case."

There will be plenty in the City, given the flak they're receiving unfairly, who are bound to say "amen" to that.