

# Extracts from Mayor's EDS

## Rising to the Challenge

The Mayor's Economic Development Strategy  
for Greater London

Public Consultation Draft

October 2009

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# Executive summary

## Introduction

The purpose of the Mayor's Economic Development Strategy (EDS) is to set out the Mayor's ambitions for the economic development of the capital; to provide the Greater London Authority Group<sup>1</sup> and other strategic organisations with a clear vision, an analysis of the economy and policy directions for achieving our ambitions; and to clarify roles and responsibilities with other parties who make a major contribution to developing London's economy, so that together we can build London's economic future.

The Mayor's overall objectives are to:

- London as the undisputed business capital of the world;
- ensure that it has the most competitive business environment in the world;
- drive London's transition to a low carbon economy and maximise the opportunities that this creates
- give all Londoners the opportunity to share in London's economic success; and
- maximize the benefits to London from investment to support growth and regeneration

## London: business capital of the world

London has already benefited hugely from globalisation, becoming a magnet for inward investment and talent, and a hub of entrepreneurialism and innovation, with only New York as a serious contender to the title of world capital of business. London's specialisation and world leadership in several high-value sectors has created a well-established agglomeration of economic activity. The Mayor is determined to make London the world's most attractive proposition for businesses, students and visitors, and he will take a strategic and coordinated approach to enhancing the city's global profile.

## Improving London's competitiveness

London's businesses can only thrive if the city remains competitive – nationally and globally. Highly ranked as a business location in several independent studies, London has huge advantages. However, some are being eroded – not least due to rising taxation – and improvement is needed if we are to stay ahead of the competition. The Mayor will act as a champion for London, and work to promote and protect its diverse, innovative and open business environment.

A major aim is to gain a greater understanding of the competitive challenges we face and to determine how we can overcome them, identifying and addressing market failures that prevent London's leading sectors from achieving their full potential. If investment, business and skilled workers are to be attracted to London, improvements will be needed to some of the elements that contribute to Londoners' quality of life, such as the environment, health, housing, transport, and safety.

## Transforming to a low carbon economy

The transition to a low carbon economy is an urgent environmental necessity. This transformation, with its sizeable economic benefits, can be turned to London's advantage, provided we move fast. We need to manage the transition in a way that fully exploits the

economic opportunities in this area, and minimises the economic damage of climate change.

London should use its experience, specialisms and reputation to develop market leadership; for example, it is already the leader in carbon trading and has renowned climate change research expertise. The Mayor will lead by example, using the resources and programmes of the GLA Group, including through its procurement. He will encourage actions that scale up investment in the low carbon economy and create the infrastructure London needs to establish itself as a low carbon capital with highly developed, tradable expertise (for example, retrofitting buildings, generating energy from waste, developing decentralised energy and recycling).

## **Extending opportunities to all Londoners**

Londoners' contributions to the capital are key to its success, and all Londoners should have the opportunity to participate in, and benefit from, that success. The chapter focuses on three key issues: tackling worklessness, addressing the root causes of low skills, and promoting equality and tackling deprivation.

The Mayor will address these challenges by promoting more effective education, training and support for employment and entrepreneurship; from getting schooling right to promoting the high-end skills that are critical to London's competitiveness. He will also work with partners to strengthen incentives, improve opportunities and provide more relevant targeted support to help people into work, encouraging their progress once they are in work, and bettering their housing prospects. Innovative approaches, more personalised support and improved delivery are required for Londoners facing complex and multiple barriers to participation in work.

## **Investing in London's future**

Only by making the right investments will London fulfill its potential as the world capital of business, a global leader in the low carbon economy, and a city offering opportunities and a high quality of life for all Londoners. Prosperity must be spread across the capital, addressing areas of deprivation across the city and, in particular, fostering economic and employment growth in outer London and maintaining the global role of central London. Two interlinked broad areas of investment are key to maximising London's potential and providing greater access to employment over the coming two decades: transport, and housing and regeneration, including building on the opportunity of the 2012 Olympic and Paralympic Games and its legacy.

## **What happens next?**

This document establishes the Mayor's broad intentions for building London's economic future. It calls for close collaboration between the Mayor, the wider GLA Group and private, public and third sector organisations across the capital. Only then can we succeed in ensuring London continues to excel among global cities.

The Mayor is launching this paper alongside the proposals for the London Plan and the Mayor's Transport Strategy so that responses can be considered in the light of all three. Together they offer a coherent integrated framework for successfully developing London as the best city in the world. They aim to give a clear lead to our partners on how London

will change, enabling us to work together to make effective joint investment decisions over the coming years.

Like the London Plan and the Mayor's Transport Strategy, the EDS looks to the long-term, adopting 2031 as its horizon. However, in practice many of its policies are focused on the more immediate future.

The Mayor looks forward to a stimulating discussion on this consultation draft and will listen to the views of Londoners, London businesses and delivery partners. It is open to anyone to send in comments, which will be considered carefully before the new Economic Development Strategy is finalised and published.

# Implementation and summary of proposals

**6.1** The Mayor, working with the LDA, is undertaking an extensive consultation exercise on this draft of the EDS with Londoners, London businesses, and other stakeholders, beginning in October 2009 and ending in January 2010. At the same time he is consulting on the draft London Plan and his Transport Strategy. All three documents will be revised in the light of comments and the final version of the EDS is expected to be published by summer 2010.

**6.2** This chapter draws together the Mayor's proposals from earlier chapters. Throughout the consultation, the Mayor will engage partners from the public, private and voluntary sectors, on the draft EDS, including the development of a more detailed Implementation Plan, and to ensure the EDS provides the appropriate level of guidance to delivery organisations in London.

Proposals:		Key partners include:	Key measure:
<b>Objective 1: to promote London as a city that excels as a world capital of business.</b>			
<i>Some key measures of progress: Return on Investment of promotional activities, Foreign Direct Investment figures, export growth of goods and services, international visitor spending</i>			
Proposal 1A	The Mayor will work with partners to strengthen the promotion of London as a global leader and will encourage promotional agencies to work collaboratively.	LDA, Promote London Council members and the private sector	
Proposal 1B	The Mayor and GLA Group will work with LOCOG and other key partners to promote London to the world, taking full advantage of the 2012 Games opportunity.	LOCOG	
Proposal 1C	The Mayor will work with partners to develop a comprehensive international trade strategy to increase London's exports, particularly in rapidly developing markets such as India and China.	LDA and UKTI	
<b>Objective 2: To ensure that London has the most competitive business environment in the world.</b>			

<i>Some key measures of progress: business growth and start-up rates, private/public sector collaborations, London rankings in attractiveness to business of international cities, competitiveness indicators, business costs relative to competitor cities, quality of environment indicators, reduction in health inequality, sport and culture participation, crime indicators</i>		
Proposal 2A	The Mayor will work with partners to further develop London's capacity for innovation, particularly for SMEs, by encouraging collaboration across sectors, promoting more productive links between business and academia, providing support for innovative activities, promoting entrepreneurial skills and helping in accessing funding.	LDA, Universities, NHS and the private sector
Proposal 2B	The Mayor will promote cost effective business support programmes for London's businesses, and especially its SMEs, working with central government, the LDA, local authorities and business representative organisations in London.	LDA, LSEB, central government, boroughs and the private sector
Proposal 2C	The Mayor will monitor the factors affecting London's competitiveness so as to identify where corrective action is needed to address factors having a negative effect.	LDA, central government and IBAC
Proposal 2D	The Mayor will continue to be an active champion of business and will lobby government and encourage an open and competitive business-friendly environment and a flexible and skilled labour market.	LDA, LSEB, central government and LBAC
Proposal 2E	The Mayor will work with partners to ensure costs to business are kept as low as realistically possible.	LDA, TfL, boroughs and private sector
Proposal 2F	The Mayor will work with the neighbouring regions to achieve mutual economic benefits.	East and South East regions, LDA and central government
Proposal 2G	The Mayor will work with boroughs and other partners to improve the quality of the environment in London.	Boroughs, TfL and LDA
Proposal 2H	The Mayor will work with the NHS and partners to improve health in London and reduce health inequalities.	NHS, boroughs and central government
Proposal 2I	The Mayor will work with partners to improve and promote London's overall cultural, sporting and entertainment offer.	LDA, LOCOG, boroughs, cultural and sports organisations

Proposal 2J	The Mayor will work with the Metropolitan Police, boroughs and other partners to increase safety, drive down crime and particularly to counter business crime in the capital.	LDA, MPA and boroughs
<p><b>Objective 3: to drive London’s transition to a low carbon economy and to maximise the economic opportunities this will create.</b></p>		
<p><i>Some key measures of progress: reduction in London’s carbon footprint, reduction in carbon footprint of London business, public sector and residential, low carbon economy investment level,; increase in supply of decentralised energy, low carbon economy skills supply, performance of low carbon zones relative to other areas</i></p>		
Proposal 3A	The Mayor will lead by example and will work with partners to ensure that London realises the great economic opportunities associated with the move to a low carbon economy.	GLA Group and the public sector
Proposal 3B	The Mayor will work with partners and lobby government to develop the scale of investment and environmental infrastructure needed to support a low carbon London.	GLA Group, LWRB, Utility companies, central government and the private and voluntary sector
Proposal 3C	The Mayor will encourage business to participate in exemplary projects to cut carbon such as the creation of a showcase Green Enterprise District and of Low Carbon Zones.	LDA, boroughs and the private sector
Proposal 3D	The Mayor will work with partners to ensure London’s workforce has the right skills so businesses fully realise the employment opportunities from the global move to a low carbon economy.	LDA, universities and skills organisations
Proposal 3E	The Mayor will create a policy framework to address climate change and will work with private, public and voluntary sector partners to improve their environmental performance.	GLA Group, public, private and voluntary sector
<p><b>Objective 4: To give all Londoners the opportunity to take part in London’s economic success, access sustainable employment and progress in their careers.</b></p>		
<p><i>Some key measures of progress: child poverty reduction, educational achievement such as Number of GCSE passes at A*-C, employment rate, job retention rates, adult illiteracy and innumeracy levels, housing indicators</i></p>		

Proposal 4A	The Mayor will work with partners to help ensure that all London's children get a good start in life, and encourage relevant agencies to work towards the government's target to end child poverty being achieved in London by 2020.	LDA, boroughs and voluntary and education sector
Proposal 4B	The Mayor will work with partners to ensure that all London's young people have appropriate opportunities to gain the knowledge, skills and confidence to succeed in London's labour market.	LDA, boroughs, schools and skills organisations
Proposal 4C	The Mayor will work with partners, particularly through the LSEB, to raise London's employment rate, and to reduce the employment rate gap for disadvantaged groups, by removing barriers and disincentives to work and providing more personalised and joined-up services to help people into employment and career progression.	LSEB, LDA, central government and skills organisations
Proposal 4D	The Mayor will work with the LSEB and other partners to significantly improve training and employability support so as to help people secure and retain a job with a particular focus on neighbourhoods with high concentrations of worklessness.	LDA, ODA, TfL, skills organisations, third sector and boroughs
Proposal 4E	The Mayor will work with the LSEB and other partners to help meet the aspirations of Londoners to acquire relevant skills and qualifications to progress in their careers.	LDA, HEI and skills organisations
Proposal 4F	The Mayor will work with the Homes and Communities Agency, boroughs and other partners to ensure there is sufficient and suitable housing to meet the needs of London's growing population and workforce, and to address problems of homelessness and overcrowding.	LDA, HCA, boroughs and central government

**Objective 5: To maximise the benefits to London from investment to support growth and regeneration, and from the 2012 Olympic and Paralympic Games and its legacy.**

*Some key measures of progress: local economic activity and employment indicators, economic growth rate in Outer London, Investment levels in the Central Activities Zone, Housing and employment capacity, quality of life indicators, infrastructure investment and transport congestion indicators, public and private sector leverage*



Proposal 5A	The Mayor will work with partners to strengthen the economy across London including removing barriers to outer London fulfilling its potential, and to support the development of town centres in outer and inner London as hubs for their communities and local economies.	GLA Group, boroughs and the private sector
Proposal 5B	The Mayor will work with partners to ensure that investment sustains and increases central London's ability to be competitive, productive and innovative.	LDA, TfL and boroughs
Proposal 5C	The Mayor and LDA will work with the Olympic Park Legacy Company and other partners to fully seize the unique regeneration opportunity offered by the 2012 Olympic and Paralympic Games.	LDA, TfL, ODA, HCA, OPLC and boroughs
Proposal 5D	The Mayor will work with boroughs, developers and other partners to identify capacity to accommodate large-scale employment and housing development, including in the London Plan's Opportunity Areas, through the planning system, transport proposals and investment support.	LDA, HCA, boroughs and the private sector
Proposal 5E	The Mayor and LDA will work with partners to take a co-ordinated and targeted approach to regeneration across London.	LDA, TfL, boroughs, HCA and the private sector
Proposal 5F	The Mayor will encourage the further development of diverse and attractive neighbourhoods throughout London and will encourage local economic development as an essential ingredient in this.	LDA, boroughs, HCA and the private sector
Proposal 5G	The Mayor will work with LDA, TfL and partners to achieve the full economic development benefits of London's transport schemes and to bring forward the necessary further investment in London's infrastructure.	TfL, LDA, central government and private sector
Proposal 5H	The Mayor will work with partners in the wider South East to achieve mutual economic benefits from investment.	LDA, East and South East regions and the private sector

## Consultation

**6.3** The Mayor of London is interested in your views on this public consultation draft of the EDS.

**6.4** The Mayor welcomes responses commenting on the document as a whole or on the analysis, structure, objectives and individual proposals within it. Responses should be received by 17:00 on 12 January 2010.

**6.5** During the public consultation the LDA will be holding a number of local and thematic public consultation events. Further details of these events are available on the LDA website, [www.lda.gov.uk](http://www.lda.gov.uk), or by calling 020 7593 9000

**6.6** A report on the public consultation for the EDS will be available to view on the LDA website from April 2010. Responses to individual comments will be provided on request.

**6.7** In preparing the final EDS, the Mayor will consider comments made on this draft, as well as comments on the draft London Plan, Transport Strategy and Mayoral environmental strategies where these are relevant.

**6.8** Visit the LDA Consultation Portal at <http://lda-consult.limehouse.co.uk/portal/eds/eds> to view supporting documentation and to submit your response to the consultation.

**6.9** Alternatively, responses can be sent by email to [eds@london.gov.uk](mailto:eds@london.gov.uk) with “The Mayor’s EDS consultation” in the subject box, or in writing to:

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