

# Subject: Mayor's Responses to Committee Outputs

Report to: Economy Committee

Report of: Executive Director of Secretariat

Date: 2 March 2021

This report will be considered in public

## 1. Summary

1.1 The Committee is asked to note the responses received to its outputs.

## 2. Recommendations

2.1 That the Committee notes the response from the Mayor to its report, *Low pay and in-work poverty*, as attached at Appendix 1.

2.2 That the Committee notes the response from the Mayor to its report, *Has the Golden Goose become a Turkey? London's Christmas economy and COVID-19*, as attached at Appendix 2.

## 3. Background

3.1 The Economy Committee used its meetings on 7 May 2019 and 18 June 2019 for discussions with invited guests on low pay and in-work poverty and outsourcing and procurement. Following those meetings, the Committee published its report, *Low pay and in-work poverty*. The report made a number of recommendations to the Mayor, as follows:

- The Mayor should include supporting transition back into the labour market as one of the listed priorities in the Skills for Londoners Innovation Fund prospectus for future rounds of funding applications, with a focus on groups at risk of being in low paid work or in-work poverty.
- The Mayor should provide a commitment and timeframe for establishing a working group tasked with looking into and developing solutions to the challenges present in the low pay sectors of London's economy by March 2020.

- The Mayor should use his convening powers to support London boroughs to develop solutions to low pay and in-work poverty – ideally through a broader adoption of the London Living Wage by March 2020.
- The Mayor should:
  - Direct the GLA to engage in greater cross-agency working (for example to work closely with local authorities, HMRC and so on) to ensure there is a more proactive, intelligence-led approach to enforcement; and as part of this
  - By March 2020, call for local authorities to work more closely with enforcement agencies to enforce Minimum Wage legislation; and
  - By March 2020, write to the Financial Secretary to the Treasury to lobby the national Government to ensure that HMRC has an adequate number of trained staff as a priority.
- The Mayor should:
  - Build upon the employments rights hub and consider how information campaigns could ensure the employments rights hub reaches a wider audience; and
  - Support the Taylor Review’s call for legislation on the rights of workers and use City Hall’s influence to encourage public and business support, before the end of the current mayoral term.
- The Mayor should:
  - Provide an update on the timelines for the feasibility of making London Living Wage accreditation a requirement for businesses in receipt of capital funding from the GLA, TfL, or those whose services are procured by the GLA group by March 2020; and
  - In consultation with representatives from London boroughs, establish a case to offer business rates discounts to London Living Wage accredited businesses across London boroughs. The Mayor should set out a plan to work with London boroughs by March 2020, with a view to have the next Mayoralty present the business case to the Minister for London and HM Treasury by December 2020.
- The Mayor should produce a plan for encouraging more businesses to sign up to the Good Work Standard, as well as how its effectiveness will be measured, by March 2020.

3.2 The Committee’s report can be found on the GLA’s website [here](#).

3.3 The Committee used its meeting on 4 November 2020 to discuss the impact of COVID-19 on London’s Christmas economy. Following that meeting, the Committee published its report, *Has the Golden Goose become a Turkey? London’s Christmas economy and COVID-19*. The report made a number of recommendations to the Mayor, as follows:

- The Mayor should establish a programme that provides practical and financial support to help small and medium-sized enterprises begin trading online or improve their existing online presence, enables businesses to offer click-and-collect services, and he should then track the subsequent growth in the number of businesses that are able to offer these services across the capital.
- The Mayor should lobby for an extension of the reduction in VAT rate to 5% for the hospitality and tourism sector until the end of March 2022.

- The Mayor should create a new responsibility on the Mayoral team, dedicated to advocating for London’s performing arts.
- The Mayor should continue to lobby the Government to reverse the decision to end tax-free international shopping, and update the Committee as to how he is actively engaging with the Government to advocate on this issue.
- The Mayor should update the Committee on the impact so far of the Domestic Tourism Consortium, and how it will be used to promote domestic tourism as an integral part of London’s economic recovery in 2021 and beyond.

3.4 The Committee’s report can be found on the GLA’s website [here](#).

#### **4. Issues for Consideration**

4.1 The Mayor wrote to the Chair responding to the recommendations in the *Low pay and in-work poverty* report on 14 January 2021. The letter is attached at **Appendix 1**.

4.2 The Mayor wrote to the Chair responding to the recommendations in the *London’s Christmas economy and COVID-19* report on 28 January 2021. The letter is attached at **Appendix 2**.

4.3 The Committee is asked to note the responses received.

#### **5. Legal Implications**

5.1 The Committee has the power to do what is recommended in the report.

#### **6. Financial Implications**

6.1 There are no financial implications arising from this report.

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#### **List of appendices to this report:**

Appendix 1 – Response from the Mayor, dated 14 January 2021

Appendix 2 – Response from the Mayor, dated 28 January 2021

<b>Local Government (Access to Information) Act 1985</b>	
List of Background Papers: None	
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