

# MORE CAPITAL WORKING FOR THE UK

## PREPARING FOR LONDON THE MEGACITY

An agenda to ensure a thriving 24/7 capital city for business as London enters a new decade:

- A decade that begins with the UK poised to move through Brexit
- A decade that will end with the capital forecast to have 10 million citizens

The four-year period of the next Mayoralty and Assembly must see important decisions taken so that London can maximise opportunities and address challenges in the decade ahead

London Mayoral and Assembly Elections May 2020

# MORE FOR HOUSING SO LONDONERS CAN LIVE AFFORDABLY

## London businesses need staff living in the capital.

Chronic housing undersupply gives rise to a host of impacts on employees and employers. Harnessing innovation, liberating more land and empowering more builders is required.

### To ensure our capital can grow sustainably the Mayor and the Assembly should:

- **Commission a full and honest review of the Green Belt** to identify and assess how poor-quality use and derelict land could be utilised to meet specific housing needs, while protecting spaces that enhance the capital's environment.
- Move to assume an Owner – Landlord position to secure, commission and manage homes to rent only for London's police, fire and paramedic blue light emergency services. This could also provide a future steady revenue stream for the GLA.
- Work with local authority and industry leaders to secure appropriate standards and controls on Permitted Development Rights, ensuring considerations on future retail and commercial requirements are part of a decision-making process.
- Explore how to harness and support greater take-up of innovative modern methods of construction, including airspace development, to help address the lack of affordable homes to rent by workers across London.



“Achieving a step change in housing delivery is critical to London's future success. For this to happen we need effective partnership working between public and private sectors and an approach that embraces the contribution of the whole sector – from SMEs to larger players. We must lead the way when it comes to innovation, creating inspiring, resilient and sustainable communities.”

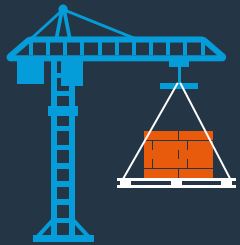
Claire Kober, Managing Director – Homes, Pinnacle Group



# 63%

of businesses say boroughs with green belt should identify poor-quality land and assess if fit to build on.

(ComRes survey for LCCI of 507 businesses, November 2018)



# 54%

of businesses say City Hall and London boroughs should use retained business rates to build more homes.

(ComRes survey for LCCI of 1000 businesses, June 2019)



# 42%

of London business leaders see skills gaps as a key barrier to growth.

(ComRes survey for LCCI of 1000 businesses, June 2019)



# 82%

of businesses said London councils should have the powers and funding to integrate employment, skills and apprenticeships in their local area.

(ComRes survey for LCCI of 1000 businesses, June 2019)

## MORE FOR SKILLS SO LONDONERS CAN COMPETE SUCCESSFULLY

### London businesses need access to a skilled workforce.

Skills will be key to maintaining the capital's position as a leading global city. Shaping a new and holistic skills system, complemented by flexible and practical migration policy, will help attract talent at all levels.

### To ensure our capital can compete the Mayor and the Assembly should:

- Seek regional flexibility in any new immigration system with a **targeted migration area designation for the capital** to coordinate London's significant skills and labour requirements.
- Establish an annual London Skills Audit with civic and business leaders to identify gaps, track trends and enable training to be tailored to reflect diverse local requirements.
- Move towards creating a dedicated London Careers Service to provide a hub for advice and relevant services as well as embedding new perceptions of, and approaches to, lifelong learning.
- Examine what aspects of the apprenticeships levy system may be better managed and supported at the regional and local level, including control of the capital's non-levy allocation and allocation of unspent funds to more effectively meet local skills needs.



“ Skills shortages at all levels continue to be an issue for companies. Greater flexibility around skills funding and delivery is essential to train and upskill Londoners to meet the demands of employers, but also to ensure everyone has an opportunity to get the skills they need to get on in life. ”

Andre Burwood, BASE Programme Director, Battersea Power Station Development Company

# MORE FOR TRANSPORT SO LONDONERS CAN TRAVEL EFFICIENTLY

## London businesses need an enhanced transport network.

Transport is about much more than moving people around. Efficient transport links underpin economic growth, support employment and unlock land for development.

### To ensure our capital can keep moving the Mayor and the Assembly should:

- **Appoint a Freight Commissioner** to deliver a long-term holistic strategy to accommodate a sustained increase in demand. The Commissioner could look to enhance logistics industry sustainability through supporting electric vehicle uptake on roads and assisting vessel operators to adapt to cleaner technology and make greater use of the River Thames.
- Liaise with interested parties to drive forward a broad campaign for new suburban metro rail services, initially with 'turn-up and go' trains through south London, to be managed by TfL.
- Work with civic and business leaders to secure essential Tube upgrades including signalling on the Piccadilly Line that services the UK's hub airport, the extension of the Bakerloo line to optimise the full potential of south east London and enhancements of the DLR as London continues to grow eastward.
- Ease congestion and enhance connectivity across the Thames by commissioning plans for more river crossings to the east of Tower Bridge. New bridge and tunnel infrastructure could unlock local regeneration, drive local growth and ultimately empower local communities.



“ Efficient networks maintain economic growth, support jobs and unlock housing development. In short, they create opportunities for people and for businesses. Therefore, sustained investment in transport infrastructure is critical to ensuring that the capital can continue to function, grow and thrive, while continuing to meet demand. ”

Natalie Chapman, Head of South of England and Urban Policy, Freight Transport Association



# 31%

of businesses say that the quality of public transport in the capital has worsened.

(ComRes survey for LCCI of 517 businesses, September 2018)



# 62%

of businesses agreed that the Mayor of London should take over suburban rail services, if they are performing poorly.

(ComRes survey for LCCI of 517 businesses, September 2018)



# 7%

Amount of local tax retained by the Mayor of London. By contrast, it is **50% for New York** and **70% for Tokyo**.

(London Finance Commission: One Year On, July 2014)



# 65%

of businesses, **68% of councillors** and **67% of the public** support London having a role in international migration.

(ComRes survey for LCCI of 1005 members of the public, 517 businesses and 154 councillors, September 2018)

## MORE CAPITAL – WORKING FOR THE UK

The 2020 GLA elections take place in a different landscape from that in 2016. New Mayors for metropolitan areas including Liverpool and Manchester are seeking additional responsibilities from Whitehall. Collectively the 'Metro Mayors' can be an important balancing force as the UK economy meets challenges beyond Brexit and adjusts to the impacts of Climate Change.

*The capital and the metro areas enjoy a strong economic relationship and their future economic growth is intertwined. London is supportive of further devolution to English metro areas. However, that process cannot pass London by. **The UK capital can do more, can support more, can deliver more – with more devolution.***

That means retaining more taxes generated in London to focus on local priorities and transferring more powers held by Whitehall to London City Hall and Borough Town Halls.

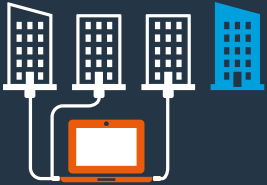
**To enable firms to thrive and succeed the Mayor should spearhead activity on:**

- **Transport – by making a case for devolving local Vehicle Excise Duty to London to improve the strategic road network and support business activity.**  
*The capital is experiencing decreasing traffic speeds and increasing delays on arterial routes due in part to over-utilised road space and ongoing 'patch repair' works.*
- **Skills – by building a lobby for flexible migration and the creation of a dedicated Shortage Occupation List for London to provide access to the talent required by businesses.**  
*The capital is far more reliant upon foreign labour than any other region in the UK, particularly in the financial services, hospitality and construction sectors.*
- **Housing – by securing consents and funding to provide designated homes for rent by emergency workers in London to enhance the resilience of the economy.**  
*The capital's risk profile is changing with surging population growth, yet the majority of 'blue light' police, fire and paramedic frontline staff live outside the city they serve.*



“ Devolution of additional powers, including finance, would allow the city to invest in its future rather than lobby Whitehall to get its own taxpayers' money back. London's vast private sector is key to its economic success. City government needs the freedom to ensure good infrastructure and public services continue to make the city attractive for inward investment. ”

Professor Tony Travers, London School of Economics



# 31%

of London businesses experienced digital connectivity issues at least once a month.

(ComRes survey for LCCI of 503 businesses, June 2019)



# 37%

of London businesses support the aims (but not tactics) of Extinction Rebellion.

(ComRes survey for LCCI of 508 businesses, November 2019)

## A LONDON THAT IS SMARTER AND GREENER

**London the megacity will have to be a smarter place for businesses to operate and prosper.**

*Transforming London to become a fully connected capital will require a collaborative approach to integrate data innovation and digital technology to meet the needs of firms.*

**To ensure our capital is smarter the Mayor and the Assembly should:**

- **Appoint a dedicated Deputy Mayor for Technology and Innovation** to develop and promote London's status as a global tech hub.
- Collaborate with Boroughs to achieve swifter roll-out of the 5G network across the capital.
- Review energy infrastructure resilience to service increased smart technology usage and electric vehicle charging.

**London the megacity will have to be a greener place for people to work and live.**

*Transitioning London to become a truly net zero carbon capital will require a cooperative endeavor to persuade and encourage all firms to mainstream sustainable behaviour in their operations.*

**To ensure our capital is greener the Mayor and the Assembly should:**

- **Appoint a dedicated Deputy Mayor for Climate Adaptation** to build and enhance London's adaptive capacity to deal with potential climate change impacts.
- Inspire a reuse, repurpose and recycle approach among businesses to accelerate growth of the circular economy.
- Work with established business organisations to seek a timely transition from diesel and petrol to electric and low emission vehicles.



“ It is now time to accelerate action for a cleaner, greener and smarter London. The capital's businesses, large and small, have a key role to play in achieving these targets and ensuring London and the UK have a leading role globally. ”

Mark Jenkinson, Director, Crystal Associates