



# London First Manifesto for the Next Mayor

## Executive Summary December 2007

London First, the business organisation representing over 300 of the capital’s largest employers, has long been an advocate for a strong Mayor to offer dynamic, effective leadership for a world class city. Business in London looks to the Mayor to provide the right environment in which to live, work and do business.

The Mayor must ensure the capital is able to keep pace with economic and population growth. He or she should improve capacity and performance of the transport network, support new office and housing development and equip Londoners with the relevant skills to win the available jobs. Finally, press Government to commit and invest in East London up to and beyond 2012.

This document is London businesses’ *Manifesto for the Next Mayor*, listing our priorities to help London remain a leading world city. We urge all Mayoral contenders to make these their priorities in the race for election in May 2008.

### London’s growth - we must sustain it

<p><b>Speed up planning and make development happen</b></p> <ul style="list-style-type: none"> <li>▪ Build more homes to make ALL homes more affordable</li> <li>▪ Use new Mayoral powers strategically, not to over-direct or otherwise hamper development</li> </ul>	<p><b>X</b></p> <p><b>X</b></p>
<p><b>Green results yes, red tape no!</b></p> <p>Pursue climate change solutions which don’t hold back housing and commercial development or undermine competitiveness</p>	<p><b>X</b></p>
<p><b>Keep London’s economy flying</b></p> <p>Support <i>sustainable</i> airport development, by setting aviation and other carbon-intensive activities consistent targets and regulations</p>	<p><b>X</b></p>

### Transport in London

<p><b>Budget to Budge It</b></p> <ul style="list-style-type: none"> <li>▪ Introduce intelligent road pricing schemes to cut congestion and pollution and raise funds to invest in transport</li> <li>▪ Make roads work (with better management of roadworks)</li> </ul>	<p><b>X</b></p> <p><b>X</b></p>
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<ul style="list-style-type: none"> <li>Tailor bus routes to match passenger demand</li> </ul>	X
<b>Overground, Underground...</b> Improve reliability, overcrowding and comfort on Tube and rail	X
<b>Crossrail</b> Work with business and Government to get Crossrail built on budget and on time	X

### Make London work better

<b>Get people into jobs, not just classes</b> <ul style="list-style-type: none"> <li>Listen to employers, refocus and co-ordinate London skills training to give people the skills to win and hold down jobs</li> <li>Make the London Skills and Employment Board <i>the</i> Skills body for London</li> </ul>	X X
<b>Press Government to make work pay</b> Use your influence to help more Londoners escape the benefit trap	X
<b>Wanted: talented allcomers</b> Don't let Government batten down the hatches. Manage immigration to give London the best workforce and effective public services	X
<b>A capital which feels safer</b> Commit to sustainable funding for neighbourhood policing	X

### Going for Gold

<b>Olympics Legacy</b> Press Government to spend on infrastructure in the London Thames Gateway, kick start development and transform East London	X
<b>Champion the London Business Network</b> Help London's employers and employees benefit from Olympic opportunities	X
<b>Make the West End the best end</b> <ul style="list-style-type: none"> <li>Improve our tourist areas and theatres and make the most of the economic boost from visitors</li> <li>Reorganise buses and improve the environment for West End shoppers, tourists and commuters</li> </ul>	X X

# London First Manifesto for the Next Mayor

December 2007

## A. What the Mayor can change:

### London's Growth – can we sustain it?

#### Speed up planning and make development happen

##### More Housing in London

London is growing again. After years of population decline, numbers living in the capital have risen and are forecast to keep increasing over the next twenty years. And more people means more housing.

Housing in the capital is in huge demand but limited supply. Increasing the housing stock in London increases choice and reduces housing costs for all. The Mayor must adopt policies which encourage an increase in the housing supply overall, not those that specifically focus on 'affordable housing'.

##### We call on the Mayor to:

- ✓ **Build more homes to make ALL homes more affordable**

##### Use New Powers Wisely

London rivals New York as the world centre for financial and business services. The world's leading financial and business services organisations need world class office space.

**We call on the Mayor to:**

- ✓ **Use new Mayoral powers to enable more strategic, world city development**

## **Light Touch**

Contributions from development alone cannot meet the infrastructure demands of a growing economy and population. Requirements for affordable housing and other planning gain must be reasonable and not make development economically unviable. If costs prove too high and the process too complex, developers will have little incentive to build, perpetuating the current shortage of housing in the capital.

Planning policy should be light touch. The detailed requirements of the Mayor's policies put a heavy burden on planners and developers. Reducing complexity speeds up the planning system and may help the capital accommodate the predicted demand.

**We call on the Mayor to:**

- ✓ **Make requirements for affordable housing and other planning gain proportionate and reasonable**

## **Transport in London**

### **Budget to Budge It**

#### **Roll on with Road Pricing**

Congestion is the number one concern for many businesses in the capital. Of London First members surveyed, 85% cited congestion as an issue and 68% backed the principle of road user charging. The initial Congestion Charging scheme has reduced traffic levels in central London, but congestion is still rising. London needs flexible road pricing schemes that target congested locations across the capital, in addition to the existing zone.

As custodians of London tax-payers' money, Transport for London has a duty to invest funds intelligently and efficiently. The London Low Emission Zone and Congestion Charging, as well as future road pricing schemes, are not designed as one integrated scheme. They could and should be. The Mayor should save money and eliminate wasteful duplication by introducing a comprehensive scheme to target congestion, pollution and climate change issues in one go.

**We call on the Mayor to:**

- ✓ **Introduce intelligent road pricing schemes which cut congestion & pollution**

#### **Make Roads Work**

Road works in the centre of London aggravate congestion and increase pollution. While road works are essential, they should be tightly managed to minimise disruption, a task requiring coordination and leadership. Instead of waiting for the Department for Transport to implement legislation, the Mayor should ensure that TfL and London

boroughs work together to achieve targets set and mitigate the effects of road works on the capital's traffic.

**We call on the Mayor to:**

- ✓ **Reduce disruption from road works on all of London's major roads**

## **Run buses to match demand**

In parts of London, near-empty buses are adding to congestion and poor air quality. Get better value from bus investment by making contracts less prescriptive and incentivise bus companies to innovate and match passengers' needs – so car congestion isn't replaced by empty bus congestion.

**We call on the Mayor to:**

- ✓ **Tailor bus routes to match passenger demand**
- ✓ **Be less prescriptive, allowing bus operators to innovate**

## **Overground, Underground...**

### **Improve reliability, overcrowding & comfort on Tube and rail**

The Tube is carrying the largest number of passengers in its history – a record 1 billion last year – yet capacity increases are not keeping pace.

Transport for London's bid to take-over the contracts of collapsed Public-Private Partnership (PPP) consortium, Metronet, brings with it added risk for TfL and any further complications or delays will have knock-on effects on London's commuters and tourists.

PPP contracts have brought many improvements, but work is still urgently needed on areas not covered by the contracts – cooling on the Underground, major station upgrades and reconstruction and completions of East London Line extensions.

**We call on the Mayor to:**

- ✓ **Ensure TfL's internal structure is appropriate to manage the risk in taking on PPP contracts**
- ✓ **Resolve outstanding PPP issues to ensure Tube upgrades aren't held back**
- ✓ **Improve reliability, overcrowding & comfort on Tube and rail**

### **Don't squeeze rail commuters**

Many commuter routes into London are heavily overcrowded and problems will worsen as the population increases rapidly. Although the Government has recently given the go-ahead for an additional 1000 carriages on London commuter rail services, further improvements are still essential. Negotiations to reduce overcrowding on these routes must involve Network Rail and the train operating companies.

**We call on the Mayor to:**

- ✓ **Work with the rail companies to reduce overcrowding**

## Kick Off Crossrail Construction

October's green light for Crossrail acknowledges that London urgently needs additional transport capacity. This East-West rail link is vital to London's future growth and competitiveness. The in-coming Mayor must now work with the business community to ensure that Crossrail is completed on time and on budget.

**We call on the Mayor to:**

- ✓ **Work with business and Government to get Crossrail built on budget and on time**

## Make London work better

### Get people into jobs, not just classes

London has the UK's highest unemployment rate, and drastic reforms are needed to make the skills system in the capital reconnect those out of work to jobs available.

Government-set skills qualifications are of little value unless the training on offer matches the needs of employers offering jobs. Skills programmes in London need to reflect the job opportunities actually available and be less driven by qualifications and participation measurements.

The London Skills and Employment Board (LSEB) should also be made the single skills agency for London, giving strategic direction to all skills programmes operating in the capital.

**We call on the Mayor to:**

- ✓ **Listen to employers, refocus and co-ordinate skills training in London to give people the skills to win and hold down jobs**
- ✓ **Make the London Skills and Employment Board *the* Skills body for London**

## Going for Gold

### Make the West End the best end

The West End is a focal point for most visitors to the capital, with many flocking to the restaurants, shops, bars and theatres to sample London's rich entertainment offering. While parts of the West End offer a high quality visitor experience, run-down and shabby areas remain.

There needs to be a step-change improvement in the West End public realm so that we offer a world class retail and leisure destination, not second class.

**We call on the Mayor to:**

- ✓ **Improve our tourist areas and theatres and make the most of the economic boost from visitors**

- ✓ **Reduce bus concentrations in prime shopping streets and support local measures to reduce overall congestion**
- ✓ **Improve West End streets**
- ✓ **Build better public spaces at interchanges like Marble Arch, Leicester Square and Tottenham Court Road**

## B. What the Mayor can influence:

### London's Growth – can we sustain it?

#### Promote green outcomes not red tape

Land costs and availability are at a premium in London. Establishing new sub-regional infrastructure is the most effective and efficient way to decentralise energy. The Mayor should permit developers to provide energy supply off-site, allowing for more efficient use of space and finance.

#### We call on the Mayor to:

- ✓ **Champion climate change solutions which don't hold back development**
- ✓ **Allow developers to supply energy from off-site locations**

#### Keep London's economy flying

Business needs easy access to markets, customers and clients. London needs to offer this to remain competitive. The Mayor's airport policies must support and not damage London's competitiveness.

The current situation at London's airports such as Heathrow is not sustainable. Unfettered future demand outstrips even the most optimistic expansion. London needs sustainable airport policies which manage demand but allow for increasing international business travel and a better quality traveller experience – essential to support London's function as a leading world city. Recognition of aviation emissions as part of the climate change agenda is key: they should be tackled *alongside other high carbon-producing activities*.

#### We call on the Mayor to:

- ✓ **Help London regain its position as the best connected European city for business**
- ✓ **Support *sustainable* airport development that improves conditions for all travellers**
- ✓ **Argue for proportionate environmental targets and regulation for air travel as well as other high carbon-producing activities**

## **Make London work better**

### **Press Government to follow Clinton & make work pay**

Despite London's world-class economy and rising prosperity, it is still home to areas of deprivation and high unemployment.

Reasons for worklessness are complex, but renewed efforts are needed to make work pay more than the benefits system, allowing all Londoners to share in the capital's success. Clinton's Welfare Reform Act in the United States has helped shrink the numbers claiming benefit, with the incomes of the families formerly claiming benefit rising. The Mayor must look at similar measures and commit to tackling poverty and worklessness.

**We call on the Mayor to:**

- ✓ **Use your influence to help more Londoners escape the benefit trap**

### **Wanted: talented allcomers**

With skills gaps reported by many employers in the capital, London's economy benefits greatly from access to flexible labour markets and open barriers to migrants. Despite this, public pressure and tabloid headlines have recently shaped Government migration policies.

While public services and flow of migrants need to be managed to ensure London's infrastructure can cope, economic migration to London should be encouraged, not stamped out.

**We call on the Mayor to:**

- ✓ **Promote migration to London and keep Government from battenning down the hatches - give London the best workforce and effective public services**

## **A capital which feels safer**

Crime is a key factor for many businesses when deciding the location of their European HQs. London's reputation and attraction as a world city relies on it being a safe city. The Mayor must commit to helping make London a safer city by pushing for a reassuring and visible police presence in all communities – business and residential.

**We call on the Mayor to:**

- ✓ **Press for a business representative on the Metropolitan Police Authority (MPA)**
- ✓ **Commit to sustainable funding for neighbourhood policing**
- ✓ **Work with the MPA, the police and business leaders to develop a robust system to record business crime**

### Olympics Legacy

The Thames Gateway has been declared Europe's largest regeneration site. With London set to grow by another 900,000 by 2025, many settling in east London, steps need to be taken now to ensure this area can accommodate the projected growth.

The Olympics provides a massive opportunity for private investment and regeneration in east London. A step-change in the management of the regeneration programme is critical to making the most of this opportunity.

While Government must put in the infrastructure to attract private sector investment, the Mayor must champion the potential of the Olympics to kick-start crucial regeneration of the immediately-surrounding area. The Mayor must promote infrastructure schemes for east London that will open up areas earmarked for development but constrained by inadequate access.

**We call on the Mayor to:**

- ✓ **Promote the 2012 Games as the catalyst for transforming East London**
- ✓ **Press Government to spend on infrastructure in the London Thames Gateway, kick starting development**
- ✓ **Support construction of the Thames Gateway Bridge**

### Champion the London Business Network

The Olympic and Paralympic Games in 2012 bring with them innumerable opportunities of potential benefit to London's communities.

The London Business Network was established to make it easier for the capital's business community to understand and harness the economic opportunities afforded by the 2012 Games. The Mayor should continue to promote and support the London Business Network as *the* conduit to access Olympic contracts.

**We call on the Mayor to:**

- ✓ **Champion the London Business Network and help the capital's employers and employees benefit from Olympic opportunities**

### Fly the flag

London is frequently rated one of the leading world cities. It offers unrivalled career and lifestyle opportunities and continues to draw visitors and inward investors alike. The Mayor's role as ambassador for London on the international stage is key to the public image of the capital as well as an opportunity to promote London as the best location for business.

**We call on the Mayor to:**

- ✓ **Continue to promote London as an attractive place to live, work, visit and invest**

## C. What Business Pledges:

### Planning

- ✓ To work with the Mayor to increase housing supply
- ✓ To continue to supply world class offices, housing and public spaces

### Aviation

- ✓ To campaign for expansion and investment in Heathrow and London's other airports, ensuring effective environmental measures are put in place *at the same time*

### Climate Change

Climate change is an issue that must be addressed without fail. Business can be an exemplar, championing measures such as reducing carbon emissions while ensuring that London's economic competitiveness is not undermined. London First, on behalf of the business community, will act as the Mayor's critical friend on this issue, supporting and critiquing policy initiatives. Business pledges:

- ✓ To support Government carbon reduction targets, promoting innovative, practical measures which don't undermine competitiveness
- ✓ To support carbon trading and regulation for all uses, with any green tax revenue ring-fenced for environmental initiatives. Any increased green taxation should not result in an overall increase in the tax burden
- ✓ To support the Mayor's leadership on climate change, providing business experience and expertise

### Crossrail

Business has unrivalled expertise in structuring finance, managing risk and delivering projects on time and on budget. In return for involving the business community at the highest level of negotiations, recognising the substantial financial contribution, London business leaders will be able to advise on how to keep Crossrail construction on track right through to completion.

- ✓ To support and advise on how to keep Crossrail construction on track right through to completion

### Tube and Rail

- ✓ To keep pressure on Central Government to continue investment into the PPP arrangements
- ✓ To campaign for investment in future rail schemes for London

## Road Pricing

- ✓ **To support the Mayor in plans to extend road pricing schemes to other congested locations in London, so long as profits from the schemes are reinvested into local public transport, roads and spaces**

## Skills

If the London Skills and Employment Board is to deliver the step change desired, the Mayor must neither get too involved nor ignore the LSEB. London First will also encourage the business community to sign up to the London Employer Accord. Business pledges:

- ✓ **To actively engage in shaping the skills strategy for London through the LSEB**
- ✓ **To encourage participation in the Employer Accord**

## Olympic Legacy

Business needs clarity of vision and a reduction in the multiplicity of public agencies involved in the area surrounding the Olympic park. It also needs confidence that the roads, schools and surgeries vital to create lasting communities will be built before it can commit to investing in the Thames Gateway. Once this is certain, business promises:

- ✓ **To invest in new development in the Thames Gateway**

## West End

Business pledges:

- ✓ **To work with private and public sector agencies to secure much-needed improvements to the West End**

## Good Governance

To avoid inefficiencies, the Greater London Authority and its public agencies, such as the London Development Agency and Transport for London, must demonstrate high standards of governance and efficient use of public money. Business promises:

- ✓ **To work with the Mayor to achieve good governance in all GLA agencies**