



London Recharged: Our Vision for London in 2025

Alderman William Russell, Lord Mayor of London 0:03

We wanted to make sure we were thinking about the medium and long term future of London and of the UK. London has seen many challenges over the years. And I'm confident that we can emerge from this crisis stronger than we went in. But we need to take the right decisions and the right actions, now, to ensure that is the case. Yes, there is light at the end of the tunnel. But we have to light the way ourselves. We need to have a clear direction and clear objectives we can rally behind and contribute towards achieving. That is what this report is all about. How can we make sure London remains the preeminent global centre for financial professional services and the technology sector? As we look at five years ahead, which trends are really here to stay, which ones may fall away? And how do we take advantage of the changes and innovations and new skills we have all had to adopt? This report tries to answer this across a wide range of sectors. We sincerely hope there is something in this report for everyone who contributes to the success of London, big and small business, public services, the built environment skills and training, research and development, technology and transport. We also have something for other cities across the UK who face similar questions. And Catherine McGuinness and I want to work closely with partner cities to find joint solutions to their shared challenges we all face. I would like to thank and pay tribute to everyone who has worked on this report with our team at the City Corporation, especially our lead partners, Oliver Wyman and Arup, we have received huge insight and comment from many other organisations and individuals. Indeed, we've been struck by just how committed and keen everyone is to play their part in London and the UK's recovery. It should give us optimism about our shared future. The last six months have been difficult for business, but London has shown

remarkable resilience and adaptability. During lockdown, the city saw most people working from home. And yet in financial markets and professional services continue to operate and serve customers and clients, something that would have been impossible just a few years ago. London's fundamental strengths remain something which was acknowledged by all the contributors to the report. But undoubtedly, the way we work will evolve as all the skills we require and the built environment in which we live and work. Our future success will depend on innovation, collaboration, and sustainability. And we want to ensure more of London's communities and the rest of the UK sharing this success. We have a rare opportunity, as all of us in business, government and the voluntary sector are looking to work together to make sure we come out of this crisis better than we went in. The City of London Corporation is determined to play its part. And we hope we can work with all of you to make sure our city and our country have a bright and successful future. I would now like to hand it over to the Policy Chair of the City of London, Catherine McGuinness.

Catherine McGuinness 3:31

So thank you very much, Lord Mayor. Good morning, everybody. Welcome to you all. I'm really pleased to see that so many people have joined us today from across London and across the UK for the launch of London recharged. I think it demonstrates the depth and breadth of interest in how we can all work together to drive forward the recovery. And let me just echo the words of the Lord Mayor and say a really big thank you to all of those who worked with the city corporations team and contributed to this important report. And this morning, we're going to hear from colleagues at Oliver Wyman and Arup on the report's key findings and recommendations. And you will then have an opportunity to ask any questions in the q&a session. And please be aware that this morning's event is being recorded. And just before I introduce our panellists, I'd like to say a few words. And of course, as the Lord Mayor has said, this has been a really challenging time for everyone, for care workers on the front line, for businesses facing great uncertainty, and for people worried about their

health, their work and their loved ones. And we know that the next few months too are going to be difficult for many businesses and that many of the organisations here today, will be working hard to help them through this time. But now is also the time to plan for the future to take our destiny into our own hands even at this challenging moment. And a number of bodies are working on this. I'm a member, for example, of the London Recovery Board, chaired by the Mayor of London and the chair of London Councils, Georgia Gould, and that group is overseeing the long term recovery effort. I hope that this report which we're launching this morning will be a valuable contribution to the work already underway to ensure that London emerges from the pandemic a better, stronger and more resilient city. It's a report looking at the future, at what the London of three to five years time could look like, building on the progress already being made, and putting us in the best possible position to nurture those green shoots of recovery as we see them emerge. And this pandemic has undoubtedly been an accelerator for change. I've been impressed by how, even in these challenging times and areas of good practice have emerged and developed. As a lawyer, for example, I've been particularly impressed at the innovations that we've seen in the provision of legal and judicial services through the use of technology and digital platforms, and the exciting opportunities that presents for opening up access to English law to more and more businesses and clients around the world, irrespective of their geography. And that sort of acceleration, that sort of development, we will have seen, we've seen replicated across different areas of the economy, different areas of the country. We hope that the recommendations in this report will prove to be valuable to other cities across the UK. And we want to work with and learn from our UK wide partners. So let me now introduce our speakers this morning, who will take us through the report's key findings, and crucially, the recommendations. And from Oliver Wyman, we have John Romeo and Lisa Quest. And from Arup we're joined by Nick Jackson and Martin Reed. And as I said, we will have a q&a session at the end and I hope you will be thinking of your questions and putting them to us. At that point, we will also

be joined by Giles French from the city Corporation, who has been working on the report. Please do use the q&a function at the bottom of your screen when you want to ask a question, and the panel will try to answer as many of those questions as possible. And I'll just remind you, you will also of course receive a link to the report at today's event. So at this point, let me hand over to John and Lisa, to tell us more. John.

John Romeo 7:30

Thank you, Lord Mayor and Catherine for inviting myself and my colleague Lisa Quest to speak today. It's been a real privilege to work with the City of London Corporation and its many stakeholders to develop a vision for London 2025. We get to the next slide. This just covers what we'll be discussing today. And as Catherine mentioned, as we go along, please feel free to type in questions into the q&a function. And we'll go through as many of them as we can during the q&a at the end. We get to the next slide. London has many strengths. If you look at any list of the world's great cities, London is at or its very near the top. It's a city of opportunities and talent, culture, learning and business, all of which combine to create an attractive place for businesses to invest and for people to live and work. It drives the national economy led by a flourishing financial services industry, and it's important on a global scale, it represents 16% of international bank lending. London also owes its leading status in the innovation economy to the presence of four universities in the global top 40, a quarter of Europe's top AI talent and an ecosystem that's second only to Silicon Valley, and its supportive startups. All the people who live and work in London benefit from London's vast green spaces, and over 170 museums, 850 art galleries. Together all these characteristics make London not just a city, but a destination and a hub. So these are all important facts about London. But as we share our findings and the recommendations with you today, it's important to remember that London is London because of its people. So look at the title of the report, London Recharged and the authors, the City of London Corporation, it might be easy to think that this work, recommendations and the

benefits are only intended to help a few businesses in a single square mile in the city. But that assumption couldn't be more wrong. London doesn't exist in isolation from the rest of the country. There's no turbocharging London without levelling up the other cities and the whole of the UK. Yes, London brings in an enormous amount of wealth and talent. But it also needs to take more of a role in helping some of the other UK cities and regions bringing wealth and talent in their own right, by using its wealth and scale to innovate, test, disseminate some of those new ideas and approach. We step back again and look beyond the UK. This report is also about our relationship with Europe. As Brexit progresses, London has to play a much more leading role in securing the UK's new relationship with the EU. It's important in the financial services industry is obviously a strength that can't be overlooked. And this will benefit places like Manchester, Leeds, Edinburgh with their own growing financial services hubs. Ultimately, London's a global city. It's an asset to help define the UK's place in the world. Digitalization, equality, climate change are now all clear global priorities that cities and countries need to react to if they're going to stay attractive and competitive. The benefits of cross border collaboration and openness remain significant drivers of economic growth, innovation and business. So this report is not just about the City of London, it's about the whole of the UK and our relationship with the rest of the world. And it looks at all of this against the backdrop of the ongoing COVID 19 pandemic. COVID has hit London hard. And it's been horrific for individuals for families, businesses, countries and economies. Over 40,000 people have died in the UK alone. GDP in the UK contracted over 20% in the second quarter. And it's even led some to question the prospects about London's future. When it comes to infectious diseases, the advantages of cities, that density of talent and global connection to flip and become vulnerabilities. There's challenges that predated COVID - the rising cost of living, ageing infrastructure, racial disparities in health and education and job skills and entrepreneurial opportunities have also become more pressing. COVID may have shaken our confidence. But as William said, it's also brought out the best in Londoners, starting with the frontline workers who

saved lives and kept essential services running. And there will be life after and, for that matter with, COVID. Indeed, it presents an opportunity for London and the rest of the UK to proactively shape that competitive, innovative and sustainable future. And in that sense, it was a wake up call. The pandemic has certainly accelerated several changes within society. Digital connectivity, homeworking, telemedicine e-learning, have all seen a huge uptick. And across public and private sector, we're all reflecting on how to respond to a shared challenge to emerge stronger, London's gonna have to lean into its traditional strengths of openness, agility and diversity and embrace that momentum for change in the pandemic as creative.

John Romeo 12:24

So the report we're putting out today lays out a vision for London 2025. Rather than another pipe paper citing the acceleration of trends, the focus here is very much on tangible actions and recommendation, but a call to action. And the recommendations are not just for the city, but they're for all of London and the UK, and they aim in ensuring London's future as an international platform for innovation and collaboration, the preeminent hub we talked about for financial services, professional services, and tech firms the world over. During the report, we looked at the advantages London already has. And we looked at why, how can we keep them. For example, London is a hub of experts of innovation, collaboration, but too often, the work operates in silo, so how can London foster further partnerships across industry, academia, government and make similar changes across the UK. London also has many high potential businesses, but those that survive are going to need to adapt quickly and to scale up operations smoothly. How can London help businesses to flourish, to adapt and scale? London has a diverse population and a wealth of personal and professional development opportunity. But how can we ensure that these are truly inclusive and open to everyone? We also looked at what any global city needs to be an attractive place in which to invest, to live and thrive and asked how London can ensure it meets these standards. What infrastructure is

required such as transport, 5G, EV charging points, and how can we ensure London remains an international open city that's looking outwards to the rest of the world. To develop the recommendations in the report, we interviewed over 35 senior leaders across business, government and academia. The themes we heard were consistent and powerful. London is London ultimately because of its people, its diversity and its openness. For London to stay a leader is going to need to build that infrastructure seize the time of change brought about by the pandemic and be agile in response to further changes either local or international. Most leaders are confident that the city will remain a leading financial and commercial centre, but almost all cautioned against complacency. The pandemic was a wake up call to the City. Crises tend not to create new paradigms, they accelerate trends. London needs to embrace this chance to change and to buck the global trend in order to retain its openness, its inclusivity and sustainability pushing even harder on each of those dimensions. But talent is right at the heart of this and it'll be difficult to attract and retain talent until people really trust that the urban environment is healthy, secure, and welcome. So our call to action consists of five core sets of recommendations, each with very specific action. And importantly, we focused on making these very practical, and in many cases, drawn on things we've seen working somewhere in the world, perhaps at a smaller scale, but which played to the unique sets of circumstances facing London. The first is about innovation ecosystem. London has a wealth of savvy entrepreneurs and innovators, who we think should be called upon to help reinvent education and health and transit, and update the technological capacity of the city. The cross sector dimension of the pandemic exposed weaknesses of operating in silos, thus we recommend forming an advisory group to define that ecosystem agenda, identifying the strategic sectors to invest in and providing the ingredients for that collaboration. Now, that'll mean both physical and virtual spaces, means partnering across silos, and working with companies to make them successful. The second set of recommendations are about enabling businesses of all types and sizes to flourish and adapt. This is less about looking

back, and much more about looking forward. So we propose to create a comprehensive network of resources to aid small and minority owned businesses. That should include access to capital, technical assistance, marketing and procurement opportunities that will help SMEs to transform and grow. We have an opportunity here for the SMEs to come to encourage them to re-enter and recharge the city centre. So we're recommending the creation of highly flexible workspaces for SMEs, furthering the sustainability agenda at the same time, and pushing this new energy back into London. The third set, and I've talked about London's openness being a major strength, we need to build on this, teaching digital skills, bringing new talent into London's workforce and making London inclusive, not just diverse, we propose to endorse diversity targets, and apply a diversity lens to policy impact assessment. We want to change the situation where the postcode in which you're born dictates your future opportunity,

John Romeo 17:21

And fourth, but that talent only comes and stays if it feels safe, and if the infrastructure is future proof. This means the built environment, the built infrastructure and transport, which Nick and Martin will talk to in a moment, as much as technology and regulation. We're supportive of the London data commission recommendations on the data charter, the creation of emerging tech working group in the promotion of data sharing standard. We also proposed a different scale and ambition of sustainable development building, building on that momentum associated with COP26. And then the final set of recommendations are ensuring London is an inclusive and outward looking city and three examples I'd call out. One is regulatory competitiveness. And one very practical example here is ensuring London remains the preeminent location for equity listing. For instance, looking at ways to permit dual class shares in a model that maintains high standards of corporate governance. A second is greater clarity on the UK message to the international business community, unifying the messaging from the multiple groups that they try to

attract, and the third is learning from leaders across the UK, connecting with mayors from other cities, sharing learnings, perspectives on policy, and even coordinating asks of the government. The Lord Mayor has even organised a UK cities overseas trade mission toward promoting the UK not just London. In this context, London has a responsibility to use its position to benefit the whole of the UK. Let me now hand over to Nick Jackson and Martin Reed from Arup to look specifically at some of the detailed recommendations they've helped put together for London's built environment.

Nick Jackson 19:02

Thank you, John. And good morning, everybody. So the pandemic presents us with an opportunity to make significant change in the way we approach the built environment. And we put forward here a few markers as to how we see the vision for London's built environment to be transformed. We see at the centre of this it's an opportunity to enable new ways to participate in London and create a vibrant experience within the city. To begin with, we think it's important to understand that the workplace for people will become seen much more as a destination, a place where they're looking for a rich and fulfilling experience, to attract them to come to the city and to engage. A central part of this will be transforming the day to day life within the workplace, putting wellness at the centre of the way we approach the design of buildings and design of the public environment to make going to work a sort of opportunity to improve one's health, both mental and physical. The retail sector obviously has faced significant challenge over the last six months something that began long before the pandemic in many respects. Within London, it presents an opportunity to rethink the way we experience the streetscape, to repurpose potentially vacant retail spaces into new innovative places where, for instance, we could start looking at different workplaces to create hubs for startups, to transform the experience on our streets. Finally, I think what we're saying is really we're looking to see that the city becomes a place that has greater diversity attracts people from all generations and backgrounds seven

days a week, 24 hours a day, and creates a much more vibrant experience that draws people into the city. I'd like to just hand over to Martin now who will talk a little bit about the transportation side of this.

Martin Reed 21:00

Thanks, Nick. Well being in the in the workplace can and should be a great experience, getting to and from it is often overlooked. Although there is an excellent public transport network in place in London, there are several opportunities to look at the journey to work afresh. London's public transport connections with cities across the country are critical. Commuters need a comfortable, less crowded journey into London and continuing to invest in that infrastructure is vital. At the same time, it's important to foster greater links across the country to support an outward looking and connected UK. Within London, we're calling for a revolution in walking and cycling, a gear change as the government has called it. Encouraging active travel for health and wellbeing should be at the centre of our approach, as it is in the City of London's own transport strategy. revitalising the arrival experience at rail termini, and developing key walking and cycling arteries throughout Central London and beyond will foster improved health, and it will also support local retail and the development of innovative public realm. London was recently ranked as the fifth most walkable city in the world. But it's clear much more can be done to improve safety, quality and to reduce the dominance. Nick. Next slide please.

Nick Jackson 22:25

Thank you, Martin. Climate change is clearly a challenge we all face. The pandemic gives us an opportunity to reset our approach to targets and how to transform the environmental impact of the environment we live and work in. We are challenging London to start setting worldleading targets that promote a much more innovative approach to building design, we need to reduce both the embodied and operational carbon within our buildings we use and

operate. The change to the electrical grid is already going a long way to reducing the carbon impact of buildings, but we need to refocus and look at the embodied impact and think harder about the way we challenge ourselves when we design buildings and operate them. We need to place much more emphasis on circular economy principles. And consider hard before we take a building down or change the environment. And we need to look at the way we adapt and change existing buildings to repurpose them for future use. We need to make sure that tenants find it easy to reshape a building, to adapt a building, so flexibility is going to be a fundamental issue for how we look at investment of resources in buildings going forward. The public realm level the city over the last two decades has transformed the environment from what it was. But we need to go further with that, we need to think harder about the balance of pedestrian and transport experience to create an exciting accessible network of streets that allow them to move through an attractive environment across London in a safe connected system that allows one to walk run or cycle as well as use public transport systems. And finally, we're challenging London to reconsider the relationship we have with the environment and vehicles within the city. We can look to other cities around the world that have taken radical steps to improve air quality to reduce noise, reduce daytime traffic, looking at different strategies for traffic management to radically transform our experience in the city. Thank you.

Lisa Quest 24:39

Thank you Nicholas Martin. So we know that London is a great city and it has the power to help the whole of the UK maintain our position as a powerful player on the global stage. What this report gives us is the practical steps that we need to make it happen. So many of our recommendations are ambitious, we know, and it will be challenging to achieve them all. But London is prepared to work with cities, companies and government across the country to put together the working groups and Secretariat's and bring this together, bringing the right people to harness ideas from all over the UK that will benefit

us all. What it comes down to in the end, as we've said a number of times throughout this presentation, is the people. Diverse people, talented people and people working together. The City of London Corporation and the Oliver Wyman forum are committed to helping foster the partnerships, investments and conditions for success that are needed to ensure London's future on the international platform for innovation, collaboration and growth. By working together and delivering the recommendations in this report, we believe that we can rebuild from the current pandemic to create a city and a country that are even more inclusive, and even more innovative and even more sustainable than we have ever before. So let's begin this journey together and we're looking forward to answering your questions now in the q&a.