

A manifesto for the next Mayor of London

A bold approach to recovery



Foreword

London will recover from the Covid pandemic as it has from previous challenges, whether plague, fire, or war. The central issue for the next Mayor is the pace of this recovery; but in parallel, they must also tackle the long-standing issues such as high housing costs, and the newer issues, such as net zero carbon, which will be fundamental to our future attractiveness for both international investment and people.

A plan for London's economic recovery needs to be the centre piece of the next Mayor's programme. Looking across the city as a whole, London business believes there are three priorities which are critical to delivering a robust recovery.

First, the next Mayor must bring urgency, ambition, and resource to encouraging people back to central London: this is vital to the sectors hit hardest by the pandemic, such as our cultural institutions and leisure, hospitality, and retail businesses; vital to our future productivity and well-being; and vital to maintaining London as one of the most exciting cities on earth.

Second, the next Mayor must resolve the future funding of Transport for London: millions of people will rely on public transport services to get back into and around our city.

And third, the next Mayor must put in place a set of business-led reskilling programmes so that Londoners are equipped to get the jobs London's economy will need as recovery gathers pace.

At just 21 years old, the London Mayoralty is a relatively new institution with limited powers and even more limited resources. Much of the recovery agenda – certainly, the funding of public transport and the reskilling aspects – cannot be delivered by the GLA alone. The next Mayor will need to work closely with central government in meeting these challenges and in supporting London's competitiveness needs more broadly.

London First campaigned for the Mayoralty to be established and we will work over the coming term continue to make the case for the institution to be given the tools to do the job that London business needs.

The previous Mayor of London is now the Prime Minister; once the inevitable party-political friction of the mayoral election is behind us, will he display the reforming radicalism he called for when running London to give his successor – and indeed the other metro mayors – the powers they need to drive recovery? Will the Mayors and central government agree a way to work constructively that meets these cities' needs? Can all involved – largely – leave politics at the door to focus on delivery? Business knows that these answers must be yes, if London is to thrive.

But even within an over-centralised context, the London Mayor's million-vote mandate creates a powerful platform from which to lead and to act. With this in mind, we have set out our priorities for the first 100 days of the next Mayoralty which can be actioned immediately. These range from launching a London Careers Service, helping young Londoners navigate the rapidly evolving world of work, to opening up new funding streams to facilitate the delivery of much-needed housing and setting out a road map to harness the potential of the green economy.

Articulating, leading, and building support for London's future requires a Mayor with passion and vision. Passion for our great city, understanding all its innate strengths whilst tackling those weaknesses which are holding it back. Vision for the kind of 21st century city that London can become with the right leadership, the right plans and huge collective effort from the Government, London boroughs, businesses, and communities: the best city in the world to live, work and play.

John Dickie
Interim Chief Executive
London First

The next Mayor's plan for kickstarting London's recovery must be ambitious and collaborative, drawing on all parts of our capital's creativity, energy, and resources. Some priorities can be actioned in the first 100 days, others worked on alongside central government and some will require longer-term advocacy from the next Mayor.

In the first 100 days the next Mayor should:

- Pull out all the stops to ensure the short-term funding for Transport for London is maintained when the current settlement runs out on May 18th, so that current service levels so critical to recovery do not drop, while setting out a robust and innovative approach to its long-term funding and operation;
- Create a joined-up strategy to accelerate recovery, launching a well-funded, scale campaign to bring people back to the Central Activity Zone (CAZ) and committing to ensuring the right planning framework is in place to support the area's economic growth. This will safeguard the capital's potential to support a rapid and robust recovery across the whole of the UK;
- Launch a new London Careers Service to provide tailored support to young and adult Londoners, with a clear, costed plan for scaling up over time. With unemployment in the capital the worst in the country, urgent changes are needed to support adults who need to reskill and those entering the jobs market;
- Appoint a Freight, Servicing, and Deliveries Czar so that a proper city-wide strategy can be developed with business, boroughs, and others to ensure the efficient and environmentally sustainable movement of goods around the capital, and that this has its proper place within the delivery of the overall transport strategy;
- Harness the potential of the green economy, setting out a clear roadmap to delivering net zero carbon in London by 2030. This includes developing of an integrated approach to public procurement in the capital, reskilling an army of Londoners to work on green projects, and developing a fair approach to road pricing that disincentivises unnecessary journeys;
- Deliver tens of thousands of new homes by launching a new Land Fund to attract co-investment worth at least £1bn and develop concrete proposals to facilitate private investment into delivering new affordable homes, and re-examine the potential of Build to Rent in meeting the city's housing needs;
- Build on the speedy approach taken to street space in the early days of the pandemic and apply this to Hammersmith Bridge, bringing forward the opening of the ferry service to September, and leading the charge on finding a long-term solution to opening the bridge;
- Set out an ambitious plan to deliver widespread, reliable Gigabit capable connectivity across London;
- Embrace the power of data to tackle London's most intractable problems, raising the ambition of the London Data Store so that it can become an open-data platform, opening up private data sets, and backing the London Data Charter as the data-sharing standard.

Beyond the first 100 days, and with a rapid recovery in mind, the next Mayor must work closely and in partnership with central government to secure the investment and focus the city needs to drive growth across the UK. At the top of the list should be:

- Putting forward a practical approach to the long-term future of TfL, which recognises the need for innovation in both service delivery and funding models. In addition, the Mayor must make the case for investment in the service e.g. signalling upgrades on the tube and full electrification of the bus fleet;
- Reasserting London's place as Europe's leading global travel hub by backing the recovery and sustainable growth of London's international connections and improving rail links to the capital's airports;
- Ensuring the new points-based immigration system is flexible enough to respond to any gaps in London's labour market that arise during the recovery and that the capital remains a magnet for international students;
- Agreeing a renewed approach to housing delivery in the capital beyond the Government's £4bn Affordable Housing Programme based partly on boosting the delivery of local authority housebuilding programmes through promoting and facilitating the use of housing partnerships with the private sector;
- Making the case for a holistic review of the Metropolitan Green Belt, in consultation with local authorities in the wider South East, to identify low-quality brownfield land in accessible locations that could be used to build more affordable homes

As well as working directly with central government, the next Mayor must be a effective advocate for London and its future needs, including:

- Advocating for fiscal policy that provides breathing space for struggling firms, including short term tax relief, recapitalisation support and a longer-term review to ensure business rates become fit for purpose;
- Making the case for sweeping reform of the rail network, so that the fares system is fair to Londoners, responsive to changing patterns of commuting and affordable for leisure visitors, including via flexible ticketing;
- Working with Metro Mayors to advocate for HS2 to be delivered in full, so that the full potential of Euston's transport connections and regeneration are realised;
- Backing the calls for a London Apprenticeship Fund that would retain unspent levy money in the capital to support small firms and sectors affected by Covid-19;
- Championing the need for sufficient long-term investment in London's utility infrastructure;
- Making the case for a new constitutional settlement for the capital, and other metro regions, with significantly greater devolution.

The next sections of the manifesto expand each of these asks in more detail.

First 100-day priorities

The pandemic means that the next Mayor must act rapidly to secure a robust recovery for the capital and support the future return to growth. This section explains more about how each of the 100-day actions could be delivered.

1) Pull out all the stops to ensure the short-term funding for Transport for London is maintained when the current settlement runs out on May 18th, so that current service levels so critical to recovery do not drop, while setting out a robust and innovative approach to its long-term funding and operation.

In the short-term, the next Mayor must continue to ensure adequate financial support from the Treasury to keep TfL services running and prevent a spiral of cuts and decline. In the medium-term, the next Mayor will need to negotiate a new funding settlement with central government. In a recent [London First report](#), we urged the next Mayor to broaden the debate out from the “traditional levers” such as fares and retained business rates, to include a range of bigger ideas. To fill the funding gap of between £500m and £2bn per year plus capital investments, these will need to include new approaches such as: replacing Vehicle Excise

Duty with a London Vehicle Ownership Duty, designed by and paid to the Mayor; smart road pricing, to replace the Congestion Charge, ULEZ etc; A London Mobility Service, to bring new forms of mobility into the TfL family and provide seamless journeys for passengers; and fares reform, to eliminate the price difference between the tube and the bus, encourage ridership and enable service rationalisation alongside improved journeys.



2) Create a joined-up strategy to accelerate recovery, launching a well-funded, scale campaign to bring people back to the Central Activity Zone (CAZ) and committing to ensuring the right planning framework is in place to support the area's economic growth. This will safeguard the capital's potential to support a rapid and robust recovery across the whole of the UK.

Attracting workers and visitors back to London's CAZ is essential for the recovery of the city and will support growth for the UK as a whole. In the short-term, it will require a campaign targeted at commuters and domestic visitors that reminds people of everything the city has to offer, as well as reassuring them about the best ways and times to travel. Longer-term, it will need to pivot to an international audience, making the case for London as the global city destination of choice.

Because the CAZ has been particularly hard hit during the pandemic, as a result of the dramatic drop in footfall and low numbers of

residents, it is critical that the approach to spatial planning is reflective of how it may need to adjust to changing demand. With a number of large retail units likely to remain empty for some time we need bold thinking on alternative and experiential uses. It is critical a strategy is rapidly developed that will promote sustainable growth and avoids a piecemeal approach to residential development. The Mayor should work with the Central London Boroughs to bring forward an Article 4 Direction for the entire CAZ that prevents Class E to residential permitted development rights, as these risk undermining the commercial health of the CAZ. To ensure the Article 4 Direction is supported by Government, the Mayor will need to work with those Boroughs to develop a medium-term planning strategy to increase the number of residents in the CAZ in targeted areas, such as the Opportunity Areas at Paddington, Victoria and Kings Cross.



3) Launch a new London Careers Service to provide tailored support to young and adult Londoners, with a clear, costed plan for scaling up over time, recognising that with unemployment in the capital now the worst in the country, urgent changes are needed to support adults who need to reskill and those entering the jobs market.

London was already experiencing skills challenges as a result of automation, Brexit, and an increased need for digital expertise. Overlaying the pandemic on these trends has created a perfect storm. Covid-19 has changed London's labour market significantly in a relatively short space of time. At the national level, the youngest age group (16-24 years old) has been hit the hardest by pandemic job losses.

The careers system is fragmented and under-funded and lacks a strong business voice. The best solution for addressing this would be to devolve responsibility to the Mayor and increase the funding to provide a London Careers Service, which Londoners now urgently need. The more immediately available option is for the next Mayor to look again at the resources available and kick start the new service with existing funds. Once this is underway, the case

for additional funding should be remade. In the interim, this GLA-funded London Careers Service would provide Londoners more tailored, relevant, and flexible support. Those aged 11-18 years old and their parents could get quality, independent advice on all the routes available to them in London, including higher education, technical education, apprenticeships, and training. Expansion can then be costed and advocated for.

As part of this programme, the next Mayor should work with business and education to develop a programme of work placements and business engagement to help young Londoners attempting to get their first job at this challenging time. Existing networks like the London Enterprise Advisor Network should be drawn on to provide support, and the programme aligned to Government activity like the Kickstart scheme.

The next Mayor should also move to end the boundary issues between boroughs which have undermined construction apprenticeships in London. Too often local procurement policies and s106 planning agreements make it difficult for an apprentice to move from one site to another, when the sites are in different boroughs. The Mayor should knock-heads together and co-ordinate across boroughs to pool apprenticeships and apprentices, and ensure Londoners working in the sector are effectively deployed between projects.

4) Appoint a Freight, Servicing, and Deliveries Czar so that a proper city-wide strategy can be developed with business, boroughs, and others to ensure the efficient and environmentally sustainable movement of goods around the capital, and that this has its proper place within the delivery of the overall transport strategy.

The pandemic has further exacerbated existing tensions on London's roads, as the demand for deliveries has expanded dramatically. This is the moment to appoint a czar to drive forward the development of a clear strategy that balances demand with the potential for innovation to ensure that environmental impacts are managed, and congestion is minimised. The czar should be tasked with ensuring that best practice is rolled out and solutions coordinated across borough and business boundaries. For example, major infrastructure projects like Crossrail and Thames Tideway – as well as measures to boost our port capacity, such as the construction of Tilbury 2 – show how effective both rail and the river can be in replacing road-based freight deliveries. And while micro-consolidation hubs are essential, identifying and bringing forward appropriate sites remains a challenge. Restrictions (such as the

London Lorry Control Scheme) and incentives (like encouraging customers to use click and collect lockers) must also be reviewed.

5) Harness the potential of the green economy, setting out a clear roadmap to delivering net zero carbon in London by 2030. This includes developing an integrated approach to public procurement in the capital, reskilling an army of Londoners to work on green projects, and developing a fair approach to road pricing that disincentivises unnecessary road journeys.

Decarbonising our city and achieving net zero carbon by 2030 will require a huge co-ordinated and collective effort across all parts of our economy and society. This will need strong leadership and for the next Mayor to set out a clear roadmap. The next Mayor must play a vital convening role for all parts of London's government and facilitate collaboration around common goals, metrics, and shared objectives with a focus on: developing a clear model of how carbon emissions in London are measured; setting out key milestones over the next three years; mobilising the GLA and the boroughs to use public procurement to fast-track net zero

carbon solutions; and working with business and education to identify the skills needed for green projects, and updating training provision accordingly.

Whilst technology and innovation will play a critical part in London's carbon emission reduction, so too must behavioural change. So, the next Mayor must identify and deliver ways of accelerating behaviour change, ranging from public information campaigns to the need for new approaches where the Mayor has the tools to regulate – for example, an approach to road pricing which disincentivises unnecessary car journeys.



6) Deliver tens of thousands of new homes by launching a new Land Fund to attract co-investment worth at least £1bn and develop concrete proposals to facilitate private investment into delivering new affordable homes, and re-examine the potential of Build to Rent in meeting the city's housing needs.

Created in 2017, the original and innovative GLA Land Fund has transactions in contract that could support in excess of 10,000 new homes and has a pipeline of further schemes. This could be extended to an additional 20,000 homes over 10 years if the Fund were to be opened up to attract co-investment such as from an institutional investor. With the pandemic having interrupted housing delivery, now is the time to create an expanded Land Fund, to invest in buying and preparing land to unlock a fresh wave of homebuilding.

The New London Plan highlights that London needs 65,000 new homes a year, of which half should be affordable. However, the GLA estimates around £4.9bn per year in grant funding would be needed to deliver this, when it receives only a fraction of this amount. To deliver required scale, new sources of capital are

needed as well as innovative ways of providing affordable housing. The next Mayor should rapidly bring forward concrete proposals that will unlock new private investment into delivering more affordable homes in the capital.

London falls behind other global cities in 'Build to Rent' (BtR) – high quality, professionally managed purpose-built homes for private rent. Given the growing number of Londoners predicted to rent their home in the years ahead, BtR has many potential benefits. The next Mayor must look again at the London Plan BtR policy to ensure it is accelerating the growth of the sector and put in place a framework which uses the full weight of planning powers to support more BtR development.

7) Build on the speedy approach taken to street space in the early days of the pandemic and apply this to Hammersmith Bridge, bringing forward the opening of the Thames Clippers ferry service to September, and leading the charge on finding a long-term solution to opening the bridge.

The pandemic has shown how rapidly barriers to change can be tackled when there is a clear objective and a shared approach to delivery. This spirit should be harnessed to

tackle other seemingly intractable problems like fixing the Hammersmith bridge. Like all river-crossings, including the new Silvertown Tunnel, the bridge is an important part of London cross-city infrastructure. If the current owner (Hammersmith and Fulham) cannot afford to fix it then it should be run by a sustainably funded TfL. Short-term, the next Mayor should pull out all the stops to move forward the opening of the pedestrian and cyclist Thames Clippers ferry service to September at the latest. Beyond that, the next Mayor should push forward the charge on a long-term solution to maintaining strategically important pan-London infrastructure, bringing the boroughs, government, and TfL to the table to resolve this once and for all.



8) Set out an ambitious plan to deliver widespread, reliable Gigabit capable connectivity across London and ensure the resilience of London utility infrastructure.

The Mayor should set out an ambitious plan to deliver ubiquitous, reliable Gigabit capable connectivity across London by 2025. This should include the GLA engaging with the Gigabit Connectivity Network for London, which brings together boroughs, landowners, developers, and operators to help accelerate the rollout of 5G and full fibre networks, so the capital does not fall behind international competitor cities.

9) Embrace the power of data to tackle London's most intractable problems, raising the ambition of the London Data Store so that it can become an open-data platform, opening up private data sets, and backing the London Data Charter as the data-sharing standard.

Data can help solve many of the capital's most intractable challenges from climate change through to education, and more recently in the COVID-19 pandemic, data is playing an increasingly critical role, for example, in tracking the spread of infection. However, this potential resource remains relatively untapped due to a lack of co-ordination and data-sharing between public and private sector and confusing

governance. The next Mayor should replace the Smart London Board with Data for London Board, to bring together all parts London's government, with private sector, academic and research institutions and the third sector to support London's recovery. The Mayor should invest sufficiently in the London Data Store to meet its ambition as an open-data platform that can deliver insights to help target interventions and allocate scarce resources. The Mayor should support the rollout of a London Data Charter. This Charter would be a statement by signatories – both public and private – of their commitment to open data and data-sharing, which will ultimately help London's government to function more effectively and efficiently and provide better outcomes for citizens.



Additionally, the Mayor should make a set of commitments that help to ensure the planning system supports the regeneration and recovery of high streets and town centres:

1. To support recovery and regeneration across London, through their London Economic Development Strategy and London Plan, the next Mayor should require Town Centre Management Strategies (TCMS) to be in place for all of London's town centres. Where Business Improvement Districts (BIDs) exist, they are well placed to lead, otherwise this will need to be led by the Boroughs with guidance from the Mayor. These joint visions by local businesses and local government will then shape the development of London's town centres, supported by effective delivery plans.
2. The GLA and TfL are currently establishing a land assembly group with compulsory purchase order (CPO) expertise, currently focused on housing delivery. This group's remit should be broadened beyond housebuilding to provide a range of compulsory purchase order expertise for boroughs to draw on when required for high street and town centre regeneration.
3. A Meanwhile Use Register should be established, and maintained, for London that contains details of start-ups, small and medium enterprises (SMEs), arts organisations, and community groups looking for short-term lets, and their requirements. There are many potential short-term tenants in London and local authorities trying to bring forward meanwhile space, but supply and demand are struggling to marry up. Given the market for

meanwhile use extends far beyond borough boundaries, this should be led by the Mayor on a London-wide basis. The Register would provide an easy 'one stop shop' for landlords who have vacant space and are currently deterred by the time and resource investment needed to find them for a short-term return. It would therefore reduce vacancy levels.

4. The national licensing regime is archaic and disparate to the planning system and has been shown to be holding back the transformation of our high streets and town centres. A handful of Boroughs have been testing ideas to provide greater flexibility on licensing, particularly to support al fresco trading for businesses. The Mayor should work with the Boroughs to learn from the pilots and encourage a consistent approach to licensing flexibility across the whole of London from the CAZ to the local high street.
5. The Mayor should also advocate for plan-making and decision taking powers that currently exist in London to remain in place under the government's proposed planning reforms.



Working in partnership with central government

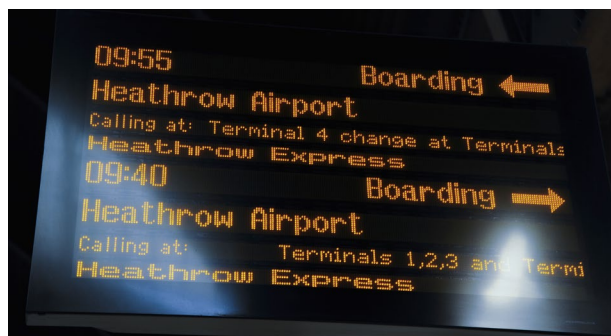
Beyond the first 100 days, and with recovery firmly in mind, the next Mayor must work closely and in partnership with central government, as this is the only way to secure the investment and focus the city needs to drive forward growth across the UK. The post-election period offers a moment to reset the relationship between London and central government; it is an opportunity to restructure how the two work together, so that the city can be a driver of recovery for the whole UK. At the top of the Mayor's list for these discussions should be:

1) Putting forward a practical approach to the long-term funding of TfL, which recognises the need for innovation in both service delivery and funding models. In addition, the Mayor must make the case for investment in the service e.g. signalling upgrades on the tube and full electrification of the bus fleet.

The next Mayor must work with government to secure a new long-term funding settlement, putting forward a range of solutions to close the funding gap. Investment in London's transport network cannot be put on hold indefinitely, not least because it has the potential to derail recovery. The Mayor must make the case for vital upgrades to both road and rail infrastructure, including full electrification of the bus fleet, the expansion of electric vehicle infrastructure, and modernised signalling systems and new trains on the tube. Increasing

capacity at constrained central London piers should also be a priority.

And the next Mayor should also work with central government to support innovation in transport provision, supported where needed by modern regulation. For example, app-based ride hailing is here to stay and may well have lessons for the future of 'on demand' bus services across the capital; the e-scooter trial is a welcome experiment and should be actively supported; and widespread cycle-hire provision needs to be underpinned by a dockless bike by-law.



2) Reasserting London's place as Europe's leading global travel hub by backing Eurostar, encouraging the sustainable growth of London's international connections, and improving rail links to the capital's airports.

There are whole sectors of the economy that won't get back to full strength without thriving international connections: most notably in London higher education and tourism. As the city and country opens up once more, the next Mayor must be an advocate for London's international connections, vital to all British, not just London, business. This includes supporting privately funded initiatives to deliver sufficient capacity to meet aviation demand and being a champion for the UK's international rail connections. To ensure London's position as a global city complements our climate change ambitions, the convening power of the Mayor

should be used to ensure that London is a world leader in the transition to sustainable aviation fuels and, in partnership with Network Rail and central government, ensure an ever-increasing percentage of passengers access London's airports by public transport, including via new market-led rail schemes.

3) Ensuring the new points-based immigration system is flexible enough to respond to gaps in the labour market that arises during the recovery and that the capital remains a magnet for international students;

While the priority is to support displaced workers back into work, inevitably there will be differences between the skills that are needed to fuel the recovery and their availability locally. Where vital sectors such as health care, food logistics or construction cannot access the key workers they need from their local market, the immigration system must enable businesses to access talent more broadly. The next Mayor must powerfully make the case to central government that the Shortage Occupation List should be broadened in scope to allow for jobs of all skill levels, and the salary threshold lowered to London living wage, to ensure that

so-called 'low-skilled' workers are eligible to work in and contribute to the UK, where labour and skills gaps remain. A temporary work route should also be in place for up to two years, with workers able to switch onto other routes such as a skilled visa while in the UK if they qualify.

London is the most popular city in the world for international students. However, the pandemic has acted as a barrier to those who want to study at one of the capital's world class universities. To help London recover in this market, the Mayor should lead a promotional international student recruitment campaign and press the Government to ensure student visa policy supports the flow of students into the UK. It is critical that our immigration regime compares favourably to competitor cities, otherwise London's universities, colleges and language schools will continue to lose out.



4) Agreeing a renewed approach to housing delivery in the capital beyond the Government's £4bn Affordable Housing Programme, based partly on boosting the delivery of local authority housebuilding programmes through promoting and facilitating the use of housing partnerships with the private sector;

In addition to all of the social problems created by London's housing crisis, high housing costs hit the city's competitiveness and in turn, the inability for people to make the capital their home impacts recruitment and retention for businesses. To meet demand in the capital, more homes are needed across the piece – affordable, for-sale and purpose-built for rent.

The next Mayor must champion a new housing settlement with the Government which increases the Mayor's powers and works in partnership with the Government to increase funding beyond London's current £4bn Affordable Housing Programme (2021-26). Without significant further investment London will continue to struggle to deliver the affordable homes it needs therefore the Mayor must also find new creative ways to address this challenge including looking at the role that private investment can play to

deliver affordable homes, at scale, in the capital (see previous section). Many boroughs have the potential to unlock desperately needed housebuilding in their area by working in partnership with private developers, including housing associations. The next Mayor can promote this through greater focus and policy support to boroughs to help them improve collaboration with the private sector.

5) Making the case for a holistic review of the Metropolitan Green Belt, in consultation with local authorities in the wider South East, to identify low-quality brownfield land in accessible locations that could be used to build more affordable homes.

As part of its examination of the new London Plan, the Planning Inspectorate recommended that the Green Belt should be reviewed. This should take place without delay and form part of a holistic review of the Metropolitan Green Belt, in consultation with local authorities in the wider South East. Not all Green Belt is green; the Mayor should work in partnership with those boroughs that want to conduct locally-led reviews of their Green Belt areas, to identify low-quality brownfield land in accessible locations - such as car washes, rubbish dumps and construction yards – to build more affordable homes.



An advocate for London

The Mayor is London's champion: the million-vote mandate gives the Mayor a strong voice on behalf of the city he or she represents. The next Mayor should leverage this position to clearly advocate for the capital, its role in the UK's recovery and its future needs. This should include:

1) Making the case that fiscal policy must provide breathing space for struggling firms, including short term tax relief, recapitalisation support and a longer-term review to ensure business rates become fit for purpose.

Many parts of London's economy have been dealt a hammer blow by successive COVID-19 lockdowns and the next Mayor must press central government to take all necessary short-term measures to ensure, as far as possible, this damage doesn't become permanent. This may include further extensions to business rates relief; relief for businesses in hospitality, leisure, and retail; and expanding such support to other sectors similarly hit, such as aviation. Many fundamentally sound businesses have survived the pandemic by deferring tax and taking on extra debt – repaying this money in the short term will constrain their ability to invest and innovate and may force some to close. There needs to be a comprehensive recapitalisation

strategy, as CityUK has advocated, and the Mayor should add their weight to getting a programme in place which will support London's businesses in strengthening their balance sheets.

Longer term, the next Mayor should work with central government to ensure the fundamental review of business rates works for London. Abandoning the requirement for revaluations to be fiscally neutral by fixing the uniform business rate would bring the system close to actual market conditions and end the disproportionate burden of tax falling on businesses in London. As the UK accelerates its transition to a net zero carbon economy it is imperative that business rates system is aligned and any barriers to investment in the required technology are removed.

2) Making the case for sweeping reform of the rail network, ensuring that the fares system is fair to Londoners, responsive to changing patterns of commuting and affordable for leisure visitors, including via flexible ticketing.

London's connections to the rest of the UK are of vital importance. The next Mayor should work with central government, Network Rail, and train operators to ensure that there is clarity about the future of the rail network once the current emergency management arrangements expire. This should include a reformed fares structure that is fair for Londoners and those needing to access the capital. This new structure should have greater flexibility to respond to new patterns of commuting and ensure affordability for leisure visitors – including tourists who want to venture out of London to explore the UK. The Mayor should also make the case for further devolution of local rail services to TfL.

3) Working with Metro Mayors to ensure that HS2 is delivered in full, and the full potential of Euston's transport connections and regeneration are realised.

The next Mayor should work closely with other metro Mayors to secure the delivery of extra rail capacity across the UK. Most directly, this means HS2 being delivered in full. In London that includes ensuring Old Oak Common is the temporary terminus for as short a period as possible and that plans for Euston deliver from both a transport and regeneration perspective. Kings Cross and St Pancras provide the template for this and the next Mayor should champion the opportunities that HS2 brings to the capital.

4) Making the case for a London Apprenticeship Fund that would retain unspent levy money in the capital to support small firms and sectors affected by Covid-19.

The next Mayor should work with central government to create a devolved London

Apprenticeship Fund. This would be made up of underspend by London levy payers, supplemented with additional funding, and would allow the next Mayor to take a targeted approach to help small firms and sectors impacted by COVID-19 or at high risk of automation. Making the case to central government for greater flexibility in the way levy spend can be used, including being able to use a portion on apprenticeship administration costs, salary costs, and robust, accredited pre-employment training, is also important.

5) Championing the need for sufficient long-term investment in London's utility infrastructure.

In the coming decades, the capital's utilities will have to plan for increased risks of flooding and drought while facilitating London's economic transition to net zero carbon. The next Mayor must work with utility providers and regulators to ensure future price reviews allow for investment in London's water and energy networks that will be sufficient to address these challenges. The Mayor should also examine whether the GLA's infrastructure coordination pilot service

– which aims to improve collaboration between developers and utilities – can be rapidly spread across more London boroughs.

6) Making the case for a new constitutional settlement for the capital, and other metro regions, with significantly greater devolution.

Cities across the UK are best placed to understand and respond to the unique ways in which they have been impacted by Covid-19, and what needs to be done to set them back on the path to recovery. In this way, the pandemic has further underlined the need for greater devolution of powers and funding from central government to cities. London is no different, as set out in the two reports from the [London Finance Commission](#), and the next Mayor should act as a champion for greater devolution, working with other metro Mayors. A conversation needs to be started with central government underlining the benefits of greater devolution, as part of its ambitions to level up the UK.

A short-term priority is to make the case for further devolution of powers and funding,

including the relevant share of the National Careers Service (NCS) budget, the National Skills Fund Retraining Scheme, and Immigration Skills Charge, to accelerate the impact of the new London Careers Service we are proposing, and to establish an Adult Retraining Scheme for London. This would enable a business-led approach to supporting the reskilling needs of London's core labour market. This should target those sectors that have suffered the most due to COVID-19 or automation. It should be employee-facing, to cover those adults who don't have access to employer-funded training and should be data driven to identify gaps in the skills market and match people in the areas where there are skills gaps.





London First is a membership group which campaigns to make London the best city in the world to do business.

Our membership comprises over 175 leading employers across a wide range of sectors. We convene and mobilise business leaders to tackle the key challenges facing our capital.

We have been instrumental in establishing a **Mayor of London**, pioneered **Teach First**, driven the campaign for **Crossrail**, lobbied for government action on airport capacity, leading to the approval of a new **Heathrow** runway and achieved a win for business when Government announced a review of the **Apprenticeship Levy**.

Now we are focusing on key priorities to keep our capital working for the UK: people, homes and transport.

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