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| <b>Committee(s):</b><br>Policy & Resources Committee – For Decision<br>Planning & Transportation Committee – For Decision | <b>Date(s):</b><br>8 April 2021<br>13 April 2021 |
| <b>Subject:</b><br>Recovery Taskforce – Final Report  | <b>Public</b>                                    |
| <b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>                 | <b>2, 5, 6, 7, 8, 9 and 10</b>                   |
| <b>Does this proposal require extra revenue and/or capital spending?</b>  | <b>N</b>   |
| <b>If so, how much?</b>   | <b>N/A</b>                                       |
| <b>What is the source of Funding?</b>   | <b>N/A</b>                                       |
| <b>Has this Funding Source been agreed with the Chamberlain's Department?</b>   | <b>N/A</b>                                       |
| <b>Report of:</b> Damian Nussbaum, Director of Innovation & Growth  | <b>For Decision</b>                              |
| <b>Report author:</b> Giles French, External Affairs Director, Innovation & Growth  |  |

## Summary

This is the final report of the Recovery Taskforce. The Recovery Taskforce was initiated by Members of the Policy & Resources Committee and the Planning & Transport Committee in November 2020, to recommend the actions to be taken to ensure the medium-term economic recovery of the City of London.

## Recommendation(s)

Members are asked to:

1. Approve the recommendations of the Recovery Taskforce (Appendix 1).
2. Approve the proposed governance arrangements for the ongoing implementation of the recommendations (paragraph 21).
3. Note that any additional funding required for implementing the recommendations would be subject to approval by the relevant Committees.

## Main Report

### Background

1. The prosperity of cities across the world is under threat. Those able to adapt to the new environment, and help shape it, will thrive. The City of London Corporation has a crucial role to play not only in helping the City of London to adapt and meet changing demands, but also in turbo-charging its recovery following losses from the pandemic. This it will do with partners across London, and with an eye to supporting the recovery of the whole of the capital and the country.

2. The Recovery Taskforce (RTF) was commissioned by the Policy & Resources Committee and the Planning & Transportation Committee in November 2020. Its task is to identify objectives and actions to ensure the Square Mile remains internationally competitive and locally vibrant. The mission of the RTF is to ensure the Square Mile is the world's most innovative, inclusive and sustainable business ecosystem, an attractive place to work, live and visit.
3. By delivering the long-term success and recovery of the Square Mile, we can ensure the City plays its full part in driving the recovery across London and the rest of the UK.
4. The Recovery Taskforce has built on existing work from the City Corporation including the Culture and Commerce Task Force; the Climate Action Strategy; the draft City Plan 2036; the Transport Strategy and the report *London Recharged*, published in October 2020. The RTF focuses on three dimensions:
  - i. World-class business ecosystem (i.e. thriving businesses with innovation and growth opportunities)
  - ii. Vibrant offer (retail, hospitality, culture, heritage and recreation)
  - iii. Outstanding environments (i.e. the right workspaces, environment, and infrastructure)
5. The recommendations of the RTF are not an exhaustive list of all actions being taken by the City Corporation to ensure the continued attractiveness of the Square Mile. They are the priority actions required to deliver the a thriving future.
6. The actions identified in the RTF have been designed to be delivered in partnership with stakeholders in business, the arts and culture, the retail and hospitality sectors, academia, regulators, local and national government. From the extensive engagement and consultation we have had with these audiences, we know how keen they are to work with the City Corporation to deliver the outcomes of the RTF.
7. The Recovery Taskforce is the third leg of the City Corporation's response to the Covid-19 pandemic:
  - Urgent Response: Work on short-term measures and activity to support the Square Mile's initial recovery will continue to be led by Gold group, and the relevant Silver Groups.
  - Reopening: a campaign to encourage a return to the Square Mile (next 6 months)
  - Recovery Taskforce focusing on the Square Mile's success in the medium term (next 5 years).

## **Current Position**

8. The project has been led by a small core team from Innovation & Growth (IG), Department of the Built Environment (DBE), Cultural Services, Corporate Strategy & Performance, and Chamberlain's. It is supported by cross-cutting working groups and external consultants (Oliver Wyman).

9. The project has been overseen by the Chairs of the Policy & Resources and Planning & Transportation Committees, supported by their deputies, and with input from the Lord Mayor and Senior Alderman Below the Aldermanic Chair (SABTAC).

## **Engagement**

10. Since late January 2021, the RTF team has been engaging widely on the proposals. Conversations have taken place with over 200 businesses (financial, professional and legal services, and technology), property developers, BIDs and business partnerships, retail and hospitality providers, livery companies and civil society organisations, visitor attractions and cultural institutions employing thousands of people in the Square Mile.
11. Engagement has also taken place with the Chairs of relevant major Committees and two all-Member briefings were held in February. Together these meetings have tested and validated our proposals, and the final report reflects the feedback we have received from these important audiences.
12. In addition, over 4,600 members of the public contributed to an online survey regarding how they intend to use the Square Mile when rules allow. The survey was open from 1 to 25 February. This reflects high levels of interest and uptake, though lower levels of representation of some City stakeholder groups. A summary of who responded, in what numbers and what was said is shown at Appendix 2.
13. Key findings include:
  - 50% of all respondents had travelled to the Square Mile every working day before March 2020. This falls to 15% intending to do the same when rules allow.
  - 70% of City workers responding intend to come to the Square Mile on some working days when rules allow.
  - The top reason for staying away was working practices. This was closely followed by the journey to the Square Mile.
  - Overall, respondents were as likely, if not more likely to want to use the Square Mile for eating and drinking out, arts and culture, visiting tourist attractions and shopping compared to prior to March 2020. Sub-group analysis indicates that this is, at least in part, due to turnover rather than people who undertook these activities pre-Covid saying they intend to do them in future.
14. Further sub-group analysis offers interesting insights into barriers, incentives and potential behaviour changes. More analysis of these results will be shared with Members and Officers to help inform the implementation of the RTF's recommendations.

## **Proposals**

15. Three themes run through the recommendations: innovation, inclusion and sustainability. These reflect the priorities we've heard from businesses and stakeholders in the City. They are the qualities they prize and which they believe will continue to make the Square Mile an attractive place to locate and grow business.
16. Innovation is crucial to the City's continued success and competitiveness. Businesses still want to be located alongside their clients, customers and competitors, and bring together their employees to create the products and services their customers want. The last year has demonstrated the importance of adaptability, resilience and technological adoption. We will cultivate and nurture high potential businesses to start up, scale up, and adapt. The City Corporation is uniquely placed to broker partnerships between incumbents and disruptors: providing an ecosystem for businesses to access talent, capital, workspace and advice. We will identify the right actors to participate in this ecosystem and bring them together, physically or virtually, to create the conditions for business growth.
17. The importance of being able to recruit and retain a talented workforce was raised at almost every meeting we had with businesses. Businesses large and small said that it was the factor that sets the City apart from international competitors. We will continue to advocate for a world-class visa system that attracts the highest quality talent into the UK. However, it is equally important to be widening the domestic talent pool, attracting more people from different backgrounds that have not traditionally seen the City as a place to use their skills and abilities. We will work with public and private sectors to scale the work we do to improve the domestic skills base, tackle issues inhibiting socio-economically diverse groups progressing within our sector, widen access of under-represented groups into financial and professional services, and making the visa regime as efficient a process as possible.
18. The strength and attractiveness of the City's ecosystem was raised repeatedly. We will want to build on its existing strengths, with a focus on encouraging those businesses and technologies that will drive future growth, such as FinTech, LawTech, green finance, AI and the creative industries. Underpinning all of this is data. We want data driven businesses to use the City as their ecosystem to test ideas, develop new products, raise capital and attract talent. We should seek to attract a wider range of these types of businesses that don't currently see the City as an integral part of their ecosystem.
19. The experience of workers, visitors, residents and others when in the City is crucial to the on-going attractiveness of the Square Mile with each community essential to the on-going viability of retail, hospitality and culture. Businesses can control the environment in the workplace, but expect a high standard of these services for their employees and clients. Many international businesses use their City of London office as an international hub for conferences and employee training. That is in large part due to the overall experience of what being in the City provides.

20. We will aim to ensure that those living, working and visiting the City want to spend more time here. If more flexible working patterns mean workers coming in to the City for fewer days of the week, we want them to maximise the time spent meeting clients, collaborating with colleagues and socialising. We also want to attract visitors to spend money in our shops, restaurants, bars and attractions when the workforce is absent, supporting the infrastructure that serves the business community in the working week. The fundamental question the RTF has sought to answer is: what is it going to take for people to come to the Square Mile? Simply put, it has to be an attractive and engaging place to spend time. If workers want to be there, so too will firms. We envision a City brimming with life. We will work with partners to animate public space and promote the cultural offer of the City.

21. The physical infrastructure and public environment are also crucial to the City's attractiveness. We will work with partners in the property and development sector to provide flexible and adaptable commercial workspace for businesses of all sizes. This will be underpinned by excellent digital infrastructure, renewable energy networks and a sustainable and resilient built environment across the Square Mile.
22. The City's streets, gardens and public spaces will be attractive places to spend time. We will accelerate our plans to rebalance vehicle use, prioritise walking, enable cycling, improve air quality and provide more public space. The experience of travelling through and spending time in the Square Mile must be world class, for the benefit of residents, visitors and workers alike.

## **Implementation**

23. If the RTF recommendations are approved, a cross-Corporation steering group will monitor implementation of the RTF proposals and will report quarterly to Members of the Policy & Resources Committee and Planning & Transportation Committee.
24. Where necessary, approvals for activities, projects and resources will be sought from the relevant Committee.

## **Corporate & Strategic Implications –**

25. Strategic Implications - The RTF is focused on delivering the [Corporate Plan \(2018-23\)](#) ambition of having a vibrant and thriving City. Specifically, it aims to impact the following corporate outcomes:
- Outcome 3: People have equal opportunities to enrich their lives and reach their full potential.
  - Outcome 5. Businesses are trusted and socially and environmentally responsible.
  - Outcome 6. We have the world's best legal and regulatory framework and access to global markets.

- Outcome 7. We are a global hub for innovation in finance and professional services, commerce and culture.
- Outcome 8. We have access to the skills and talent we need.
- Outcome 9. We are digitally and physically well-connected and responsive.
- Outcome 10. We inspire enterprise, excellence, creativity and collaboration.

26. Resource and financial implications – The RTF has been designed to be delivered within existing resources. However, where it is proposed that options are explored, any additional funding resulting would need to be taken to the relevant Committee in the usual way. Consideration may need to be given to the terms in which commercial workspace is offered to potential occupiers, and this would need to go to the relevant Committee.

27. Legal Implications – No legal implications have been identified.

28. Risk Implications – No risk implications of the RTF project. Risk is if no action is taken and the City fails to remain an attractive place for workers, residents and visitors.

29. Equalities Implications – No equalities risks have been identified in relation to the recommendations in this report. A major strand of work of the RTF will be to widen access to the City.

30. Analysis of responses to the public survey shows that female workers (especially female City Corporation workers) and persons of minority religions and BAME groups were intending the most significant shift to working fewer days in the Square Mile. If this were to happen, it would have a negative impact on the diversity of people in the Square Mile. This could impact negatively on career progression within these groups and on diversity of the talent pipeline. As stated in paragraph 12, these insights will be used to inform the implementation of the RTF's recommendations.

31. Climate Implications – The RTF is fully in line with the City Corporation's Climate Action Strategy and provides an additional catalyst to progress this programme of work.

32. Security Implications – No new security implications identified by the RTF. We will continue to work with the City of London Police to ensure safety and security as people return to the Square Mile.

## **Conclusion**

33. The RTF proposals are the City Corporation's opportunity to respond to the extraordinary challenges presented by the last 12 months. It provides clear ambition for how the City remains successful well into the future. It is supported by businesses, workers, residents, visitors and others, and can help to drive a successful recovery not just in the Square Mile, but across London and the UK.

## **Appendices**

- Appendix 1 – Recovery Taskforce Vision and Action Plan
- Appendix 2 – Key findings from public survey

### **Giles French**

External Affairs Director, Innovation & Growth

E: [giles.french@cityoflondon.gov.uk](mailto:giles.french@cityoflondon.gov.uk)