

MINUTES

Meeting: London Recovery Board

Date: Thursday 4 June 2020

Time: 10.00 am

Place: Virtual meeting

Present:

Sadiq Khan, Mayor of London (Co-Chair – in the Chair)
Councillor Peter John OBE, Chair of London Councils (Co-Chair)
Mike Brown, Commissioner, Transport for London
Julia Buckingham, President, Universities UK
Richard Burge, CEO, London Chambers of Commerce & Industry
Laura Citron, CEO, London and Partners
Dame Cressida Dick, Metropolitan Police Commissioner
Councillor Ruth Dombey OBE, Vice Chair of London Councils
David Farnsworth, Chair, London Funders
Matthew Fell, Chief Policy Director, Confederation of British Industry
Professor Kevin Fenton, London Regional Director, Public Health England
Jake Ferguson, Chair, CVS Directors Network and CEO, Hackney CVS
Councillor Georgia Gould, Deputy Chair of London Councils
Sam Gurney, London Regional Secretary, Trades Union Congress
Rowena Howie, London Policy Representative, Federation of Small Businesses
David Hughes, CEO, Association of Colleges
Catherine McGuinness, Vice Chair of London Councils
Bharat Mehta, CEO, Trust for London
The Venerable Father Luke Miller, Chair, London Resilience Faith Sector Panel
Councillor Teresa O'Neill OBE, Vice Chair of London Councils
Nita Patel, Founder and CEO, Planet Communications
Sir David Sloman, London Regional Director, NHS England
Paul Scully MP, Minister for London
Beccy Speight, CEO, RSPB
Angela Spence, CEO, Kensington and Chelsea Social Council
Professor Tony Travers, Director, LSE London (presenting item 3)
Jasmine Whitbread, CEO, London First
Lord Simon Woolley, Director, Operation Black Vote

Other attendees (observing unless otherwise stated)

David Bellamy, Mayor's Chief of Staff, GLA
Doug Flight, Head of Strategic Policy Group, London Councils
Catherine Glossop, Senior Manager Economic & Industrial Strategy, GLA

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Mary Harpley, Chief Officer, GLA
Felicity Harris, Board Officer, GLA
Blessing Inyang, Department for Business, Energy and Industrial Strategy
Eleanor Lloyd, Senior Board Officer, GLA
Niran Mothada, Executive Director, Strategy and Communications, GLA (presenting items 5 and 8)
Sarah Mulley, Executive Director, Communities and Skills, GLA
Sonny Murphy, Department for Business, Energy and Industrial Strategy
John O'Brien, Chief Executive, London Councils
Jim Odling-Smee, Director of Communications, London Councils
Tom Pickup, Principal Policy and Project Officer, London Councils
Jeremy Skinner, Assistant Director, City Intelligence, GLA
Dick Sorabji, Deputy Chief Executive, London Councils
Michelle Reeves, Senior Manager, Strategy, GLA
Robyn Thackara, Department for Business, Energy and Industrial Strategy
Dr Fiona Twycross, Deputy Mayor for Fire and Resilience
Dr Debbie Weekes-Bernard, Deputy Mayor for Social Mobility, Social Integration and Community Engagement

1 Welcome and introductions

- 1.1 The meeting was chaired by Sadiq Khan, Mayor of London and Co-Chair of the London Recovery Board.
- 1.2 The Chair welcomed those present and outlined protocols for the virtual meeting. A membership list had been circulated with the agenda. Apologies had been received from Sir Bob Neill MP, Co-Chair of the All Party Parliamentary Group on London.
- 1.3 The Chair outlined the context within which the Board had been convened, emphasising the unprecedented challenge posed to society and the economy by the impacts of Covid-19 but stressing also that London's recovery would present opportunities to improve the city, and with it the lives of Londoners. The collective effort and creativity of those present, their organisations and networks, and of all Londoners, would be needed in this endeavour. The Board would develop the broad vision and framework for London's medium to long-term recovery from Covid-19, while working closely with the London Transition Board, co-chaired by the Mayor of London and Secretary of State for Homes, Communities and Local Government, which would consider more immediate challenges.
- 1.4 Councillor Peter John, Chair of London Councils and Co-Chair of the Board, noted that as well as highlighting London's resilience and the ability of varied institutions to work effectively together, the pandemic had brought to the fore many serious social inequalities. He hoped that the Board would serve a dual purpose as both a means to rebuild confidence in the London and as an enabler of Londoners themselves to shape and deliver the city's recovery.

2 Declarations of interest

- 2.1 There were no declarations of interest. Members would shortly be asked to register any interests as part of the formal appointment process.

3 The new economic and social context to 2021

3.1 Professor Tony Travers, Director, LSE London, presented an independent view of the challenges facing London as a result of Covid-19, setting out firstly the potential impacts on London's economy, employment and demographics as well as the expected differential effects across economic sectors and geographical zones. The presentation explored the potential decisions to be taken by each tier of government during the recovery period. Possible actions spanned a spectrum from a flexible and reactive approach through to proactive management which would seek to achieve new outcomes for the city. These would be influenced by whether or not the path toward recovery featured an effective vaccine against Covid-19.

3.2 Slides are appended to these minutes at **Appendix 1**

4 How does this relate to boroughs' experience on the ground?

4.1 Councillor Peter John invited London Councils representatives to share their boroughs' experiences of the pandemic, alongside their key future priorities.

4.2 Local authorities had been the bedrock of London's local Covid-19 response systems, working rapidly and innovatively to establish community hubs and support residents in new ways. The pandemic had underlined the importance of local knowledge and highlighted the need to examine relationships between various spheres of government as London emerged from the crisis.

4.3 The recovery period was viewed as a crucial opportunity to remodel the city with a focus on Londoners' quality of life and wellbeing. Members touched upon the possible need for changes to the planning and transport systems in response to an anticipated desire for people to work and spend more leisure time nearer their homes. The value to residents of London's open spaces during the crisis could not be overemphasised and there was a strong desire to protect and enhance these, as well as expanding the space accessible for exercise and non-motorised transport. The attention afforded to mental health and resilience brought about by the lockdown must not be lost.

4.4 It would also be a rare chance to address the entrenched inequalities laid bare by Covid-19, evidenced by, among others, its disproportionate impacts on BAME Londoners and the focus on homelessness brought about by the crisis. Eliminating the digital divide would also be fundamental to ensuring that all Londoners would benefit from the expected move toward greater remote employment opportunities.

4.5 Rebuilding the confidence of businesses and individuals to engage in London's economy would be essential to initiating the renewal and local authorities were now taking a lead role in the track and trace effort, working with Government, public health bodies and the NHS to develop an effective system that would provide reassurance. The new debt burden of London's SMEs was raised as a key issue for recovery, as was the status of the cultural sector, where the current furlough scheme was all that was preventing many organisations from

collapsing. It was felt that London's renewal could be a chance to push forward decarbonisation and create a swathe of employment opportunities in renewable energy and retrofitting.

- 4.6 The Chair thanked borough leaders for their input and emphasised the genuine cross-party endeavour that had been in evidence on London's Strategic Coordination Group during the Covid-19 response phase, noting that all were committed to continuing during the recovery.

5 Outline mission, principles, outcomes and ways of working

- 5.1 Niran Mothada, GLA Executive Director, Strategy and Communications, presented a high-level overview of the proposed mission, principles, outcomes and ways of working for the Board. The Board would oversee a Taskforce that would coordinate activity and agree priorities to deliver the Board's objectives, with two working groups, to develop detailed strategies and activities to support social and economic recovery.
- 5.2 All proposed work would seek to create healthier, greener, fairer and more equal city with the involvement of all London's diverse communities. The desired outcome was a London which worked more sustainably and was resilient to future shocks, taking advantage of new innovations and ensuring the measures taken were affordable. The slides are appended to these minutes at **Appendix 2**.
- 5.3 The Board was reminded that its work would take place within the context of a climate and ecological crisis and that all indicators suggested overwhelming public support for a green recovery. To inspire and engage Londoners, the vision for recovery would need to focus directly on their health and happiness. Any investments made must be held to sustainable principles. Similar ambitions to 'build back better' and focus on resilience were being expressed worldwide and there was an extensive and diverse pipeline of projects and initiatives already available to draw on.
- 5.4 Members supported the proposals, although noted that economic and social recovery could not be divided in a straightforward way, recognising that the two were closely interdependent. There would be a crossover in membership between the two proposed working groups to help support this and avoid any artificial separation. Community and citizen engagement would be crucial from the outset and the recovery narrative would need to champion community and voluntary organisations as genuine partners in the process. The Board's proposed outcomes would need to be refined and developed as the work progressed.
- 5.5 **DECISION**
That, subject to the views and discussion outlined above, the Board's outline mission, principles and ways of working be endorsed.

6 Economic recovery

- 6.1 The Chair invited representatives of London's business community to highlight the issues they felt would be most important to securing a successful recovery. Businesses felt strongly that they would be supporters and enablers of London's Covid-19 recovery and would seek to engage with all levels of government to achieve this. It would be important for the Board to develop a clear set of objectives for businesses to engage with, to be clear how these

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would be monitored and to communicate clearly how London's businesses could support the Board to achieve them.

- 6.2 The Board discussed London's transport needs and recognised that despite strong support for a shift toward cycling and walking, the city was, in the UK, uniquely dependent on its mass transit system. Only around half of London households owned cars and effective public transport was fundamental to inclusiveness. Applying current social distancing requirements, a full London Underground service could support only 675,000 journeys daily in comparison to a previous four million (<17%). Businesses had expressed their commitment to working with Transport for London to manage and spread transport demand in the short-term and beyond this to lobby for its stable, realistic and long-term financing.
- 6.3 There was a commonality of views on the significance of London's cultural and creative sector. Members were clear that London's cultural offer represented its greatest attraction locally, nationally and globally, underpinning its competitiveness and driving investment. The threat to cultural industries and institutions posed by an extended period of social distancing also made it the sector most at risk from the impacts of the pandemic. The loss of large numbers of cultural enterprises would seriously undermine the attraction of central London in particular as a place to visit, work or live. Culture was also recognised as one of London's most diverse sectors and thus particularly crucial to protect. The industry was lobbying for extensions of business rate relief, access to finance and alternative arrangements to extend beyond the planned end of the existing furlough scheme. The Board considered the possibilities of repurposing currently unused commercial spaces to showcase smaller cultural enterprises. Members also discussed possible ways to support other industries, notably hospitality, by creative uses of outdoor space to ensure compliance with social distancing requirements, including developing outdoor events to showcase these sectors.
- 6.4 Restoring confidence in London as a place to live, work and do business would be central to initiating and sustaining the recovery. There was broad support for a campaign proposed by London & Partners that would seek to develop confidence progressively, first encouraging safe use by Londoners of their local businesses, followed by promotion of the city to national and later to international audiences. It was noted that promotional campaigns may be most effective if they were able to demonstrate that London had learned from the Covid-19 crisis and would be more resilient to similar situations in future. London's status as an international trading city should not be overlooked and potential investors would also need to be assured that the city was well-prepared for Brexit. The desirability and accessibility of London to both international students and migrant essential workers would also need to be considered carefully. It would be important to take a coordinated approach to communication, recognising that authoritative direction, sector-led and community communications would all have roles to play.
- 6.5 The business community was also keen to work with all tiers of government to ensure a sustainable recovery, feeding into how the conditions of government support could be shaped to ensure environmentally sound outcomes. The Board was reminded that SMEs must also be enabled to take advantage of any innovative sustainable investment opportunities. The green economy was a key focus of London's higher education sector, particularly in research and development while, with the right partnerships in place, further education institutions could help provide Londoners with the requisite skills.
- 6.6 Setting an appropriate skills agenda would be critical in responding to the anticipated high levels of unemployment, which would disproportionately affect young people and already

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disadvantaged groups. Early conversations between local and central government would be needed to ensure the timely development of appropriate support and retraining. Evidence collected by trades union representatives on the ground would be fed in to the work of the Board and its support structures. The collaborative working model established between business, Government and trade unions in immediate response to the crisis would continue in the longer term. The TUC's recent reports on a proposed jobs guarantee scheme and *A Better Recovery* would be circulated to members after the meeting. **[Action: Secretariat]**

- 6.7 All were enthusiastic about the expected long-term changes to working arrangements, noting that more flexible, local working could help remove barriers to career progress for those with caring responsibilities. It was recognised, however, that high levels of digital proficiency would need to be propagated across the workforce.
- 6.8 Members acknowledged that London's businesses were as diverse as its residents and that establishing small enterprises was often a route to financial independence for people from less affluent communities. Small business owners in particular had been keen to stress that they formed part of the community and shared the same concerns around inequalities as other Londoners. A one-size-fits-all solution to supporting businesses would not be effective. Lockdown restrictions had disproportionately impacted female and BAME-led business as well as those who were unable to trade online. Support would also need to be offered to those businesses not immediately visible but which depended on higher profile businesses for their trade. It would be important for realistic assessments and advice to be available to businesses faced with the prospect of incurring large debts in order to continue trading.
- 6.9 Paul Scully MP, Minister for London, reiterated the Government's commitment to working in partnership with the Mayor and the boroughs alongside other partners on the Board. The Government's aim was to build confidence among employers, employees and potential visitors, allowing businesses themselves to generate and implement the ideas that would work best for their customers. It was agreed that the pandemic had accelerated inevitable shifts in the economy arising from the increasing dominance of online trading and that there would be little value in attempting to return to the pre-crisis model. Information on the experiences of other cities internationally was being kept under review. The Minister agreed to share international data on the hospitality industry with members. **[Action: Paul Scully MP]**
- 6.10 Despite the Government's 'levelling-up' agenda, the Minister acknowledged that London's economy was the driver of much employment across the UK and that it was not the intention that the capital be overlooked. The Minister expressed a willingness to share his contact details to ensure Londoners' views were heard by the Government and to deal with Board members directly where relevant.

7 Social recovery

- 7.1 Leaders of London's civil society organisations shared their views on the impacts of Covid-19 and the work that lay ahead. Those involved in London's Strategic Coordinating Group emphasised the value of working across sectors and tiers of government. Creative approaches would be needed to engage Londoners in the Board's work and to harness the energy of its diverse communities.

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- 7.2 The Board heard how the community and voluntary sector (CVS) had responded to the pandemic, moving quickly to establish support systems for vulnerable Londoners and mobilising large number of volunteers. It was suggested that the CVS was too often viewed as a crisis-response mechanism and approached too late to form effective partnerships and co-design strategies with public bodies. CVS organisations were now considering local recovery plans and these would be fed into the Board’s working group structures as well as being brought to a future Board meeting.
- 7.3 Many CVS bodies would be involved in contact tracing operations. The Board discussed how to overcome the challenges of mistrust and fear of surveillance from some of those communities worst affected by the virus. It was hoped that partnering with faith organisations and other community champions, as well as a focus on accessible testing, would help convey the value of the exercise.
- 7.4 The cessation of common fundraising activities had seriously affected the sector’s cashflow, a situation shared by those elements of the faith community dependent on trading for the bulk of their income. Funding made available through the National Lottery was subject to highly competitive bid processes that disadvantaged smaller organisations and could further entrench inequalities. Longer-term funding streams would be a critical enabler of the sector’s participation in London’s recovery. This topic would be covered in more detail at a future meeting.
- 7.5 Members shared views on Covid-19’s effects on inclusion and inequalities, reiterating that already disadvantaged communities had been hardest hit. Compounding the disproportionate impacts of the virus, BAME communities were likely to be affected particularly badly by the ensuing recession, as were disabled people and the digitally excluded. Beyond the economic consequences it was noted that the positive behavioural changes arising from Covid-19 (physical activity, volunteering, use of green spaces, active travel) would be important in reducing health inequalities and particular efforts should be made to maintain these in more deprived areas.
- 7.6 Suggestions for ensuring the recovery encompassed societal change included a Covid-19 race equality strategy and a new policing charter for London, co-designed with BAME community leaders. It was recognised that the MPS would need to work intensively on communication and community engagement, reinforcing positive messages and following these through with action. Policing and public safety would be embedded in all aspects of London’s recovery and the trust of all London’s communities would be needed if social cohesion was to be improved.
- 7.7 The further and higher education sectors would play significant roles in the recovery. Government was being lobbied by colleges for funding to guarantee that all Londoners left unemployed in the aftermath of Covid-19 would have access to relevant training at the beginning of the new academic year. The recent flexibility afforded by the Mayor in the Adult Education Budget had been essential in adapting provision to support Londoners through the crisis and similar leeway was being sought from Government for the youth further education budget. Beyond the immediate impacts, colleges advocated partnership working with employers and a clear focus on the sectors likely to provide the greatest number of future jobs, such as infrastructure, health and social care.
- 7.8 London’s higher education institutions were one of its greatest attractions internationally and the projected losses of overseas students would present enormous challenges to their

funding. The sector had responded rapidly to the pandemic, moving the bulk of learning online, using the flexibilities offered by Government to maintain provision and supporting graduates into the job market. A blended approach to learning was likely to ensue, with campus-based learning likely to focus on smaller groups. Minor relaxations of the social distancing guidelines would greatly increase the ability of universities to deliver on-site tuition. Universities would be integral to the recovery effort, driving research and providing relevant training in collaboration with the further education sector and employers, especially the public sector. The Board was asked to use its expertise and influence to ensure that HE remained sustainable to ensure its contribution to the recovery was realised.

8 London Recovery Board Terms of Reference

8.1 The Board considered a paper setting out its proposed Terms of Reference, alongside a series of possible arrangements for organising its meeting papers and ensuring transparency in its work.

8.2 DECISIONS

That:

- a) **It be agreed that the Board's meeting papers and minutes would be published and future meetings recorded for live or subsequent webcast in line with Option 3 as set out in the report; and**
- b) **Subject to the inclusion of agreed arrangements to ensure its proceedings were transparent, as noted above, the Board's draft Terms of Reference be approved.**

9 Next steps and conclusion

9.1 The Co-Chairs thanked members for their rich and varied contributions. Both had been struck by the unanimity of views on many topics and they looked forward to developing the conversation further. The discussion had highlighted many of London's most serious problems and there must be no sense of self-congratulation or complacency in the Board's discussions.

9.2 Much work would take place between Board meetings and officers would make contact with members as may be needed to take this forward. The next meeting would consider in more detail the work of the Recovery Taskforce and its working groups and how these could create the conditions for future growth and social recovery.

10 Any other business

10.1 There was no other business. The meeting closed 11:46am.

Appendices:

Appendix 1 – London Recovery: Social and Economic Challenges

Appendix 2 – Mission, principles, outcomes and ways of working

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London Recovery

- social and economic challenges

Tony Travers

LSE

Covid-19 and London

- The scale and density of London [also New York, Paris and other mega-cities] will have led to different impacts and implies different policies for recovery
- Where London differs:
 - Heavy reliance on public transport, especially crowded, high-capacity trains
 - Highly-productive central area, in turn, reliant on mass transit
 - Relatively high % of population living in flats with no personal open space
 - Different demographic and ethnic make-up
 - Reliance on development to pay for new housing and other infrastructure
- London's powerful economy and tax base is important to the UK if the national economy is to recover rapidly

Potential impacts

- Economy
 - Sharp fall in GDP in 2020, with (unknown degree of) recovery in 2021
 - Some sectors affected very differently to others (see next slide)
 - Inevitability of a sharp rise in unemployment from c5% to c10%-15%
 - Differential impact from borough to borough
 - Short-term likely to be worse for Central Activities Zone and less so for outer borough centres
- Social/cultural
 - Inevitable, but unknown, impact on public attitudes and expectations
- Demographic
 - London's population to level off in 2020-21, with slower growth thereafter for up to five years

GLA Economics simulation of OBR scenario for London's economy

Real GVA annual growth rate in Q2 2020	
Sector	%
Primary & Utilities	-2.7
Manufacturing	-60.2
Construction	-68.4
Wholesale, retail and motor trades	-50.9
Transport and storage	-35.7
Accommodation and food services	-84.8
Information and communication	-44.6
Financial and insurance services	-2.0
Professional, scientific and technical activities	-30.0
Administrative and support activities	-39.3
Public administration and defence	-21.0
Education	-90.2
Human health and social activities	55.4
Art, Entertainment & Recreation	-60.5
Other activities	-58.7
Whole London's economy	-34.8

Workforce jobs annual growth rate in Q2 2020	
Sector	%
Primary & Utilities	-0.9
Manufacturing	-20.4
Construction	-23.1
Wholesale, retail and motor trades	-17.2
Transport and storage	-12.1
Accommodation and food services	-28.7
Information and communication	-15.1
Financial and insurance services	-0.7
Professional, scientific and technical activities	-10.1
Administrative and support activities	-13.3
Public administration and defence	-7.1
Education	-30.5
Human health and social activities	18.7
Art, Entertainment & Recreation	-20.4
Other activities	-19.8
Whole London's economy	-11.8

The challenge

- How to decide what to do (and by whom) in what order...
- Different spheres of government have different potential roles
- Top priorities for government might include (though the private sector, NGOs and citizens all have a role - notably to shape government response):

Central government

- what are London-specific needs for the following?

- Backing out of lockdown (removal of furloughing; new rules and guidance on business re-opening)
- Industrial policy (whether to support industries; incentives for industrial growth; regulation/deregulation (employment law, planning etc))
- Taxation and public spending policies (including support for GLA/LB resource needs)
- Commuter railway (subsidy, need to manage return to 'normality')
- Resources/policies to tackle sharp growth in unemployment
- Decisions on the future of business rates

The Mayor/GLA

- short and medium term challenges

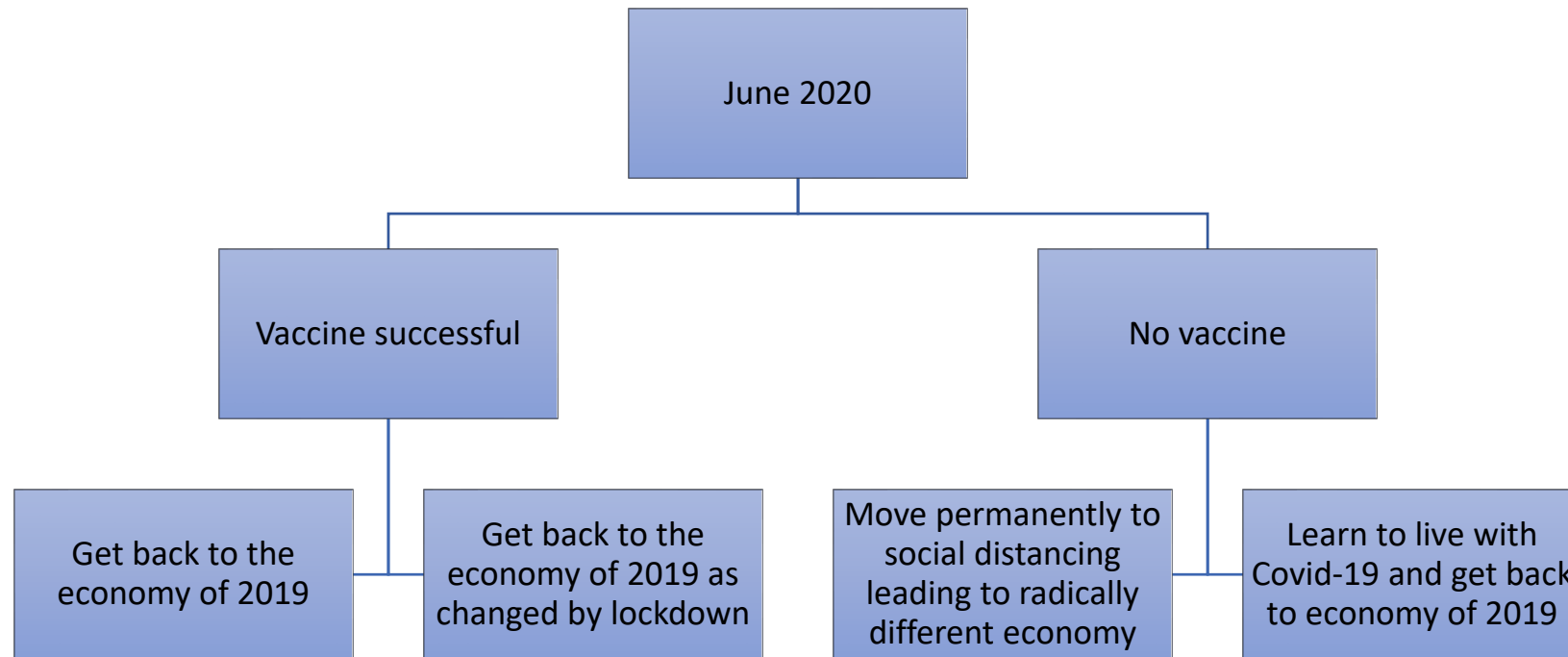
- Underground, buses and other public transport (need to manage return to 'normality')
 - Loss of income from reduced passenger numbers, lower rentals, less advertising etc
- Use of major roads (increased need for non-vehicle road space; co-operation with boroughs)
- *London Plan*: need for review? (densities, public space, type of housing etc)
- Formulation of plan for economic recovery
- Need for economic indicators and analysis
 - e.g., population estimates; GVA measures; sectoral evidence

The boroughs

- Use of roads (increased need for non-vehicle road space; co-operation with City Hall/TfL)
- Role in 'track and trace'; enforcement of 'social distancing'; use of parks etc
- Service demands as consequences of 'lockdown' become clear (eg, social care demand; unemployment services)
- Loss of income; increase in costs (in 2020-21 and 2021-22 at least)
- No funding settlement beyond 2020-21

Future Covid-19 paths and choices

- GLA Economics working up 'scenarios' – forecasts very difficult



NB: 'Economy of 2019' taken to mean the economy just before Covid-19 – changes could be made...

Concluding thoughts

- Forecasts of any kind are very hard at present
- Thus, London's government and civic community probably have to decide whether public policy should:
 - React flexibly and rapidly to what happens to the economy, transport and the public mood
 - OR
 - Decide to achieve particular outcomes and set about delivering them

London Recovery

- social and economic challenges

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The Recovery Programme

Mission, Principles, Outcomes &
Ways of Working

Mission and Objective

- GLA and London Councils through convening London's key stakeholders, representative bodies, national government, anchor institutions and communities will oversee, shape and steer London's recovery from the Covid-19 pandemic
- The objective of the work is to restore confidence in the city, minimise the impact on London's most vulnerable communities and rebuild the city's economy and society.

Principles

We will work within the following principles;

- Recognising and addressing structural inequalities, promoting a fairer, more inclusive London and focusing on supporting the most vulnerable
- Delivering sustainability, mitigating climate change and improving the resilience of our city
- Improving the health and wellbeing of all Londoners
- Collaborating and involving London's diverse communities
- Innovating and using digital technology and data to meet emerging needs
- Ensuring affordability of measures and providing value for money

Outcomes

- The *outcomes* we seek are to:
- Reverse the pattern of rising unemployment and lost economic growth caused by the economic scarring of Covid-19
- Support our communities, including those most impacted by the virus
- Keep young people safe
- Narrow social, economic and health inequalities
- Deliver a cleaner, greener London

Ways of Working

- The Recovery Board
- The Recovery Taskforce
- Identified two key strands
 - Economic Recovery
 - Social Recovery
- Mindful of existing governance structures that exists
- Work in partnership across London
- Medium and long term proposals
- Voice of London

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