

EXECUTIVE SUMMARY

The London Fairness Commission

The London Fairness Commission was established to organise conversations across the city in response to the question of 'is London a fair city?'. It is the first citywide debate on fairness for over 100 years, since Charles Booth mapped levels of wealth and poverty across London in the 1890s.

The Commission has been chaired by Lord Victor Adebawale and is comprised of expert commissioners from across the worlds of business, research, health and charity. It is an independent Commission, established by Toynbee Hall and My Fair London, with funding from Trust for London, Tudor Trust, London Funders, and City Bridge Trust.

The London Fairness Commission went through three phases. In the first phase, from June to September 2015, the Commissioners asked Londoners to respond to the questions 'What is fairness?' 'Is London fair?' and 'How could London be a fairer city?'. We received responses through a digital 'Call for Ideas' in partnership with the *Guardian* newspaper, seven evidence-gathering sessions with expert organisations, a survey of two thousand Londoners, and focus groups with young Londoners and business leaders.

The second phase began with the publication of our Interim Report, which outlined the findings from the first phase and began to focus our discussion on issues of housing, income and wealth unfairness in London. To mark the publication of this report we held a *London Evening Standard* sponsored debate at the Guildhall, before holding five 'open space' events throughout the autumn. For these we collaborated with the London Voluntary Services Council, Race on the Agenda, London Youth and Age UK London, bringing together hundreds of Londoners to discuss their ideas for building a fairer London.

In the final third phase, from December 2015 to March 2016, the Commissioners began to construct policies that would address the issues of unfairness they had heard in the previous two phases. Under 10 headline areas, the Commissioners agreed a range of specific policy recommendations that form the basis of this, their Final Report.

Our recommendations

There is a clear consensus that London needs to be fairer and that the Capital is at a junction in its history – that measures need to be taken now to address growing issues that threaten the future success of the city.

The London Fairness Commission acknowledges the three largest extra costs to Londoners are for housing, transport and childcare. With that in mind, the Commission have concluded the following key recommendations:

How high? The costs of living in London

- The Mayor of London acts to reduce the cost of living in London as a priority.
- The Mayor should identify how employers can help with childcare costs.
- Aim to reduce or control the average cost of letting agents' fees and charges.
- Work with banks and the Link consortium to raise awareness about the number of fee-charging cash machines in London areas.
- Tackle debt through community finance.

Time for a higher minimum wage in London?

- A binding London Minimum Wage should be raised to £9.70 an hour.
- The Mayor should either lobby the Government to set a legally binding London Minimum Wage or negotiate for the power to set the figure to be devolved to the Mayor.

Protecting homes for Londoners

- Use the Mayor's housing funds for quality rented housing for those unable to afford a decent home and urgently pursue moves to generate private investment in rented housing for those earning the least.
- Set 'affordable rents' to 30% of household income rather than 80% of market rent.
- Suspend right to buy for five years while supply is increased and provide a portable discount for those who have lived in social housing for 15 years.

A fairer deal for renters

- Encourage longer term tenancies to provide greater stability in the private rental sector.
- Champion mandatory registration of landlords.
- Undertake a review of the enforcement of quality standards in the private rental sector, in order to identify how enforcement can be strengthened and made more effective.

More homes for Londoners

- Seek further devolution of powers to enable the introduction of a tax on land owners of land in London with planning permission, which has not been developed within three years of permission being granted.
- Petition the Government to re-establish dedicated grant funding programmes and support to Local Authorities to bring empty properties back into use which will enable Local Authorities to enforce their power to compulsorily purchase properties if required.

Making property tax fairer

- The Mayor of London should continue to petition Government to devolve all property taxes (business rates, council tax, stamp duty land tax and the new annual tax on enveloped dwellings and capital gains property disposal tax) to a London level in line with the recommendations of the London Finance Commission.
- A new council tax system should be introduced which fairly reflects the value of homes.

Keeping London honest

- Establish a voluntary system to collect and display the pay ratio data from companies and public sector bodies based in London while petitioning Government for a change in legislation so that companies employing more than 250 staff are legally required to publish pay ratios. The pay ratios should be for overall levels of pay, by gender (as will be required by recent Government legislation) and by ethnicity.
- Petition Government to ensure that companies registered offshore declare details of property ownership and for the GLA to be given powers of compulsory purchase on land/properties owned by offshore companies who are unwilling to declare the name of the ultimate beneficial owner.

A fair chance for every young Londoner

- *Hello from the Mayor to young Londoners*; the Mayor should write to 16 year olds setting out an offer of work experience, training and a pathway to a first job.
- Employers should create work experience, paid internships and guaranteed interviews for young people from poorer backgrounds with an explicit Mayoral guarantee, jointly with business, that every London child in care will have this support. This is the *Every child a Chance* programme.
- Older people are concerned about the difficulties facing young people in London: the Mayor should delay issuing the Freedom pass from 60 to 65 and means test it thereafter. The funds generated from more prosperous elderly Londoners would go directly to help provide extra-curricular activities to build the confidence, networks and skills of young people most in need, starting with care leavers.
- The Mayor should appoint a Deputy Mayor for young people to oversee the package of measures outlined above and consult upon a plan for London's young people.

Making wealth work for Londoners

- The London Fairness Commission would like to see the start of a new philanthropic age and believes that the time is ripe for London's wealthiest residents and businesses to come together in an exemplary social philanthropic effort.
- The Commission identifies strongly with the cause of increasing philanthropic giving by business and wealthy individuals.
- To do this the Mayor should review the role of the Mayor's Fund and open a new dialogue with business and wealthy donors, with a view to increasing giving and re-focussing it on the most disadvantaged.
- Any future replacement of the Mayor's Fund should be demonstrably independent from the Office of Mayor or from political influence.

Keeping fairness under the microscope

- The Mayor of London should be responsible for the fairness of London and this should be made transparent by developing and publishing an annual 'London Fairness Index', which could be used to monitor progress.
- Toynbee Hall and My Fair London (instigators of the Commission) should explore with London Funders how the initial work of the London Fairness Commission can be continued as a monitoring function and a place where new ideas about fairness could be developed.

