

LONDON

GROWTH PLAN

MAYOR OF LONDON

LONDON
COUNCILS

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The City of London skyline



Foreword



Paddington station

Foreword

Growth has always been fundamental to the story and success of London. Our city has never been one to stand still. Rather, we are constantly evolving, innovating and advancing.

Since bouncing back from the pandemic, our city has grown faster than any other English region – a fact that speaks volumes about our resilience, talent, dynamism and diversity. But we know that with the right support, we can do even better and grow even faster. Indeed, with a new UK government that has made growth its number one mission, we can realise our city's full economic potential – increasing productivity, attracting more international investment and creating new opportunities for our residents and businesses.

As the gateway to the UK and our nation's only truly global city, London is uniquely placed to accelerate growth. The London Growth Plan sets out how we will support the UK government's national industrial strategy and growth ambitions through a range of pro-growth interventions, including delivering more affordable housing, major investments in our transport network and vital skills training for Londoners.

The plan also identifies huge opportunities for London to unleash growth in the industries of the future, such as artificial intelligence (AI), life sciences, robotics, cleantech, the creative industries and quantum computing. This will be underpinned by our leading global role in the core industries of finance, insurance, professional and legal services. And it will dovetail with our focus on supporting London's entrepreneurs and small and medium-sized enterprises (SMEs), which have boundless potential to grow and scale.

Ultimately though, growth means little if people cannot feel the benefits in their pockets or see the positive change it brings to their area. Our goal must be to stimulate inclusive economic growth in every borough and every corner of our city, helping to raise living standards and create better places where people want to live, work and invest.

Equally, growth cannot – and must not – come at the expense of our natural environment. By embedding climate action at the heart of our growth priorities, we can not only help tackle the climate and ecological emergency, but also create thousands of new jobs, cement London's position as a global leader in sustainability and attract investment in the industries of the future.

Currently, too many Londoners are denied the opportunity to contribute to or reap the rewards of growth. Not only does this push people into poverty, it reduces the capital's productive potential and holds us back as a city. But the London Growth Plan will help us to break this cycle and continue to build a fairer, safer, greener and more prosperous London for everyone.

This plan has been developed jointly by City Hall and London Councils, in collaboration with boroughs, businesses, trade unions and London's communities. It is a blueprint for how we can help create 150,000 new, high-quality jobs and turbocharge inclusive, sustainable economic growth in our city, and across the country. Now, we must focus our collective energies on putting it into practice and delivering on this crucial mission, so that London continues to evolve and grow as a city for all.

Sir Sadiq Khan and Cllr Claire Holland

Mayor of London and Chair of London Councils

London: The city of reinvention



Hampstead Heath

London's next reinvention

London has been resilient as a global city for centuries because it reinvents itself as the world changes, and in doing so, changes the world.

From a Roman trading outpost to the financial powerhouse of the 21st century, every generation of Londoners has reimagined their city. This generation will be no different.

This growth plan is our vision for the next chapter of London's story. We will build a more prosperous, fairer and greener city. We will build on our strength as a global beacon of openness, inclusion and the power of diversity.

There is a lot riding on our success. In the face of rising populism and protectionism, London must prove that, done right, economic growth in a global economy can make ordinary people's lives better.

In this century of cities, London can lead the world by creating a new model for urban growth. The best days of this city are not in our extraordinary past, but in our exciting future as we reinvent London once again.

The (recent) London story

London's economy boomed in the nineties and noughties, surfing the waves of "big bang" deregulation of financial services and rapid globalisation. The global financial crisis of 2007-8 hit London hard. But London embraced the digital revolution and added technology as a new driver of growth. The glorious summer of the London 2012 Olympics was the city's coming of age as the quintessential global city.

Then came the triple shock of the Covid-19 pandemic, Brexit and soaring inflation and interest rates. London has been resilient and recovered faster than the rest of the UK. But London's challenges are evident: weak productivity growth, a housing crisis, high poverty rates despite a dynamic jobs market and public services suffering from underinvestment.



Walthamstow Village

The backdrop for London's next chapter

This plan is written in the context of six big shifts that will shape London's reinvention over the next decade. They are structural changes in the London workforce, in part the legacy of Brexit and Covid-19; the transformation of work including flexible working, artificial intelligence and the gig economy; new spatial patterns of growth in London, as new places become growth hotspots; London's emerging strength in frontier innovation; the climate emergency; and global politics reshaping trade patterns.

There is a more immediate context to this plan too. Interest rates are high. Government finances are very tight. Inflation is falling from its peak but continuing to squeeze living standards and profit margins.

Global competition is growing. Cities around the world are expanding and globalising fast. In this century of cities, only a few will emerge as truly global centres for commerce, ideas and innovation.

We are determined that London will be in the vanguard of that group.



Painted Hall, Old Royal Naval College, Greenwich

London's growth ambitions

London's first ambition is to raise productivity. An economy which is stagnating cannot fund the public services and investment needed to reduce poverty or address climate change. The UK economy cannot grow without London firing on all cylinders.

But while we want to return to the growth rates of the nineties and noughties, we don't want to return to the same growth habits. This time, our ambition is to create an economy that works for all Londoners, making our city more equal as well as more prosperous.

Like every city, London must decarbonise and adapt to climate change. That will create growth as we transform the fabric of the city. London also has a major green export opportunity as a global leader in green finance and innovation.

London is the economic powerhouse of the UK. London creates growth, jobs and investment across the country and is a gateway to international markets. London is ready to partner with the UK government, devolved nations and regions to put its power, networks and potential to work for the benefit of everyone.

This growth plan sets out four bold ambitions:

- 01. Productivity:** Raise productivity growth rates to 2% average per year over 2025 to 2035.
- 02. Inclusion:** Raise the real household weekly income (after housing costs) of the lowest earning 20% of Londoners by 20% by 2035. This would mean that at least a million London households would have on average an extra £50 to spend each week after paying for housing costs.
- 03. Green growth:** Accelerate progress towards achieving London's net zero target for 2030.
- 04. A global capital:** Grow London's services exports by an average of 6% per year.

So, this plan is about how London will create growth, and how we will shape that growth, over the next decade. London cannot do this alone – it will need a strong partnership with UK government, as well as with businesses, investors and a wide range of delivery partners.

Ambition explained: Productivity growth

London's first challenge is to jumpstart growth. Higher productivity means that for every hour worked in London, we create more income. It is the key to higher wages, higher living standards and better public services.

London's productivity grew strongly in the decade before the global financial crisis, which boosted incomes and wages. Between 1998 and 2007, productivity grew more than 3% each year on average, and wages rose with it.

Since then, London's productivity has flatlined. Between 2008 and 2022, productivity grew at just 0.12% per year on average.

The ambition of this 10-year plan is to start to close the gap with London's productivity growth before the financial crisis. If we could get productivity growth back to an average of 2% per year for the next decade, it would transform the UK economy and the lives of Londoners.

If we reach 2%, the London economy could be £107bn larger in 2035 and that means an average of £11,000 in extra pre-tax income for the nearly nine million people living in our city¹. It also means London would be contributing an extra £27.5bn in taxes to the Treasury.

We will start from our strengths

London builds from exceptionally strong foundations.

London has scale. It is the largest city in western Europe, a trillion-dollar economy the size of Austria. Excellent transport allows people from across the city and beyond to travel to jobs, giving businesses access to a vast workforce.

London is a brilliant place to live and experience. London's culture, diverse neighbourhoods, food and drink, nightlife, green spaces and great schools are a magnet for the best talent in the world. The same exceptional London experience draws visitors from all over the world. London is regularly voted the world's favourite city².

London is the most globally connected place on Earth. It starts with the English language, a time zone between North America and Asia, six airports and international rail. London hosts more European headquarters (HQs) than anywhere else. And Londoners themselves are global, connected and outward-looking.

London creates exceptional talent. London is ranked top globally for human capital³. It has more than 50 universities and the most international students of any city in the world. It is home to four of the top 100 universities in the world⁴ and the top two global arts schools. London's primary and secondary schools are the best in England.

London is a global services superpower. London is one of the world's two global financial centres and dominant in professional and business services. It is a leading global exporter in the creative industries. Its built environment sector shapes places around the world. London has both breadth and depth, making it a unique place where different disciplines and expertise meet.

London loves innovation and technology.

London is Europe's leading city for tech and one of the top three globally⁵. Londoners are early adopters of technology. London's universities and research institutes produce discoveries and inventions that change the world. The city itself is an innovator, from the first underground railway to congestion charging.

London is green: London is one of the world's greenest capitals and the first National Park City. It has the world's largest Low Emission Zone (LEZ) and is a pioneer in public transport.

London's values make it globally unique. London is a place where diversity is not just tolerated but celebrated. People from all over the world come to London and feel they can belong here.



What we will do

The bedrock of the London economy is and will continue to be selling services to the world. Our ideas, innovation, expertise and experiences are unbeatable. We will continue to grow our financial, professional and business services, creative industries, the experience economy and international education. London has led the world in transforming these sectors through technology and digital products. We are now exporting fintech, enterprise tech, creative tech and edtech on a global scale alongside traditional services. London has global competitive advantage in these sectors, and they define us as a global city.

London is also developing a new superpower: frontier innovation. We are evolving from a skilled adopter of innovation to a frontier creator of breakthrough technologies and solutions. This strategic shift comes at a crucial time when the city's exceptional strengths in research, particularly in life sciences, AI and green technology, position us for leadership in global innovation.

London will work with the UK government on Invest 2035, its modern industrial strategy, as well as building on our own unique strengths.

London's diverse, open-minded, skilled population is our greatest asset. Talent is the fuel for both tradeable services and frontier innovation.

But a shortage of skilled workers is one of the biggest constraints holding back London's growth. The London economy cannot achieve its full potential until all Londoners achieve their full potential. Low skills, low economic participation and pay that doesn't cover living costs are leaving too many Londoners in poverty.

That's why a vital task for this growth plan is an [Inclusive Talent Strategy](#). This will be London's workforce plan to create the pipeline of talent for growth and to support marginalised Londoners into good work.

The growth plan also sets out how we will use all the levers we have in London to achieve our growth ambitions. This includes [backing our businesses](#) from high streets to startups; investing in [housing and infrastructure](#) for growth, inclusion and climate; attracting [investment and promoting](#) London; and creating thriving [local places](#).

How we will do it

Unlike some of our competitors, London is a global trading city in a liberal and multicultural democracy. This means that government alone cannot shape the new London. The new London will reflect that dynamic mix of political will, market forces and the values and creativity of Londoners that have reinvented the city for hundreds of years.

We will create our future together: government at all levels; businesses large and small, local and international; trade unions and campaigners; entrepreneurs, inventors and creators.

To mobilise the city, we will take a "mission" approach to growth. A Growth Mission Board will bring together public and private sector leaders to oversee delivery.

London's government is strong, united, ambitious and ready to create growth. We will play our part by leading, delivering, convening and championing.



A strong partnership with UK government

The government's most important mission is growth. London is the nation's growth engine. The UK economy will not grow to its full potential without London firing on all cylinders. This needs a long-term, strategic partnership between London and the UK government to grow the London economy.

We will work to ensure this partnership includes:

- 01. Foundations:** Sustainable funding to deliver the core public services that underpin growth in a global city – particularly local government, policing and our transport network.
- 02. Freedom:** Much of London's growth could pay for itself if London could retain, reinvest and borrow against some of the growth it creates. London also needs the freedom to spend its funding flexibly on the things that will best drive growth – particularly on infrastructure, transport, skills, careers and employment support.
- 03. Funding:** London needs long-term, predictable investment in the transformational infrastructure and services that will raise its long-term growth trajectory. The priorities are affordable housing and enabling new transport infrastructure to unlock growth.

The role of the London Growth Plan

The London Growth Plan will be an important reference point going forward. It will help to focus everyone who can grow the London economy on a clear vision and plan. It will guide investors towards the priority opportunities in London. It will help to make London's case for UK government investment and devolution. And it will give us shared stories to tell about London's future growth.



Actions

Inclusive talent strategy

10-year plan

01. Create an Inclusive Talent Strategy for London, an integrated workforce plan for the city.
02. Make London a centre of excellence for fair pay and good work.
03. Make sure London remains attractive for the best talent in the world.

One-year actions

01. Publish the Inclusive Talent Strategy.
02. Pilot the new integrated approach to help economically inactive and young Londoners.
03. Start to change the way London commissions adult education.
04. Launch a new fund to reduce key skills gaps holding back growth.
05. Deliver a London Youth Guarantee to reduce the proportion of young people not in education, employment or training (NEET).



Backing our businesses

10-year plan

- 01.** Coordinate a pan-London business support service with a coalition of partners which will:
 - Increase SME productivity.
 - Scale businesses in the growth sectors.
 - Systematically increase access to finance.
 - Close the entrepreneurship gap.
 - Support community and social economy businesses.
 - Help businesses to take climate action.
- 02.** Open up the supply chains of London's anchor organisations to smaller and diverse-led businesses.
- 03.** Make London the springboard to global growth for innovative companies across the UK.

One-year actions

- 01.** Create an evidence-based Business Support Strategy.
- 02.** Launch a new London Tech and Inclusive Growth fund to provide loan and equity funding for high-growth SMEs.
- 03.** Support scaleups in the growth sectors to expand into international markets.
- 04.** Explore a large-scale intervention on SME finance, in partnership with the British Business Bank and others in the responsible finance sector.
- 05.** Accelerate the work to make it easier for SMEs to win contracts from London's public sector organisations.
- 06.** Set a City Innovation Strategy for how London's public sector will adopt innovation to solve problems for Londoners and, in doing so, grow frontier sectors like life sciences and green innovation.
- 07.** Invest in a new quantum tech incubator in partnership with London universities.



Building housing and infrastructure

10-year plan

01. Set a long-term framework and plan for London's infrastructure.
02. Rapidly build more homes, prioritising genuinely affordable homes.
03. Develop and implement a new London Plan which prioritises housing and growth.
04. Stabilise funding for London's world-class public transport network.
05. Extend and upgrade the public transport network, prioritising projects to unlock new homes and growth.
06. Extend internet and digital connectivity.
07. Explore new potential energy sources to power London's growth.
08. Grow international travel connections.

One-year actions

01. Publish a **London Infrastructure Framework** which sets out long-term priorities.
02. Publish Towards a London Plan, the direction of travel on London's new spatial plan.
03. Launch the first wave of rent-controlled Key Worker Living Rent Homes.
04. Work to reduce the time taken for planning applications.
05. Speed up electricity grid connections for major projects by continuing to work with UK government, National Energy System Operator, regulators and utilities companies.
06. Warmer Homes London to start funding work to retrofit homes for vulnerable Londoners.
07. Identify London's long-term logistics needs, with industry, to inform the next London Plan and Transport for London (TfL) priorities.
08. Take steps to support the viability of house building in the short-term, within current planning frameworks.



Edén Glaziers, Beckenham

Investment and promotion

10-year plan

Investment

01. Dramatically boost investment into innovative companies:
 - Get our Local Government Pension Scheme pools investing in innovation in London.
 - Continue to champion UK capital markets reform.
02. Extend our inward investment infrastructure to institutional investors in innovation.
03. Focus London's powerful inward investment machine on priority sectors and places.
04. Attract significant institutional capital for net zero infrastructure and real estate.
05. Drive onward investment from London to other parts of the UK, in partnership with nations and regions.

Promotion

01. Unite Team London to tell London's story to the world.
02. Develop a sustainable, long-term solution to fund London's experience economy sector.
03. Encourage visitors to use London as a gateway to tourism across the UK.

One-year actions

Investment

01. Align London's inward investment activity to the London Growth Plan's growth sectors and places.
02. Explore an innovation investment fund, anchored by London's two Local Government Pension Scheme pools.
03. Explore a new public-private partnership to attract more international institutional investment into UK venture capital funds.

Promotion

01. Create London's offer for investors in green innovation, artificial intelligence and other growth sectors.
02. Refresh London's international brand messaging and encourage more organisations to use it.
03. Create a coalition of the organisations with powerful, global London brands to work together to promote the city.
04. Coordinate a calendar of high-impact international trade and investment missions.
05. Turbocharge London Life Sciences Week (LLSW).
06. Work towards a world-class business visitor centre in central London.

Local places

10-year plan

01. Create local places where people want to spend time and money, day and night.
02. Tackle crime and antisocial behaviour in the city centre and town centres.
03. Use the procurement and planning systems more strategically to achieve local inclusive growth ambitions.
04. Increase the capacity for boroughs to develop more local growth strategies and to win the investment to make them happen.
05. Improve transport between town centres, particularly in outer London.

One-year actions

01. Support town centres and high streets with stronger neighbourhood policing.
02. Work to attract investment in major projects to revitalise London town centres.
03. A new High Streets Fund of £20m for boroughs to invest in improving local areas.
04. Explore a publicly owned, mission-driven property agent and manager.
05. Create an action plan for London's nightlife.
06. Continue the successful Creative Enterprise Zones programme.



What should feel different for Londoners

The economy shapes our experiences of the city every day. Over the 10 years of the London Growth Plan, working Londoners should experience these positive changes. They all rely on a growing economy which can fund investment and public services.

- 01. Wages rise faster than prices over time, so Londoners can afford a better lifestyle for their family.** We can do this by raising productivity.
- 02. Londoners find it easier to get affordable housing.** We can do this by building more homes, especially affordable homes.
- 03. Londoners find it easier to build exciting careers in well-paid industries.** We can do this by creating jobs in growth sectors and helping Londoners to get the skills and experience they need to get those jobs.
- 04. Londoners who run a business find it easier to get loans and support.** We can do this by improving business support, access to finance and affordable workspace.
- 05. Londoners who face challenges getting and keeping a good job get better support.** We can do this by better joining up our employment services with health and financial resilience services.
- 06. Londoners find it easier and more affordable to get around.** We can do this by extending and upgrading the public transport network.
- 07. Londoners benefit from better digital connectivity at home, for work and on the move.** We can do this by encouraging investment in fibre and mobile infrastructure.

- 08. Town centres feel safer and livelier, with fewer empty shops and more useful local services.** We can do this by promoting growth and investment to improve high streets and town centres.
- 09. New development creates good job opportunities closer to home for more Londoners.** We can do this by encouraging growth hotspots outside the city centre that are easy to get to by public transport.
- 10. There are more exciting places to visit and things to do.** We can do this by developing our visitor destinations and helping Londoners to navigate what is available and relevant.



The Dare Skywalk at Tottenham Hotspur Stadium, Haringey

What should feel different for London businesses

Businesses create growth. Over the 10 years of the London Growth Plan, London's businesses should experience these positive changes. They all rely on a growing economy which creates demand and can fund investment and public services.

01. The London economy is growing, creating more demand for goods and services.

We can do this by raising productivity and investment.

02. Businesses find it easier to recruit and train people with the right skills to grow the business. We can do this by growing the skilled workforce through the Inclusive Talent Strategy.

03. Workforces better reflect London's diversity. We can do this by working in partnership with businesses to improve access for underrepresented groups.

04. Smaller businesses, particularly those led by underrepresented founders, find it easier to get loans. We can do this through better signposting and expanding social investment.

05. Innovation-led businesses find it easier to get risk capital to grow. We can do this by dramatically increasing investment in venture capital and reforming our capital markets.

06. Smaller businesses can more easily find relevant support. We can do this with an evidence-based Business Support Strategy and commissioning.

07. There are more opportunities to trade internationally. We can do this by supporting exports and promoting our growth sectors internationally.

08. Smaller businesses find it easier to get affordable workspaces. We can do this by increasing the provision of affordable workspace through the planning system.

09. Smaller businesses find it easier to get contracts from the public sector. We can do this by opening up procurement opportunities in our anchor public sector institutions.

10. High streets are cleaner, safer and busier. We can do this by tackling retail crime and antisocial behaviour, investing in public realm and repurposing empty shops.



Spitalfields Market, Liverpool Street

Introduction



Royal Botanic Gardens, Kew, Richmond

Approach

A mission-driven approach

London and the UK face a set of major challenges. None of them can be fixed by government acting alone. They all need society to come together, pooling collective energy and resources. In a mission-driven approach, government sets a bold ambition for everyone to rally around⁶. It is how the UK government and London will create change.

The UK government has set five missions. These are growth, reducing crime, clean energy, giving children the best opportunities and improving the NHS.

London is mirroring the UK's five missions and has added a sixth mission on affordable housing.

This growth plan sets out four bold ambitions for London's growth mission. These are not delivery targets that boroughs or the Mayor of London can achieve alone. They are the shared ambition of the city which we will achieve collectively.

Scope of the London Growth Plan

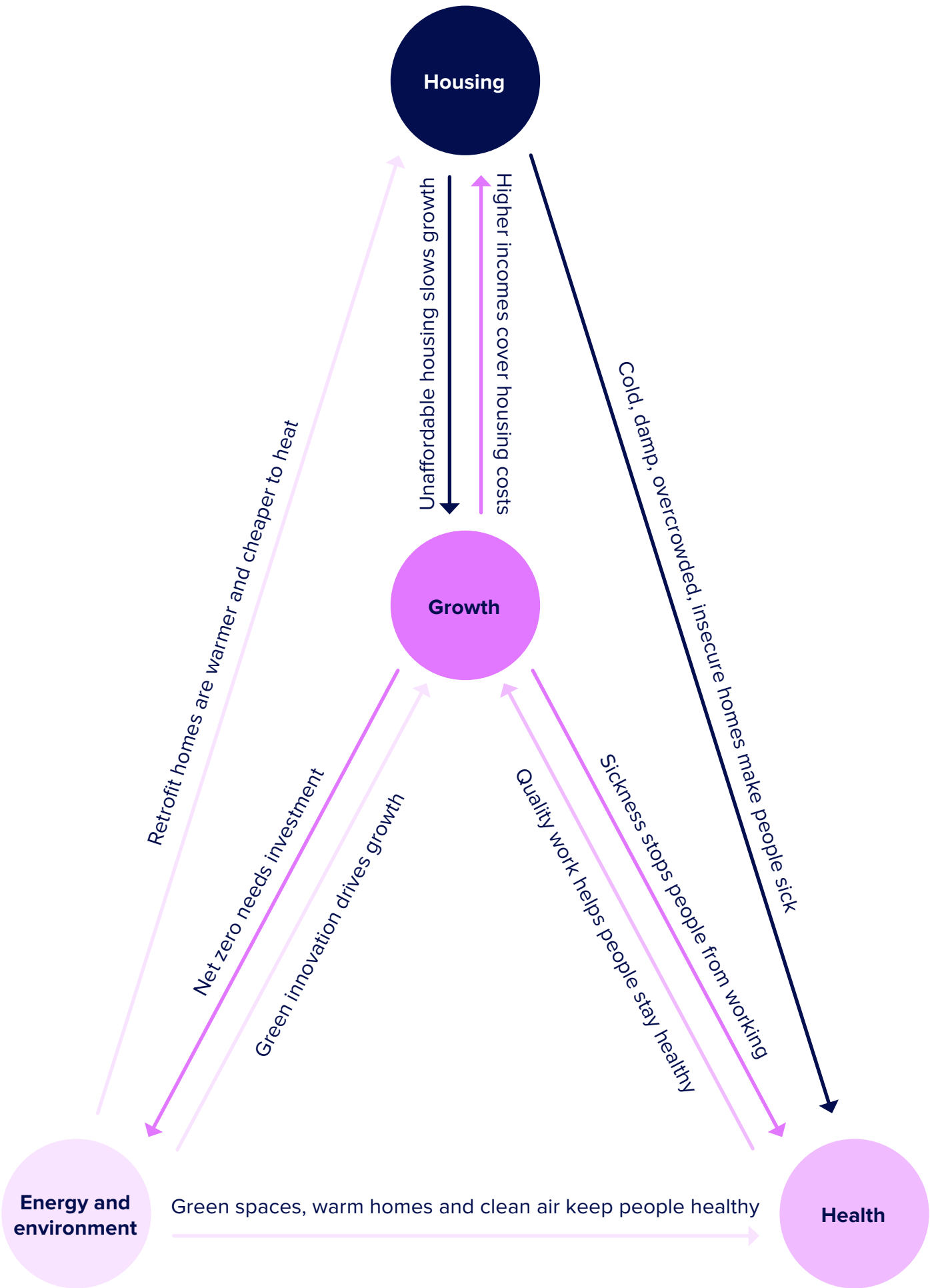
It is impossible to completely disentangle London's growth mission from the other five. In London, growth is particularly entwined with housing, health, energy and the environment. We cannot solve any of them independently, as the diagram below shows.

So, this growth plan focuses on the actions that are most closely linked to economic growth. It does not go into detail on housing, health or energy/environment policy, which each have their own London mission.

Instead, it focuses where they are most closely linked to the economy and growth. For example, on housing, the focus is on unlocking private sector investment. And on health, the focus is on the link between health and employment. While on energy and the environment, the focus is on private sector investment and green innovation.

The London Growth Plan is an economic plan, not a spatial one. It includes maps which indicate potential future growth clusters and housing sites. The inclusion of sites in this document should not be considered an indication of future planning decisions⁷.





How we wrote the London Growth Plan

The London Growth Plan is jointly produced by the Mayor of London and London Councils, supported by London & Partners. It is the result of hundreds of conversations with many thousands of Londoners over the last nine months: residents, businesses, investors, trade unions, universities, colleges, campaigners and more. This included a survey completed by more than 1,000 Londoners on their aspirations for growth, and dozens of meetings, workshops and events to listen to the views of Londoners.

How to navigate the London Growth Plan

We recognise that readers will have different areas of interest. To help with navigation, each ambition is signalled throughout with the following symbols:



Productivity



Inclusion



Green growth



Global capital



Delivery

Partnership for growth within London

London is good at growth. We know what works and we are organised to make it happen. London has deep, mature city leadership; an effective growth agency in London & Partners; and well-established civic structures that bring together public, private and voluntary sectors at London and local levels.

Despite London's complexity⁸, it comes together as a team around the things that matter. The shared ambitions in this plan aim to get everyone pointing in the same direction, with each organisation playing to its strengths.

A **Growth Mission Board** will oversee the delivery of the London Growth Plan. It will include representatives from public and private sectors including businesses, universities and colleges. The Growth Mission Board will be chaired jointly by the Greater London Authority and London Councils.

A **mission lead** will be identified to drive the delivery of the London Growth Plan. Their role will be to convene and coordinate the public sector agencies to deliver the plan; and to build coalitions and partnerships for collective action between public and private sectors.

The London Anchor Institutions' Network (LAIN)

Brought together by the Mayor of London, organisations from the NHS and University of London to Thames Water and the Metropolitan Police are working together to drive social, economic and environmental change. Through LAIN, they are making changes to the way they hire people, buy goods and services, and manage their facilities to create job and business opportunities for Londoners from underrepresented backgrounds and drive down carbon emissions. They are taking action to procure more from small and diverse-led businesses in London, including reserving contracts, doing outreach work with supply chains and running meet-the-buyer events. Collectively, they have awarded 2,800 contracts and £2.72bn to small and medium-sized businesses since 2021.

Hammersmith Riverside



Partnership for growth between London and UK Government

The UK government's most important mission is growth. London is the nation's growth engine. Kickstarting the London economy must be the first step. London can generate growth quickly to fund investment and public services across the UK. The starting point is a long-term, strategic relationship UK government and London, as its most powerful partner in growth.

This partnership has three elements, which we call the “three Fs”. These are long-term shifts in the way London is funded, financed and governed. We will work towards these over the period of the London Growth Plan.

- 01. Foundations:** Sustainable funding to deliver the core public services that underpin growth in a global city – particularly local government, transport and policing and our core transport network.
- 02. Freedom:** Much of London's growth could pay for itself if London could retain and reinvest some of the upside of the growth it creates. This includes retaining a greater proportion of business rates; borrowing against future tax income to fund investment; and creating tax incentives for investment in specific places. London also needs the freedom to spend its funding flexibly on the things that will drive growth.
- 03. Funding:** London needs long-term, predictable investment in the transformational infrastructure and services that will raise its long-term growth trajectory. The priorities are affordable housing and new transport infrastructure to unlock growth.

Immediate priorities

London also has urgent needs to address in the upcoming Comprehensive Spending Review. The most acute of these is to stabilise local government finances. A number of London local authorities are on the brink of bankruptcy, which risks leaving Londoners without core public services. Addressing this will require urgent action to tackle homelessness, which is at unacceptably high levels in London and is a major factor in the precarious finances of London's boroughs⁹.

Creating the conditions for growth

Many of the government's recent decisions will support growth in London. In addition, the following moves would materially boost growth in London:

- **Migration:** a pro-growth migration policy that is linked to skills.
- **Trade policy:** more focus on services, such as more mutual recognition in financial services, digital and data, and professional qualifications. Greater alignment with the European Union (EU) as our biggest trading partner.
- **University funding:** a sustainable settlement for higher education.
- **Culture:** investment in culture as a key driver of the experience economy.
- **Skills policy:** move to an employer-led skills system, based on the most effective systems in Europe¹⁰.



London's growth can pay for itself: three recent examples

Enterprise Zone: Northern Line extension to Battersea Power Station

The Northern line extension to Battersea Power Station was a £1.1bn project. The Greater London Authority borrowed £1bn from the Public Works Loan Board and other sources, providing the funding to Transport for London.

For the first time in the UK, tax increment financing is being used to pay back a significant part of the loan. Business rates from a new Enterprise Zone, which includes sites in the boroughs of Wandsworth and Lambeth, will repay the borrowing over a 25-year period.

This investment unlocked the redevelopment of the area supporting high-density development and the delivery of 16,000 new homes and 20,000 to 25,000 new jobs.

Enterprise Zone: Royal Docks

The Royal Docks is London's only Enterprise Zone and a joint team of the Mayor of London and London Borough of Newham. It borrows against future business rates receipts, providing funding for local regeneration. This helps to fund infrastructure, public realm improvements, skills and jobs, sustainability, business support and culture. The zone is expected to attract £5bn private sector investment over the next 20 years, with 36,000 new homes, 55,000 jobs and up to 37,000 sq m (approx 4m sq ft) of commercial space.

Regulated asset base: Thames Tideway

Tideway is one of the UK's most ambitious infrastructure projects. This 25km (15.5 miles) super sewer, built deep beneath the Thames, will virtually eliminate sewage discharge pollution in central London and make the city more resilient for the future.

Tideway has an innovative funding model which encourages long-term, private sector infrastructure investment. Key features of the model – backstop government support (which remains undrawn) and stable, regulated investor returns throughout construction – have enabled Tideway to achieve a lower cost of capital and keep costs to water bill-payers down. The project is on track for completion in 2025, within the original customer cost promise.



Context: Six big shifts



London is entering a new cycle of reinvention. The post-Brexit, post-pandemic era will be shaped by six major shifts. How London adapts to them will determine our future.

Big shift one:

London's changing workforce

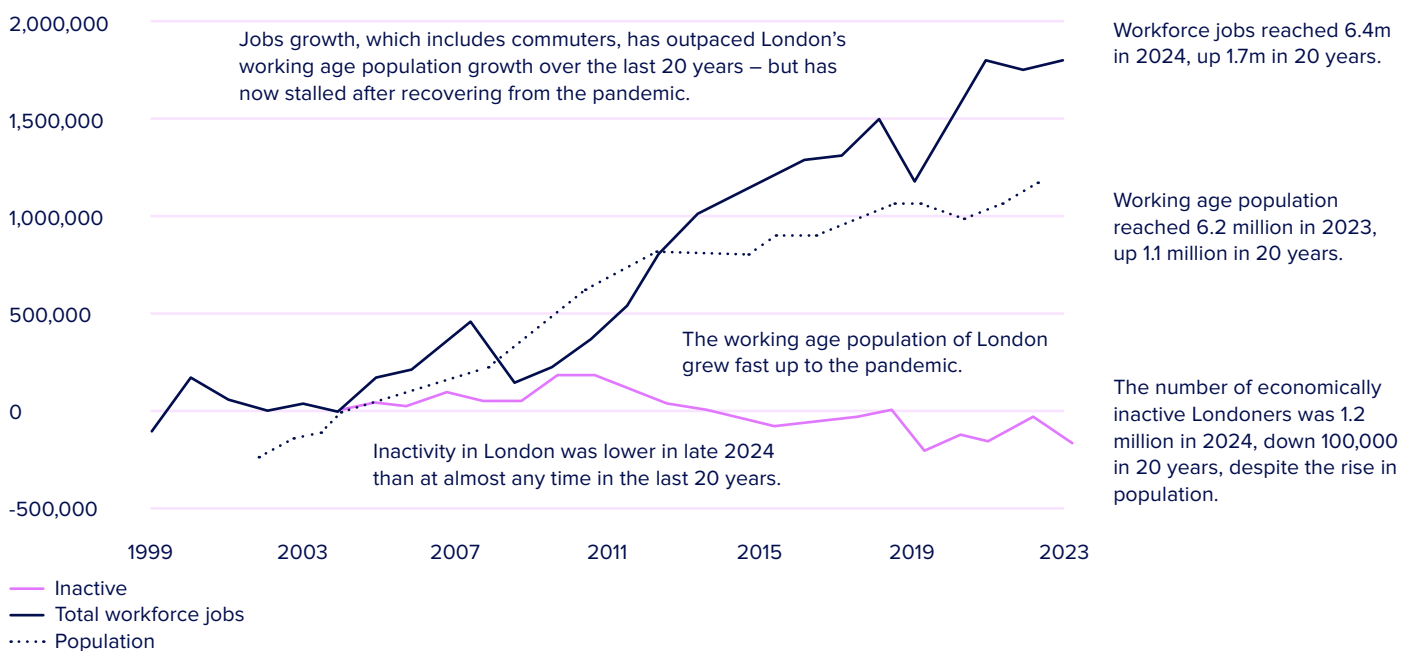
Brexit ended an era of almost limitless labour supply at all skill levels, upending London's migration patterns and leading to labour shortages in key sectors such as construction and hospitality. The legacy of Covid-19 is many Londoners leaving the workforce because they chose to retire, became long-term sick or are caring for others. Poor health, including mental health, is keeping growing numbers of (particularly younger) Londoners out of work. High housing costs are increasingly putting a strain on recruitment and talent retention. Businesses consistently say that lack of skills and talent is the biggest barrier to growth – despite higher net migration than before Brexit.

The challenge for London is to grow the skilled workforce in this new reality. We tackle this in the [inclusive talent strategy](#) section.



JiL Fresh Cuisine, Southwark

Cumulative change in population, jobs and inactivity since 2004



Sources: GLA City Intelligence and ONS for 16-64 population. ONS Workforce Jobs and ONS Annual Population Survey for jobs and inactivity. Jobs measures all jobs (including second-jobs and jobs held by non-residents) in London.

Big shift two:

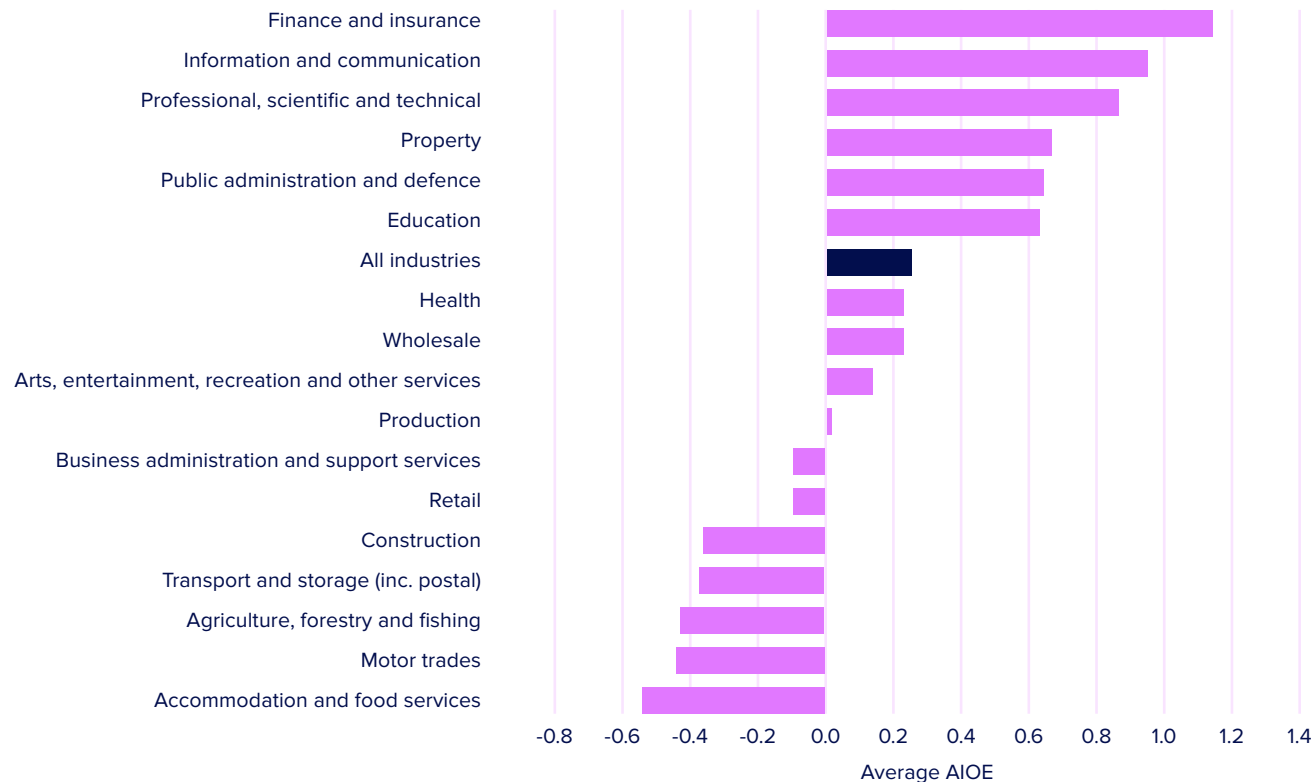
The changing nature of work

Covid-19 crystallised a generational change in the nature of work. Hybrid and flexible working patterns have become normal in many sectors. Younger generations have new expectations of work-life balance. Many more Londoners now work freelance or fractional jobs or in the gig economy. For some, this means more flexibility, more income and pursuing personal passions. But the gig economy also leaves many open to exploitation, low pay, poor working conditions and insecurity. Artificial intelligence will increasingly change the nature of work – and London is particularly exposed, because of its large knowledge-based, services sector workforce.

The challenge for London is to provide good-quality work in a changing world. We tackle this in the [inclusive talent strategy](#) section.



Exposure to AI by industry



The industry estimate of exposure to AI is constructed by taking a weighted average of the AI Occupational Exposure (AIOE) scores across occupations within an industry. This provides an average AIOE score for each industry. Source: [Department for Education \(2023\). Impact of AI on UK jobs and training \[PDF 670 KB\]](#), November 2023.

Big shift three:

From innovation taker to innovation maker

London's growth in the last 20 years was driven by very successfully applying technologies like the internet, cloud, mobile and blockchain to our services sectors. London has taken technologies largely developed in the US and applied them at scale.

London now has the opportunity to become an originator at the frontier of innovation, as well as a taker of innovation from other countries. London's exceptional research strengths put us on the brink of an explosion of innovation in areas such as life sciences, climate technologies, artificial intelligence and quantum computing.

The challenge for London is to turn brilliant discoveries and inventions into global companies. We tackle this in the [growth sectors](#), [backing our businesses](#) and [investment and promotion](#) sections.



Big shift four:

Polycentric growth

London's city centre has been at the heart of the global economy for hundreds of years. The West End and the Square Mile are unique and inimitable. London's city centre is 11% of the entire UK economy¹¹ and vital to achieving the national and London growth missions.

In recent decades, significant new clusters of growth in London have sprung up at Canary Wharf on the Isle of Dogs; in the Knowledge Quarter around King's Cross; in the east of the centre around Old Street, Clerkenwell and Shoreditch; south at Battersea, London Bridge and the South Bank; and west at White City. The massive regeneration delivered by the 2012 Olympic Games created a new economy in Stratford and Hackney Wick. London has significant commercial office clusters in outer centres like Croydon, Ealing and Kingston.

London's next phase of growth will continue this trend, with major new commercial and industrial developments outside the city centre, including Old Oak and Park Royal, Royal Docks, Earls Court, Brent Cross Town, Meridian Water, Barking and Dagenham.

The challenge for London is to maintain a thriving city centre and to create the infrastructure and places for growth to spread across the city. We tackle this in the [places for growth](#) and [housing and infrastructure](#) sections.

Big shift five:

Climate and ecological emergency

The climate crisis takes on a new urgency. London must decarbonise to slow climate change and improve air quality. It must also respond to the inevitable rise in temperatures and extreme weather which has already begun. This will require unprecedented levels of investment and a supply chain mobilisation not seen since the war effort of the 1940s. Climate action in London will create economic growth and a large domestic market for green innovation, which London can then export to the world.

The challenge for London is to finance the green transition and to secure the supply of people and materials to deliver it. We tackle this in the [housing and infrastructure](#), [investment and promotion](#) and [inclusive talent strategy](#) sections.

Big shift six:

Reordering of global trade

The UK's trade patterns are in flux as a result of Brexit, Covid-19, the war in Ukraine and trade tensions with China. Global supply chains are increasingly being brought back onshore, or into neighbouring friendly countries. The new US administration may shake global trade patterns further. London businesses are diversifying their exports into dynamic markets in the Middle East and Asia Pacific.

Exporting services to the world is the bedrock of the London economy. We must stay agile so that we keep growing international trade in a world of turbulent geopolitics. We cover this in the [backing our businesses](#) and [investment and promotion](#) sections.



Ambition



Camden Lock, Camden

Ambition: Productivity



Why it matters

London's big challenge is to grow productivity. Higher productivity means that for every hour worked in London, we create more aggregate income.

More productive businesses can pay higher wages to their staff, higher incomes to their owners and more taxes to fund public services and investment. Productivity growth is the path to higher living standards for all Londoners.

To raise productivity, London must grow its most productive sectors fastest, grow a skilled and diverse workforce, make housing more affordable, invest in infrastructure and help businesses to become more productive.

The ambition

Raise the average annual productivity growth rate to 2% from 2025 to 2035.

London's productivity grew strongly in the decade before the global financial crisis, which boosted incomes and wages. Between 1998 and 2007, productivity grew by an average 3.16% each year and wages rose with it.

Since then, London's productivity has flatlined. Between 2008 and 2022, productivity grew at just 0.12% per year on average.

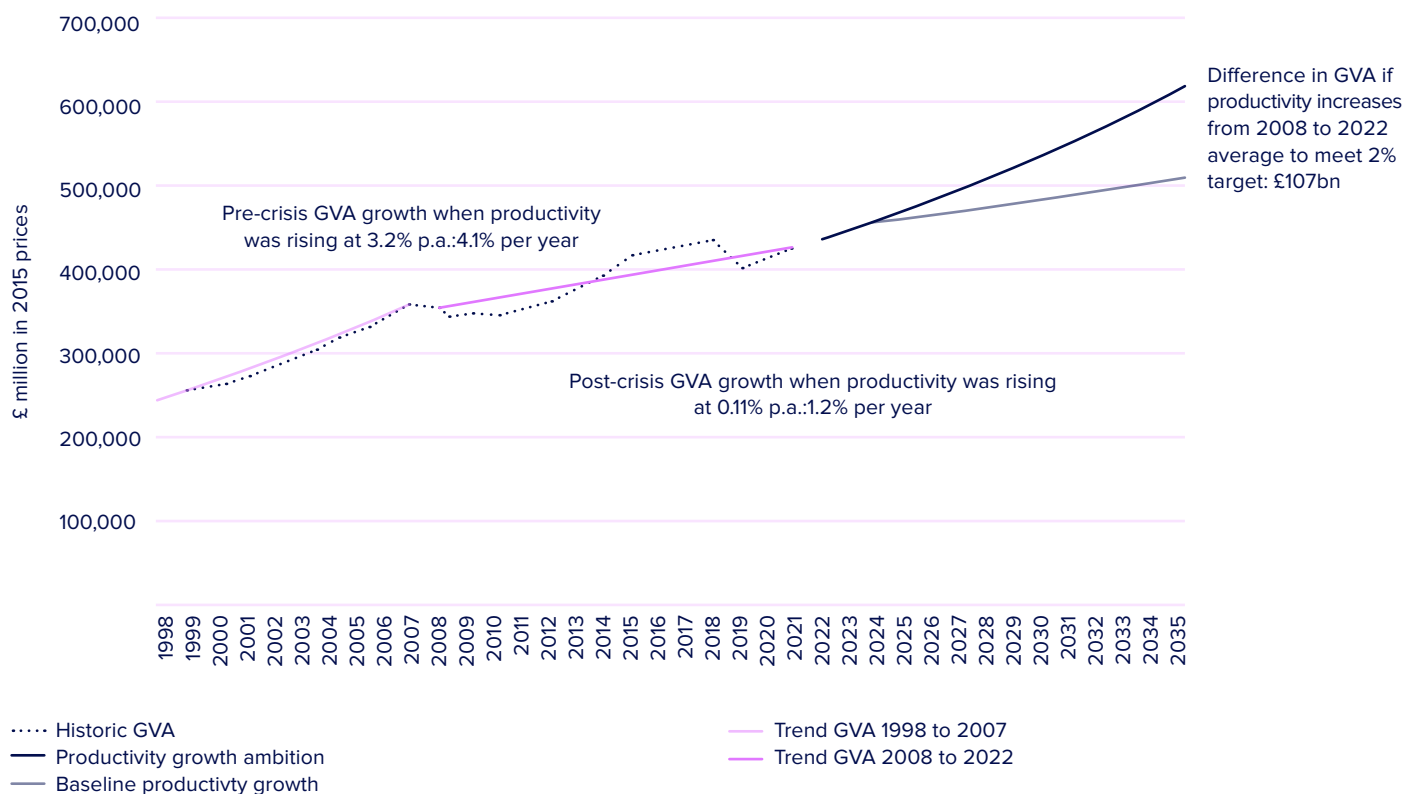
The ambition of this 10-year plan is to start to close the gap with London's productivity growth before the financial crisis. If we could get productivity growth back to an average of 2% per year for the next decade, it would transform the UK economy and the lives of Londoners.

If we reach 2%, the London economy could be £107bn larger in 2035 and that means an average of £11,000 in extra pre-tax income for the nearly nine million people living in our city. London would be contributing an extra £27.5bn in taxes to the Treasury¹².



Tooting, Wandsworth

London's growth since 1998



Source: ONS and GLA Economics. Productivity is output per hour worked.



What's happening

London is a highly productive city – but has had a productivity problem since the global financial crisis.

- London is by far the most productive region of the UK. Output per hour worked was 26.2% above the UK average in 2022¹³.
- But London's productivity has fallen by 2.6% since 2008, having grown 30% in the previous decade¹⁴. London accounts for almost half of the UK's recent productivity drop gap¹⁵.
- London has lower productivity, and lower productivity growth, than Paris and New York. This gap is only getting worse, potentially undermining the city's competitiveness¹⁶. London has also had the lowest productivity growth in the UK since 2008¹⁷.
- London's falling productivity is driven by a combination of factors, including but not limited to chronic business underinvestment, unaffordable housing and reduced national public and private expenditure on research and development compared to better-performing G7 economies.

What we will do

The UK government holds many of the important levers for productivity growth. However, there are many things that London can do – working together across public and private sectors – to boost productivity and address barriers to growth in our city. And with further devolved powers, London could do even more as the UK's growth champion.

How we will achieve our productivity ambition:

- 01. Sectoral mix:** Grow the highest productivity sectors through international trade and innovation. The plan for this is in [growth sectors and places](#).
- 02. Skills:** Grow the size of the skilled workforce by enabling all Londoners to participate to their full potential. The plan for this is in [inclusive talent strategy](#).
- 03. Housing and infrastructure:** Increase affordable housing and investment in infrastructure. The plan to tackle this is in [housing and infrastructure](#).
- 04. Business productivity:** Grow productivity within London's businesses and back them to scale up and export. The plan for this is in [backing our businesses](#).



Brent Cross West station, Barnet

Ambition: Inclusion



Why it matters

The purpose of economic growth is to improve lives. Too many Londoners are excluded from contributing to and benefiting from growth. This blights their lives, reduces London's productive potential and undermines social cohesion.

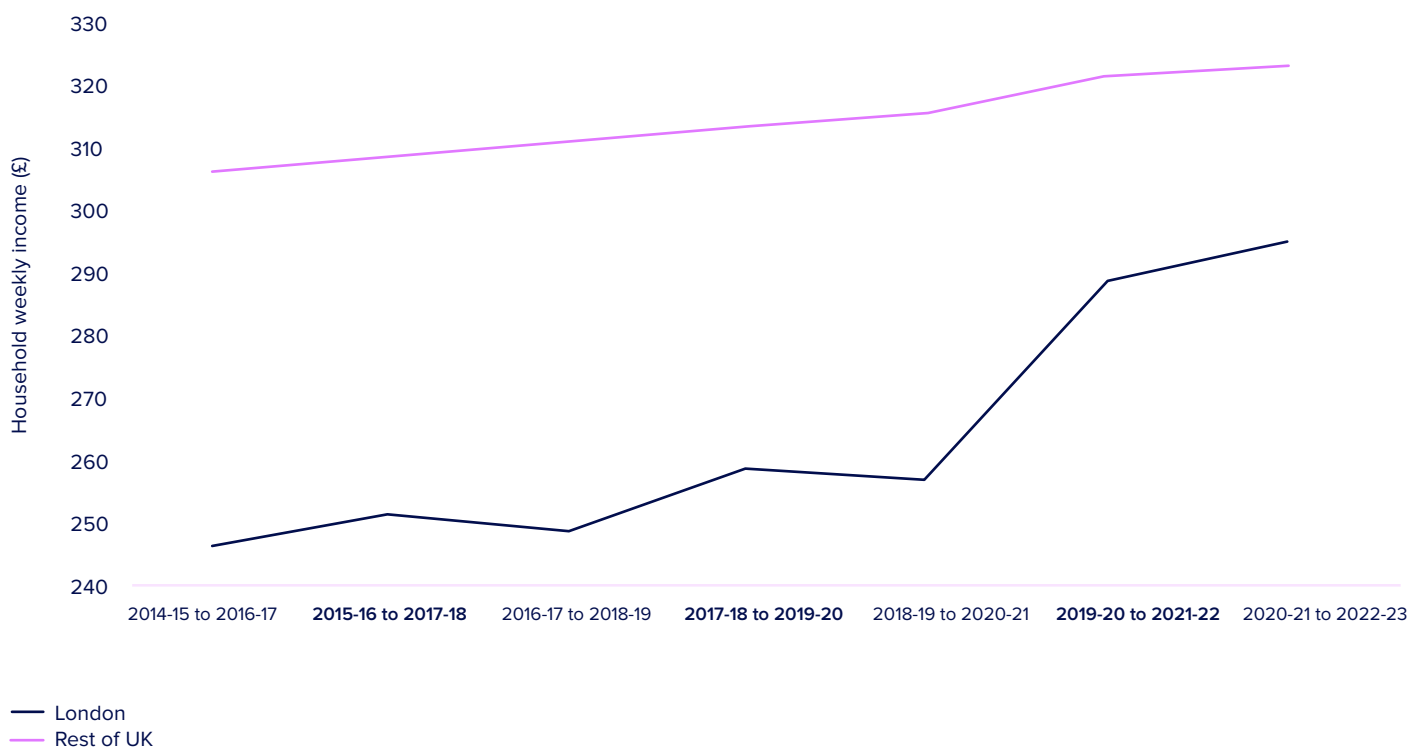
To reduce poverty, London must bring down housing costs; turn more jobs into good jobs; break the vicious cycle of sickness and poverty; help Londoners to get the skills to get into work and progress their careers; increase access to support and advice; support underserved entrepreneurs; and improve public transport.

The ambition

Raise the household weekly income (after housing costs) of the lowest earning 20% of Londoners by 20%.

This would mean that at least a million London households would have on average an extra £50 to spend each week after paying for housing costs.

Weekly income (after housing costs) for the lowest earning 20% of households



Source: Department for Work and Pensions "Household average income" Microdata. Note: Household weekly income in this chart refers to gross equivalised household income after housing costs in 2022-23 £ terms.

What's happening

- **Despite being by far the richest city in the UK, London also has the most people in poverty.** One in seven Londoners is in persistent poverty – well above the national average¹⁸. A third of children in London live in poverty¹⁹. One child in 21 is homeless and living in temporary accommodation²⁰.
- **Poverty is unequal – it disproportionately impacts certain people and places.** Income inequality within London is stark, with the richest 10th of Londoners having around nine times the income (after housing costs) of the poorest 10th²¹. Londoners from minoritised backgrounds are far more likely to be in poverty than White Londoners²². There is massive variation between and within places in London²³.
- **Too many Londoners are in bad-quality work.** London is home to some of the most exciting and rewarding jobs on the planet. But work is not the guaranteed route out poverty it should be. There are twice as many Londoners in poverty in working households than in workless ones. A significant minority of Londoners are working in bad jobs with low pay, unpredictable hours, weak rights and poor conditions – often servicing the deliveries, food, cleaning and care of wealthier Londoners. 14% of London workers are paid below the London Living Wage, which alongside predictable hours, is the minimum needed for a decent standard of living²⁴. An estimated 39,000 Londoners are not even being paid the statutory minimum wage²⁵.
- **Some Londoners are trapped in a vicious cycle of poverty and sickness.** People in poverty are more likely to be sick. They struggle to afford healthy diets; have less access to green spaces for exercise; are more likely to live in cold, damp homes; be exposed to air pollution; and do poor-quality work which makes them sick²⁶. People who are sick are less likely to be working. One in four working-age Londoners who are economically inactive are long-term sick – that's a quarter of a million people, having risen sharply in the last decade²⁷.
- **London should have a head start in addressing inequality.** London's schools and universities are exceptionally good at inclusion and closing attainment gaps. Children in London who are eligible for free school meals (a standard metric for child poverty) achieve much better results than similar children in other parts of the UK²⁸. London's universities lead the UK on social mobility. Londoners are also exceptionally inclusive. They are least likely to hold negative views about migrants or other marginalised groups. Equality of opportunity matters deeply to Londoners²⁹.



What we will do

Inequality has many dimensions and complex structural and interdependent causes. This plan focuses on income inequality as it relates to growing the economy (as opposed to other important inclusion issues such as crime or early years education).

Economic growth alone will not reduce poverty.

Recent research shows that even strong growth, with rising wages and high employment rates, won't reduce relative poverty. It will take additional, deliberate action for low-income households to benefit from growth³⁰.

The most powerful tools to tackle poverty are tax, benefits, living wages, enforcement of employment rights and access to affordable childcare. These are national powers. But there are important things that London can do to reduce poverty and make growth more inclusive. These are focused on health, skills, jobs, housing and entrepreneurship.

How we will achieve our inclusion ambition:

- 01. Pay and employment rights:** Reduce in-work poverty by turning more jobs into quality jobs with fair pay and predictable hours. The plan for this is in [inclusive talent strategy](#).
- 02. Economic inactivity:** Reduce the number of Londoners in poverty because they are unable to work due to sickness, low skills or other barriers. The plan for this is in [inclusive talent strategy](#).
- 03. Growth sector employment:** Increase employment of underrepresented groups in the higher-paying growth sectors. The plan for this is in [inclusive talent strategy](#).
- 04. Small business support:** Grow the incomes of underrepresented small business owners. Support local community businesses which provide vital local services and employ people close to home. The plan for this is in [backing our businesses](#).
- 05. Living costs:** Reduce living costs for the poorest by building more affordable housing, keeping transport costs down and helping homes to be more energy efficient. The plan for this is in [housing and infrastructure](#).



Ambition: Green growth



Why it matters

London and the world face a climate crisis and ecological emergency which directly threatens economic growth. Over the last 20 years, London's economy and population have grown significantly while carbon emissions have fallen more than 40%. We must continue to grow and decarbonise in tandem.

London has two huge economic opportunities from the transition to net zero: the domestic growth created by the capital's own green transition; and the export growth from selling London's green innovation and green finance to the world.

Decarbonising London will take massive investment in power, transport, homes and businesses, which will drive new jobs and innovation³¹. London's challenge is to unlock that investment quickly. That needs a pipeline of green growth projects that are investible, an approach to planning that gets them moving quickly and a major expansion of the green supply chain to deliver them.

London is a global leader in green innovation across a broad range sectors: the global centre of green finance, frontier innovation in areas like sustainable materials and energy sources, and applied innovation like climate tech, proptech and urban mobility. London's challenge is to grow these sectors fast. That means supporting frontier innovation, scaling ambitious businesses and boosting exports.

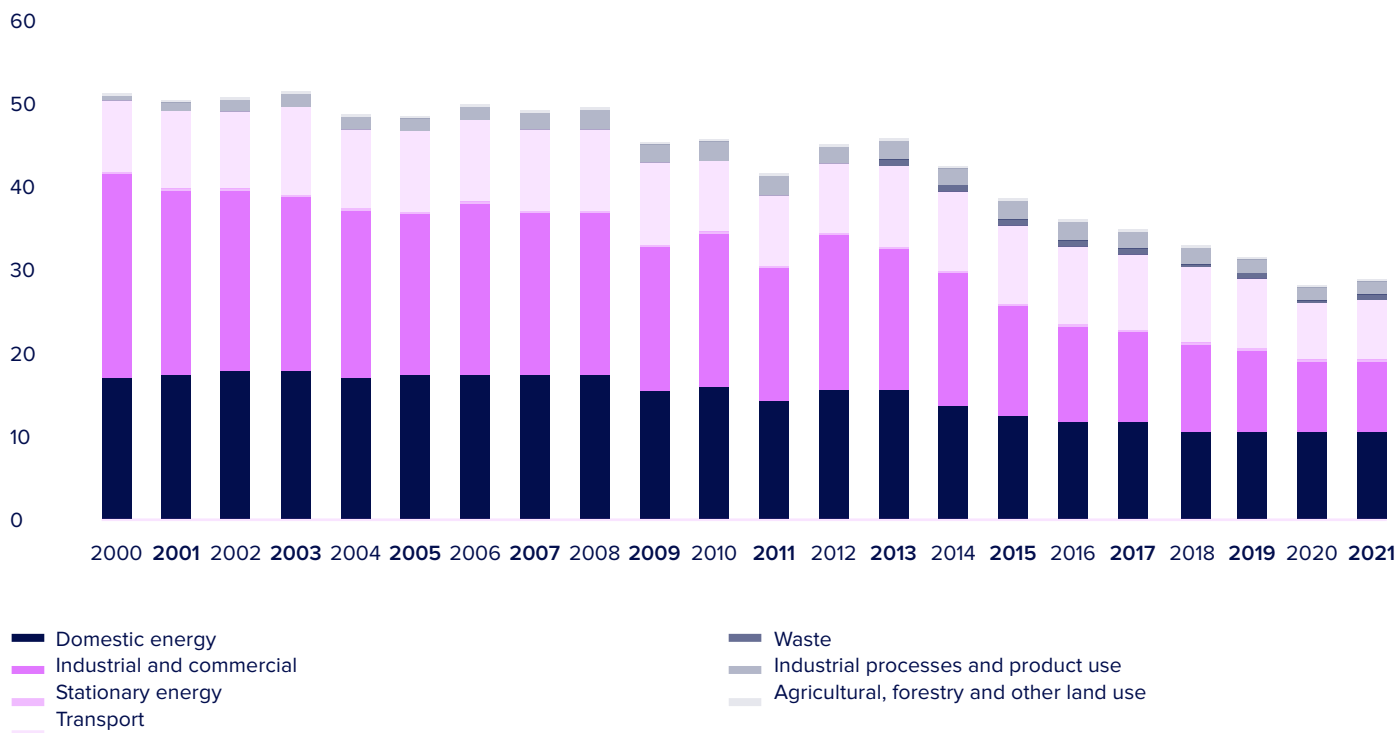
The ambition

Accelerate progress towards achieving London's net zero target for 2030.

Reaching net zero means that any remaining emissions of greenhouse gases are balanced by removal of an equivalent amount of CO₂ from the atmosphere (sequestration) or by preventing emissions which otherwise would have occurred elsewhere (offsetting)³².



London's carbon emissions since 2000



Source GLA, London Energy and Greenhouse Gas Inventory (LEGGI) (2021).



Grand Union Canal, Hillingdon

What's happening

- **Emissions:** London's carbon emissions have already been reduced by 44% from their peak in 2000. But there is still much further to go to achieve net zero.
- **Adaptation and resilience:** The climate is changing now. London is preparing for a hotter, more volatile climate³³. London is already losing £1bn of productivity every year because of heat³⁴ and air pollution³⁵. London's boroughs and the Mayor of London are already actively tackling surface water flooding and overheating, guided by the London Climate Resilience Review³⁶.
- **Economy:** London's green economy is already worth almost £50bn per annum, making it the largest green economy in the UK and a global climate investment leader³⁷. Our circular economy contributes £11bn to London's economy and could grow to £24.2bn by 2030, creating thousands of jobs³⁸.
- **Inclusion:** Poorer Londoners and Londoners from minoritised backgrounds are most at risk from the impacts of climate change. For example, they are more likely to be exposed to extreme heat³⁹.
- **Innovation:** London has global competitive advantage in some specific high-productivity, tradable green innovation sectors. These include green finance⁴⁰, some climate tech⁴¹, nature science and built environment services (architecture, engineering, urban planning and related fields).
- **Collaboration:** The Mayor of London and London Councils have launched Warmer Homes London, a partnership that will transform the approach to making the capital's homes more energy efficient. This will help thousands of low-income Londoners reduce their energy bills and help keep their homes warmer in winter and cooler in summer.



What we will do

The UK government has an important role to regulate, tax and invest for net zero, climate resilience and biodiversity. The new National Wealth Fund and Great British Energy will be critical partners. But there is much that London government, businesses and investors can do in partnership with the UK government.

How we will achieve our twin goals of tackling climate change and accelerating growth:

01. Enable private sector investment and action

a. Institutional capital investment: Increase institutional capital investment into zero carbon infrastructure and real estate. The plan for this is in [investment and promotion](#).

b. Business climate action: Support businesses to decarbonise and adapt to climate change. The plan for this is in [backing our businesses](#).

02. Supply chain and infrastructure mobilisation

a. Net zero infrastructure: Coherent plan for London's infrastructure and the investment needed for it. This is covered in [housing and infrastructure](#).

b. Green skills: Massive collective investment in the skills needed for London's green transition. The plan for this is in [inclusive talent strategy](#).

c. Electric grid capacity: Plan to significantly increase grid capacity to accommodate electrification of transport and heating, while powering the data centres on which London's economy will increasingly depend. The plan for this is in [housing and infrastructure](#).

03. Grow green innovation

a. Scale London's green innovation businesses to become global players.

The plan for this is in [backing our businesses](#).

b. Make London's public sector a green innovation accelerator as a major buyer, data provider and enabler of tests and pilots. The plan for this is in [backing our businesses](#).

c. Foreign direct investment: Attract international green innovation businesses to set up in London. The plan for this is in [investment and promotion](#).



Grow Summit, London & Partners

Ambition: A global capital



Why it matters

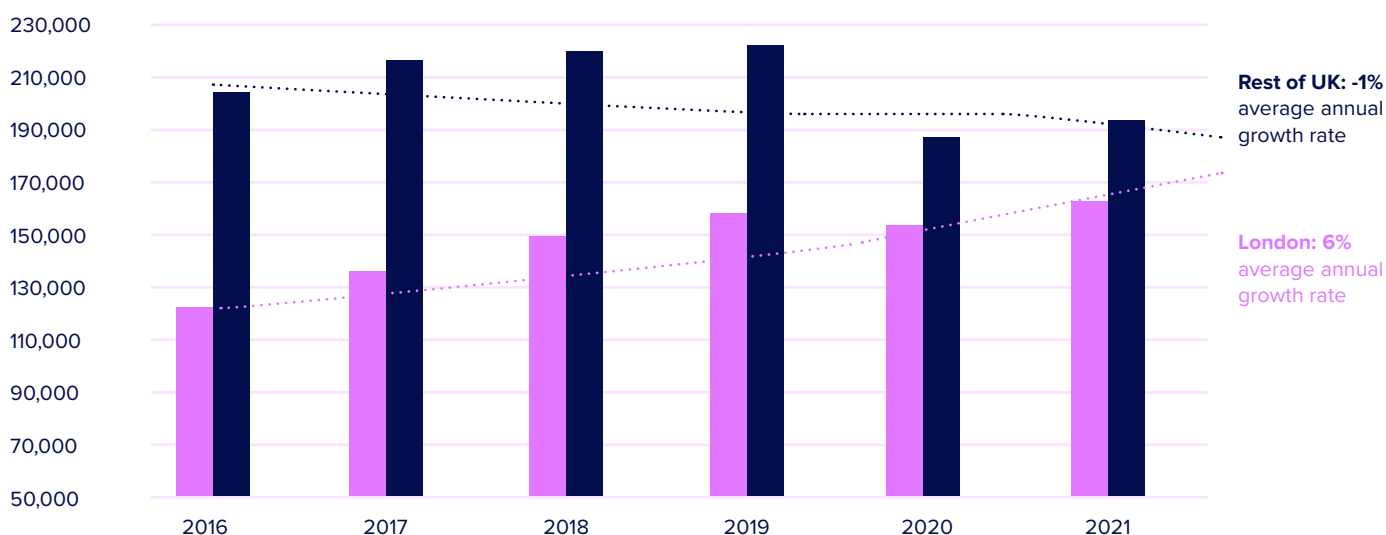
London is one of the world's few truly global cities: a place where international commerce, culture and communities come together and make each other stronger. London's openness is inimitable and unmeasurably powerful. But in a world of rising populism and protectionism, it is also fragile. Our values are our ultimate competitive advantage. We must invest in them and defend them.

London drives growth across the UK. The gap between London and the other major UK cities is one of the highest in the developed world⁴². But there is more that London can do to create economic opportunity across the country as the springboard to international trade, investment and visitors. London must look out to the world – but also into the UK, as its capital. London is everyone's capital – it should feel like an asset to people in every part of the country, not just those who live in or near it.

The ambition

Increase London's services exports by at least 6% on average per year, maintaining the growth rate achieved from 2016 to 2021.

London and rest of UK services exports (2016 to 2021)



London and rest of the UK services exports, £ millions in 2022 prices. Source: GLA Economics calculations based on ONS Subnational trade timeseries (2023).

What's happening

- **London is recognised as the world's best city.** Many rankings rate London as the best or one of the top three cities in the world – including the number one spot for the 2025 World's Best Cities ranking and the 2025 Tripadvisor Travellers' Choice Awards for the Best of the Best Destinations⁴³.
- **London is one of the most diverse places on the planet.** There are more than 300 languages spoken in London. 40% of Londoners were born outside the UK and nearly half of all Londoners identify as Black, Asian, Mixed or Other⁴⁴.
- **London powers the UK economy.** It accounts for around 25% of total GDP⁴⁵, 30% of total exports⁴⁶ and 21% of the total tax take⁴⁷, despite only having 13% of the population. London's exports are heavily dominated by services sectors.
- **London is an outlier in the UK economy.** The productivity gap between London and the south-east and the rest of the UK is bigger than the gap between east and west Germany⁴⁸. And the gap is forecast to get worse, with the London economy expected to grow faster between 2024 and 2027 than any other region⁴⁹.
- **London drives growth across the UK.** London's supply chains are an important source of demand across the UK. Capital from London invests widely in other cities and regions, and millions of international visitors use London as a gateway to the rest of the country. Foreign direct investors often start in London then expand to other parts of the UK⁵⁰.
- **London is integrated into the economy of the wider south-east.** Many of London's growth sectors cross the boundary of Greater London. For example, the film and TV sector is clustered across west London, Hertfordshire and Buckinghamshire; and London's life sciences sector is part of the Golden Triangle with Oxford and Cambridge. Pre-pandemic, around one in five people working in London lived outside the city⁵¹.



Chinatown, Westminster

What we will do

We will achieve our ambition to remain a global city by:

- 01. Services exports:** Grow London's highly productive service sector exports. The plan for this is in [growth sectors and places](#).
- 02. Experience:** Maintain the exceptional London experience which underpins our long-term competitiveness to attract global talent, investors and visitors. The plan for this is in [growth sectors and places](#).
- 03. Values and brand:** Grow the impact of London's international promotion, putting our values at the heart of London's global brand. The plan for this is in [investment and promotion](#).
- 04. International travel connections:** starting with rail. The plan for this is in [housing and infrastructure](#).

We will achieve our ambition to be a capital in service of the UK by:

- 01. Onward investment:** Drive tech investment onward from London to other parts of the UK. The plan for this is in [investment and promotion](#).
- 02. Scaleup exports:** Make London the springboard to global growth for innovative companies across the UK. The plan for this is in [backing our businesses](#).
- 03. Visitor gateway:** Encourage more tourists to use London as a gateway to explore the UK. The plan for this is in [growth sectors and places](#).
- 04. Industrial strategy:** Partnerships with advanced manufacturing clusters across the UK to scale up industrial innovation from London. The plan for this is in [growth sectors and places](#).
- 05. Strategic planning:** Engage with partners in the south-east on strategic planning. The plan for this is in [housing and infrastructure](#).



King's Cross station

London's growth sectors and places



Up at The O2, Greenwich

London's growth sectors

Changing the sector mix of London's economy is key to growth

One of the most important ways to grow productivity is to grow the share of higher productivity sectors as a share of the economy. But the rate of change between sectors has slowed down⁵². This growth plan identifies London's priority sectors, and how we will grow them.

London is, and must remain, a services exporting superpower⁵³ across financial, professional and business services; creative industries; the experience economy; and international education. Technology drives growth in these sectors: many are already heavily digital and will continue to adopt innovation. They make London a global city with unparalleled soft power.

London is also becoming a leading creator of innovation at the frontier of science and technology – and our ambition is to accelerate this. London has competitive advantages in life sciences and green innovation because of its world-leading research in technologies including artificial intelligence, quantum computing, bioengineering, advanced robotics and materials sciences. These sectors are highly productive and exportable.

At the time of writing, the UK government is consulting on Invest 2035: The UK's Modern Industrial Strategy⁵⁴. London's growth plan will support the national approach while reflecting what makes the London economy unique.

This section sets out London's priority growth sectors, and the places in London which will best support their growth. Broader actions to growth sectors such as talent, investment and promotion are picked up in the [actions](#) section.

How we define London's growth sectors

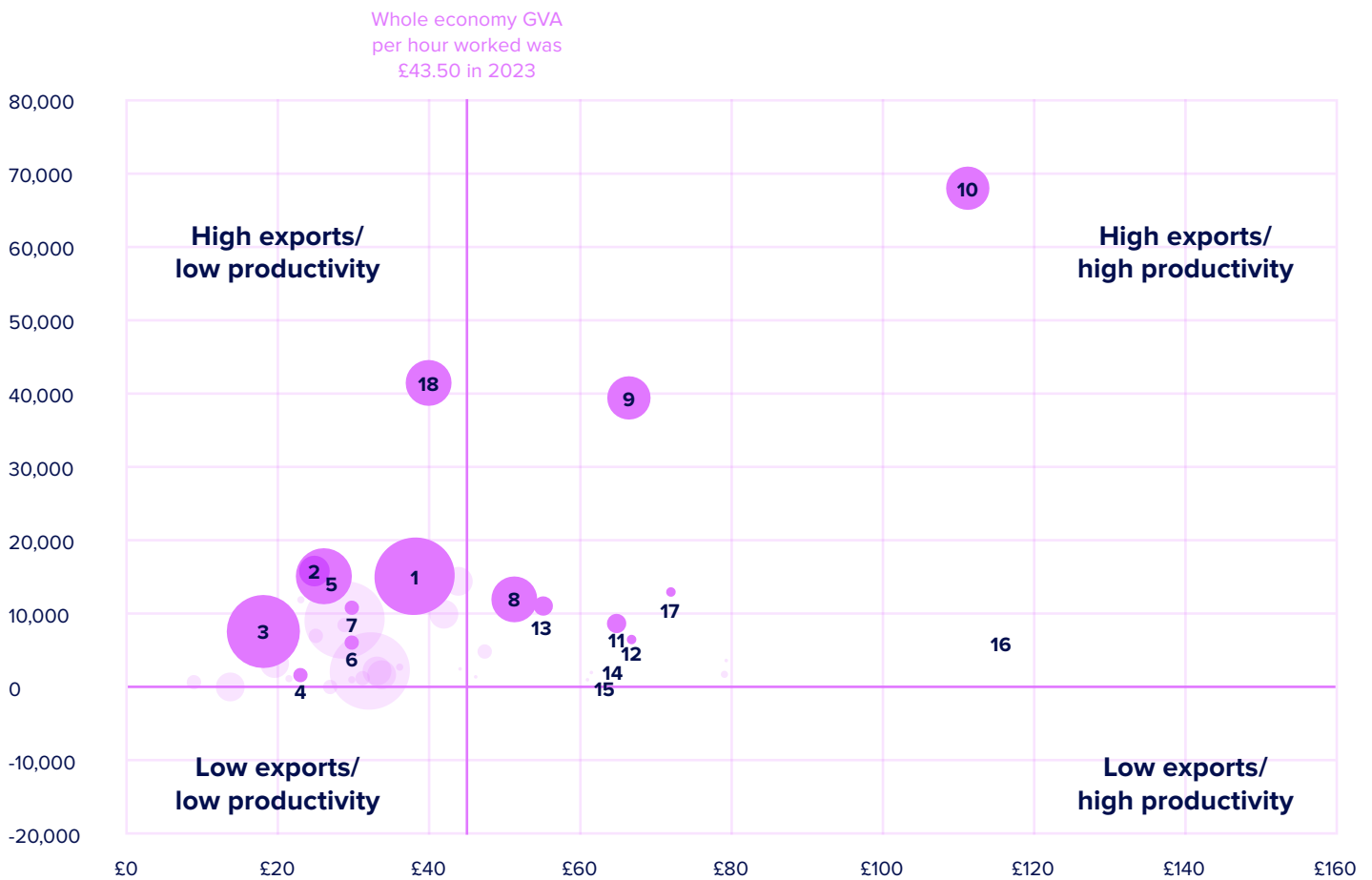
This plan defines and prioritises the sectors that will be most impactful over the next decade. We define sectors based on how London's vibrant economy works in practice, rather than the rigid taxonomies of national statistics.

Most official statistics about sectors are backward-looking: they tell us what is important now, but not necessarily what will matter next. So, we use leading indicators and market intelligence to understand future growth opportunities.

Our priorities reflect the important relationships between sectors in London. London's great strength is as a city of connections: we are very good at lots of things, and the most exciting spaces are often where different disciplines overlap and combine.



Productivity and export by sector



1. Education
2. Architectural, engineering and technical
3. Food and drink service
4. Other professional, scientific and technical
5. Head offices and management consultancy
6. Creative, arts and entertainment
7. Accommodation
8. Legal and accounting
9. Auxiliary financial services
10. Finance except insurance and pensions

11. Advertising and market research
12. Information services activities
13. Motion picture, video and television programme production, sound recording, music publishing activities, programming and broadcasting activities
14. Manufacture of transport equipment
15. Manufacture of electronic, optical and electrical
16. Manufacture of chemicals and pharmaceuticals
17. Scientific research and development
18. Computer programming and consultancy

London's growth places

Places matter for growth

There is compelling evidence that clustering sectors in places drives productivity and growth⁵⁶.

Sectors cluster in different patterns. For example, there is an internationally significant film and TV production cluster around a string of major studios in west London and neighbouring counties, surrounded by a largely freelance and SME supply chain that is dispersed across the area. Life sciences, on the other hand, tends to cluster in tight, walkable neighbourhoods around universities and hospitals.

Central London is the jewel in the UK's crown – we must nurture it

London's city centre is one of the most productive places on planet Earth. It is home to a dense mix of global financial centre, globally significant visitor destinations, world-class culture and innovation, and some of the most sought-after office space in the world. In 2023, the annual gross value added (GVA) of the Central Activities Zone (which includes the City, West End and Canary Wharf) was a staggering £315bn, accounting for 11% of the UK total⁵⁷. It draws in workers from the rest of London, the wider south-east and beyond.

London's economy is like a galaxy, not a star

The shape of the London economy is changing. The city centre itself has expanded in the last two decades with new, highly productive clusters in places like King's Cross, Shoreditch and White City. London 2012 and the Elizabeth line enabled the growth of Stratford as a major new centre.

London's suburbs are not just dormitories for its city centre workers. There are important economic clusters across the city, including town centres, high streets and industrial areas, which increase London's total growth potential and bring opportunities closer to home for Londoners.

London today is like a galaxy: a collection of complementary, connected stars. Each shines brightly in its own right, but together they are powerful. In life sciences, for example, clusters focus on different specialities such as cancer or diagnostics. Visitors love immersing themselves in very different destinations within the same day, from palaces and gardens to markets and nightlife.



Where London grows next

This plan does not dictate how every part of London will grow.

Local areas will set their own growth ambitions, supported by London-wide policy and investment. Local growth is covered in the local places action. Each borough's growth plan is available at growthplan.london.

Instead, this plan starts to set a framework for growth clusters in London, focusing on clusters in the growth sectors which are internationally significant.

London's clusters today are largely informal. They are defined and organised in very different ways. To focus the city's energy and resources, we need a framework to define and describe clusters. This would help to inform the new London Plan⁵⁸, Infrastructure Plan and Local Plans. It would also enable clusters within a sector to be more than the sum of their parts – differentiated but complementary, with a clear offer and coordination⁵⁹.

The maps in this growth plan are a first – but certainly not final – mapping of London's growth clusters.

Gunnersbury Park and Museum, Hounslow



Global city sectors

The engine of our economy is selling expertise, ideas, innovation and experiences to the world. London's key strengths are:

- Financial, professional and business services and technology.
- Creative industries including creative technologies.
- Experiences (visitor spend on culture, leisure, hospitality, retail and events).
- International education (international students).

These four sectors are globally competitive, very significant economic contributors and mostly highly productive. But they matter beyond their economic contribution alone: they are the city's soft power sectors, positioning London on the global stage.



Mayor of London, Future Skills

The London experience: virtuous cycle of visitors and students

We prioritise the experience economy and international education because they are some of the foundations of London's prosperity, as well as important sectors in their own right.

London is a brilliant place to live and visit because of the London experience. This describes London's buzzing mix of culture, food and drink, events, shopping and green spaces. It includes the exceptional city centre, as well as diverse local neighbourhoods where people from around the world can feel they belong.

The foundations of the London experience are good-quality public spaces and infrastructure, and places that feel safe and secure, day and night. Culture, hospitality and events are sustained by international tourists⁶⁰, as we learned with a bump during the pandemic.

This London experience attracts the brightest, most ambitious people to study, build careers and start companies. This matters because our growth sectors are all people-powered. London's diverse, open-minded, skilled population is our greatest asset.

So, London's students, tourists and culture are not a nice to have – they are the very foundations of our prosperity. We need tourists to sustain the lifestyle which attracts the best talent, which in turn drives growth and attracts investment.

Digital is everywhere

This growth plan does not describe digital or technology as a sector because it is now mainstream across the global city sectors. Internet, mobile, cloud and increasingly AI are everyday technologies in London. They are transforming legacy businesses and enabling new ones.

Banks are becoming fintechs and fintechs are becoming banks. Accounting firms build software and tech companies build accounting tools. Marketing agencies compete on data as well as creativity. Global financial markets run on data and technology. Universities blend in-person with online learning. Virtual production is transforming the way we make film and TV.

So, we define our global city sectors to include the relevant digital products, services and content. For example, fintech is included within financial services and virtual production is included in creative industries.

Over the decade of this growth plan, we expect artificial intelligence (and to some extent blockchain and quantum) to become everyday technologies like the internet. So, this plan treats digital technologies, including applied artificial intelligence, as a driver of growth across all our priority sectors.

London as part of the UK's modern industrial strategy

Two of London's global city sectors are identified as priorities in the UK government's modern industrial strategy: financial and professional services and creative industries. In these sectors, London will work closely with national partners to drive growth. The sections on them in this plan therefore focus on place-specific or London-specific issues.

Two of London's global city sectors are not identified in the modern industrial strategy: experience economy and international education. London therefore sets out its own approach in these sectors.

Talent is a barrier to growth for all the global city sectors. This is addressed in the [inclusive talent strategy](#) section so not duplicated in this section.



London Tech Week 2024, Olympia London

Financial, professional and business services and technology

London is one of the world's two financial capitals. Nowhere in the world can rival London's depth and breadth in financial, professional and business services. It is a centre that is open and connected, highly innovative and leading the world on sustainability.

London's strengths include the full range of financial services, law, accountancy, management consulting and built environment services such as urban planning and engineering. London is also a global leader in technology in these sectors including fintech, regtech, enterprise tech, cyber and proptech.

These sectors are highly productive, and London has global competitive advantage in them. They make London globally powerful. London must back the City of London Corporation's Vision for Economic Growth, the strategy to grow financial and professional services⁶¹.

Places for growth

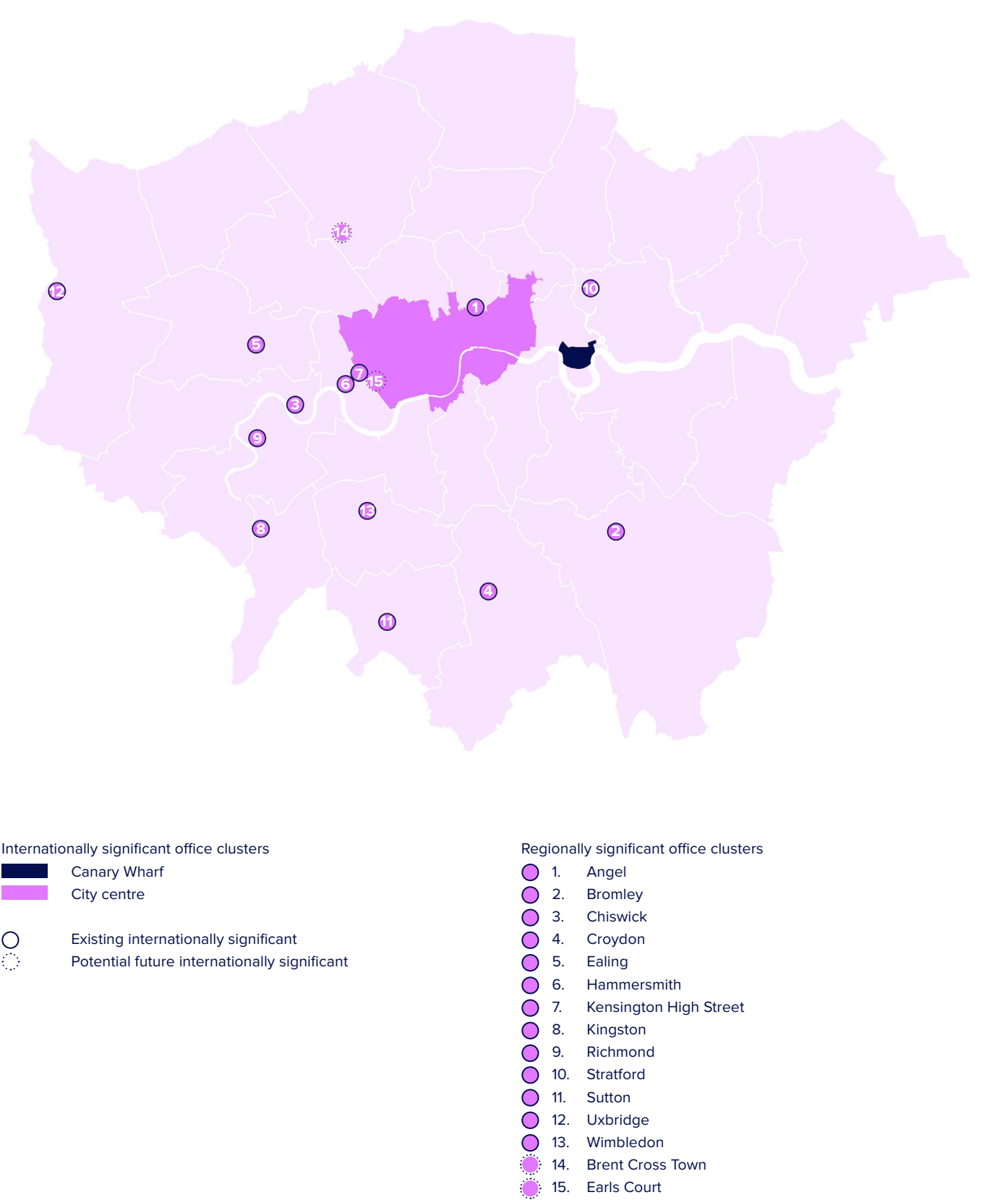
01. Nurture London's city centre as a global magnet for talent

London's city centre – particularly the Square Mile, West End and Canary Wharf – is globally important to financial, professional and business services and technology. It must continue to be the place where the world's biggest and most ambitious businesses choose to locate, because the world's best talent wants to work there. This includes continuing to build and retrofit commercial offices of the highest standards and making sure the city centre is a vibrant and exciting place to work. See [local places](#) for more on this topic.



City of London

Financial, professional and business services technology



Source of evidence: Internationally significant office clusters: Strategic evidence to support commercial to residential Article As in London July 2021.
Regionally significant office clusters: VOA / CoStar / GLA analysis.
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Creative industries and technologies

London's creative industries entertain, educate and inspire people all over the world. We are leading global exporters of film, TV, gaming, music, marketing, fashion and architecture⁶². London is particularly dominant in film and TV, rivalling Hollywood as a global production centre. London has strengths in creative sector technologies including virtual and post-production, immersive, adtech and ecommerce.

These sectors are large, productive, tradeable and growing⁶³. They are also the heart of London's soft power, reaching the hearts and minds of audiences globally with London's creativity, diversity, heritage and values.



Joke Amusan, Ealing Road and Alperton Zone, Brent. James O'Jenkins

Places for growth

01. Secure the places to grow London's creative industries

Creative industries often need specialist places like studios and makerspaces. London has seen a boom in building major film and TV studios, with more projects in the pipeline (see the map). But smaller scale, affordable spaces are limited. London will continue to use initiatives, learning from the success of the Creative Enterprise Zones, Creative Land Trust and affordable workspace planning provision to create spaces for creative industries to thrive. See [local places](#) for more on this topic.

02. Grow internationally significant creative industries clusters

London has well-established, globally significant clusters, like the West End, South Bank and west London for film and TV cluster. It must nurture these, as well as developing clusters for the future, including for example:

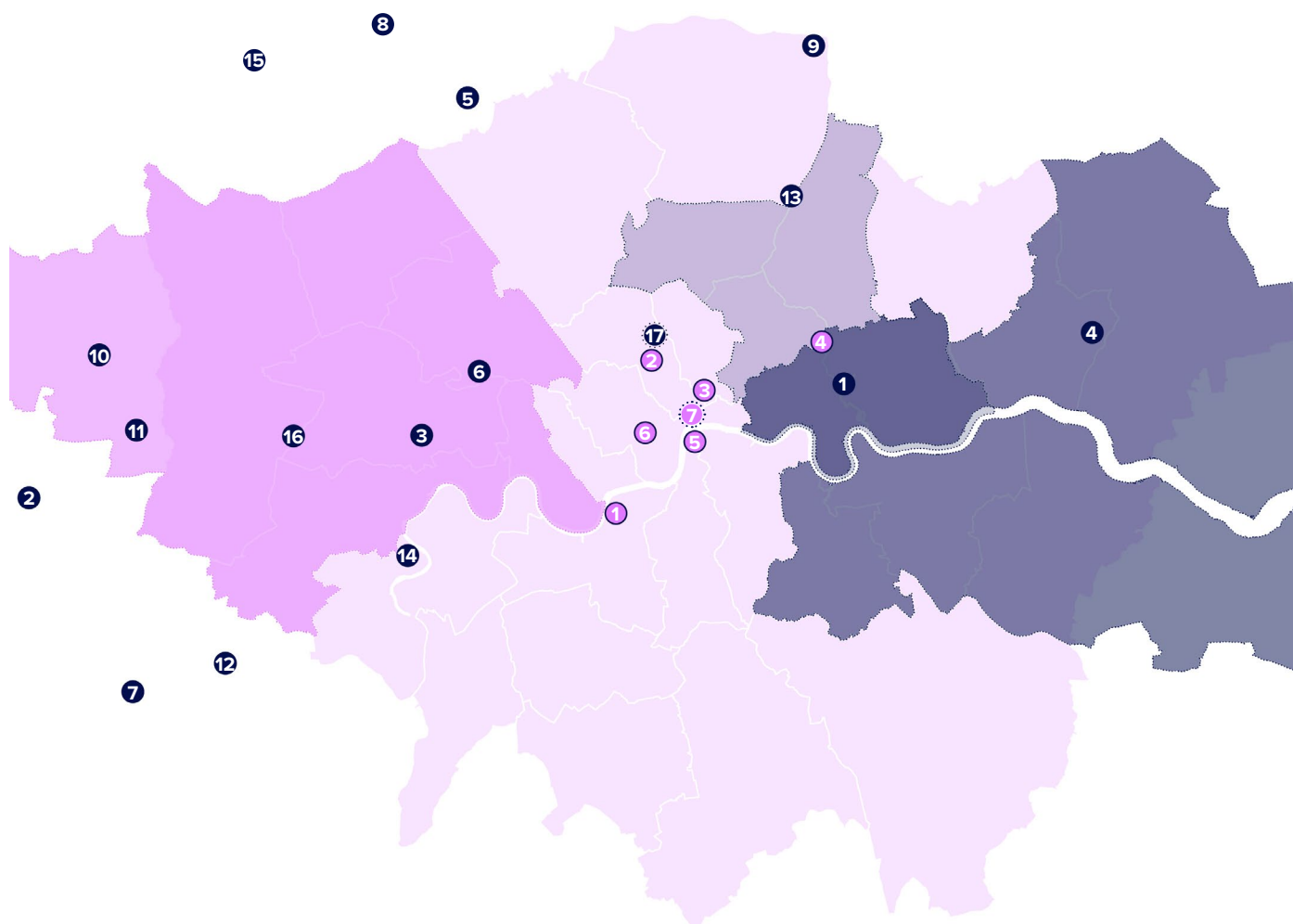
- **East Bank in Queen Elizabeth Olympic Park**, home to UAL's London College of Fashion, Sadler's Wells East, V&A East, BBC Music Studios and UCL East.
- The **Fashion District** across east London for fashion innovation and small-scale manufacturing.
- **Thames Estuary**, an increasingly important creative production corridor including Eastbrook Studios, Royal Opera House's High House Production Park, The Wharf and 3 Mills Studios.
- **Battersea**, an emerging design quarter, home to the Royal College of Art, Apple's vast London HQ, Foster + Partners architects and consumer technology innovator, SharkNinja.
- **Smithfield**, a historic site in the Square Mile which is proposed to be redeveloped as a new international cultural and commercial destination, to complement the relocated London Museum.

London will use all its levers to support these creative industries clusters to thrive – including planning, infrastructure, public land, placemaking, business support, inward investment, skills development and promotion.

West London College, Hammersmith & Fulham



Creative Industries and technologies



Major film and TV studios

- 1. 3 Mills Studios
- 2. Bray Film Studios
- 3. Ealing Studios
- 4. Eastbrook Studios London
- 5. Elstree Studios
- 6. Garden Studios
- 7. Longcross Studios
- 8. OMA V film studios
- 9. OMA X film studios
- 10. Pinewood Studios
- 11. Ridgeway Studios
- 12. Shepperton Studios
- 13. Troubadour Meridian Water Studios
- 14. Twickenham Film Studios
- 15. Warner Bros. Studios Leavesden
- 16. West London Film Studios
- 17. Camden Film Quarter

Internationally significant creative clusters

- 1. Battersea
- 2. Camden
- 3. Clerkenwell
- 4. East Bank at Queen Elizabeth Olympic Park
- 5. South Bank
- 6. West End
- 7. Smithfield

Subregional creative industries clusters

- West London Film
(continues to Hertfordshire and Buckinghamshire)
- Fashion District
- Thames Estuary Production Corridor (continues to Essex and Kent)

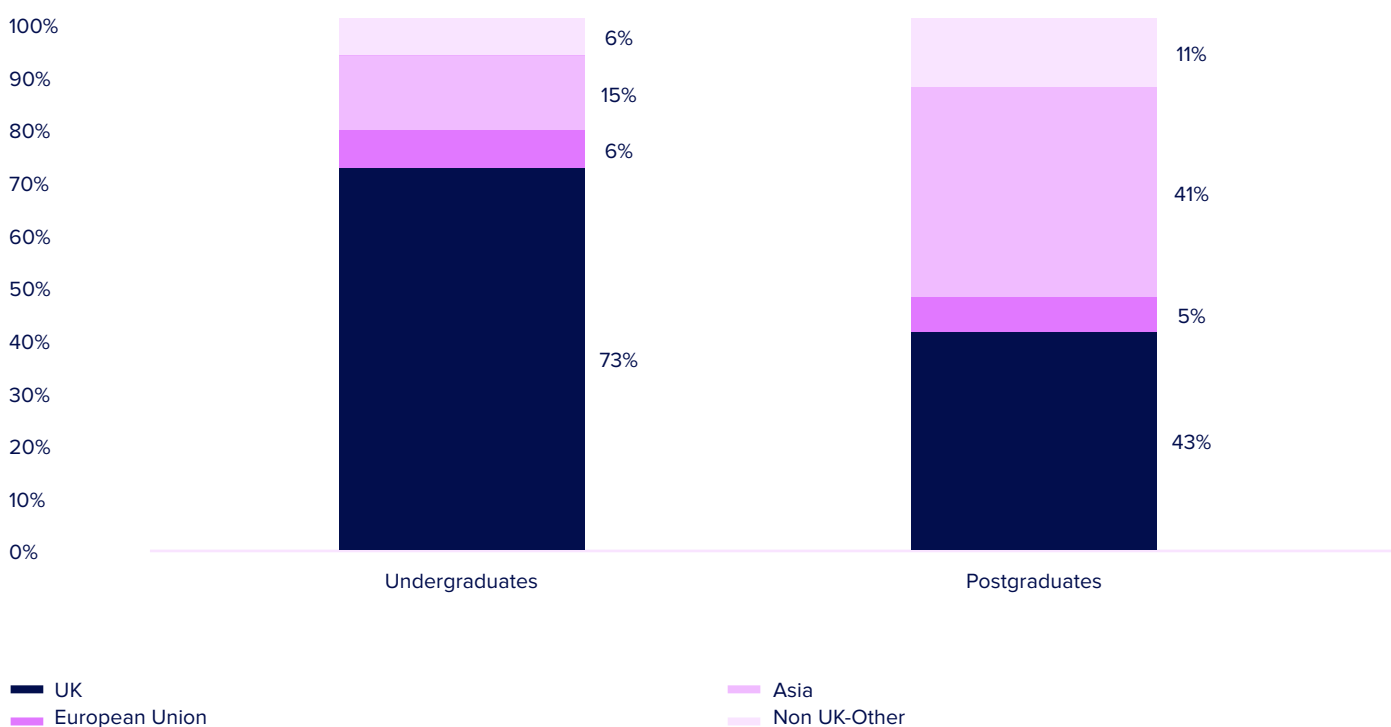
- Existing internationally significant
- Potential future internationally significant

International education

London is the biggest international student city in the world. London's alumni become global decision-makers, with an affinity to London that often lasts a lifetime. International students feed our talent pipeline, and their fees are a vital source of income for our universities and colleges. More than a quarter of undergraduates and two thirds of postgraduates in London's higher education institutions came from outside the UK. Many London universities have international campuses and offer online education for international audiences⁶⁴. International education is a productive export sector.



Where London's students come from



Experience economy

The experience economy refers to culture, events, sports, attractions, retail and hospitality that are tradeable. This means that a significant share of their sales is to visitors, though Londoners enjoy them too. For example, destination retail in places like the West End, Spitalfields or Camden is considered experience economy, whereas a local corner shop or supermarket is not.

While most of these sectors do not rank among the most productive, the experience economy matters because it is what makes London a brilliant place to visit, study and live. London is the world's favourite destination⁶⁵ and one of the most visited places on the planet.

Theatre in London

London's theatres play a vital role in the city's experience economy. The West End offers audiences a diverse and innovative programme of shows unlike anywhere else in the world. It's also a driver of tourism with 24% of international visitors to London attending a West End show. In 2023, the West End's theatre attendance rose to 17.1 million⁶⁸.

Theatre offers audiences a unique immersive experience. It's an economic powerhouse and a driver of transformative social good. For every £1 spent on a theatre ticket, an additional £1.40 is generated for the local economy. London's West End is an engine room for British theatre and a cultural superpower.

Screen and music tourism

London has played a starring role in thousands of blockbuster movies and shows such as Harry Potter, Bridget Jones and Downton Abbey. "Set-jetting" is an important driver of tourism, with seven in 10 UK visitors going to a film or TV location during their visit⁶⁶. The hit Apple TV show Ted Lasso, set in Richmond, has led to a 10 to 20% increase in US visitors and new local businesses offering themed tours and merchandise.

London leads the way in attracting visitors for live music shows. Taylor Swift's record-breaking The Eras Tour in 2024 boosted the London economy by £300m, with nearly 700,000 people attending the concerts⁶⁷.



Places for growth

The experience economy relies on local places – whether in the city centre or elsewhere in London – to feel safe and clean, with well-designed and maintained public spaces. These foundations are covered in [local places](#).

01. Nurture London's city centre as the most exciting and inspiring place on Earth

London must use its planning, licensing, placemaking and infrastructure powers to nurture the city centre.

The Mayor of London has an ambitious plan to transform Oxford Street. The City of London Corporation plans to redevelop Smithfield as a major new destination anchored by the new London Museum, opening in 2026, and its Destination City programme plans to revitalise the Square Mile.

The CAZ Futures Action Plan⁶⁹ sets out how the central London boroughs, City of London Corporation, Central London Forward and the Mayor of London will work together for a thriving city centre.

Oxford Street regeneration plans

In September 2024, the Mayor of London announced flagship proposals to transform Oxford Street. Backed by UK government, it will help make one of the world's most famous streets an outstanding experience for visitors and Londoners, unlocking greater footfall, spend and investment at the heart of the capital.

02. Grow world-class visitor destinations across the city

Visitors who stay longer and see more of the city have a better experience, making them more likely to return⁷⁰. The visitor economy can help to regenerate local areas and sustain vibrant places for residents to enjoy alongside tourists.

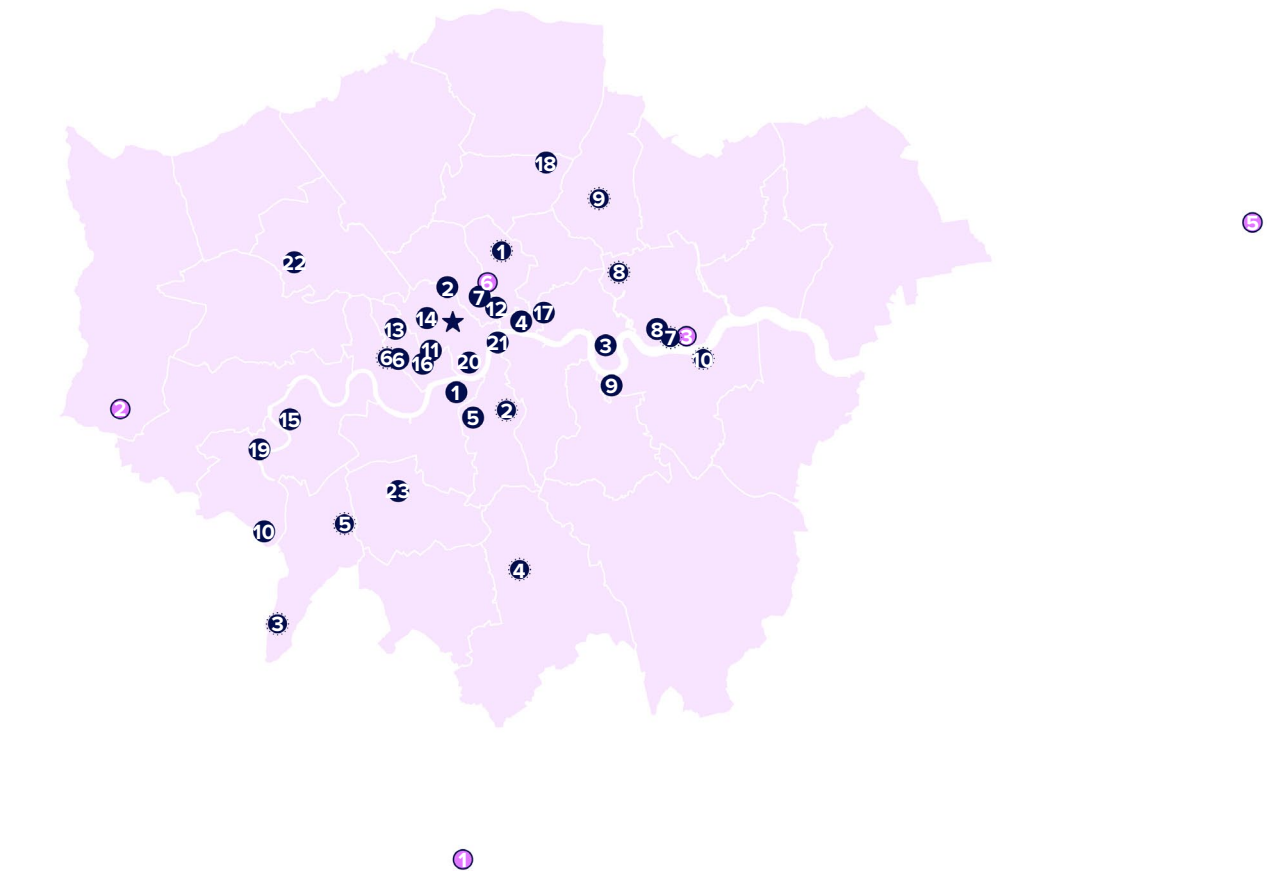
London has already important visitor destinations across the city. Some are anchored by major sporting venues (such as Wembley, Twickenham, Wimbledon, Tottenham Hotspur Stadium and Queen Elizabeth Olympic Park) and others by heritage sites (such as Hampton Court Palace). These must be nurtured to drive further growth.

London also has the opportunity to create new, internationally significant visitor destinations outside the city centre. There is a particular opportunity to grow destinations in outer London and those that celebrate London's diverse communities. These are shown in the map below.

03. Create new venues for a thriving events sector

London lacks major venues, which will limit the growth of its events sector. In particular, there is demand for a covered arena of circa 20,000 seats (equivalent to The O2) in west London. In addition, the Mayor of London is exploring a potential International Centre for Creative Industries. If the QEII Centre were to be closed due to the refurbishment of the Houses of Parliament, that will place further pressure on London's convention centre space. London will work with investors to seek opportunities to create new venues that meet the sector's future needs.

Internationally significant visitor destinations by spend



Internationally significant visitor destinations

- ★ West End (more than double the next destination)
- 1. Battersea*
- 2. Camden and London Zoo
- 3. Canary Wharf
- 4. City of London
- 5. Clapham
- 6. Earls Court
- 7. Euston and King's Cross
- 8. Excel London
- 9. Greenwich
- 10. Hampton Court
- 11. Knightsbridge
- 12. Bloomsbury, Holborn, Farringdon, Clerkenwell
- 13. Notting Hill
- 14. Paddington
- 15. Richmond town centre and Kew
- 16. South Kensington
- 17. Spitalfields and Shoreditch
- 18. Tottenham
- 19. Twickenham
- 20. Victoria and Pimlico
- 21. Waterloo and South Bank
- 22. Wembley
- 23. Wimbledon

Potential future internationally significant visitor destinations

- 1. Arsenal
- 2. Brixton
- 3. Chessington World of Adventures
- 4. Croydon
- 5. Kingston/New Malden (Korean culture)
- 6. Olympia
- 7. Royal Docks
- 8. Stratford/Queen Elizabeth Olympic Park/East Bank
- 9. Walthamstow
- 10. Woolwich

International visitor infrastructure

- 1. Gatwick
- 2. Heathrow
- 3. London City
- 4. Luton
- 5. Southend
- 6. St Pancras International
- 7. Stansted

- Existing internationally significant
- Potential future internationally significant

Sources: International visitor spend (Colliers), London & Partners Attractions Monitor. *Due to relatively recent opening, does not yet feature in historic data sources, but would expect to rank in this set based on high international footfall.
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Frontier innovation

What it is: definition

Frontier innovation is about discoveries and inventions: making scientific breakthroughs and turning them into commercial products and services. Frontier innovation is highly productive and exportable⁷¹, and London is brilliant at it. It will be our next superpower.

Most frontier innovation in London aims to solve two big challenges: improving health and addressing the climate and ecological emergency. It covers life sciences, deep tech and climate tech.

London will succeed by mastering the transformative technologies that cut across traditional boundaries: artificial intelligence, quantum computing, bioengineering, advanced robotics and materials science⁷². For example, artificial intelligence is used to discover new medicines and to optimise energy grids, and bioengineering is used to develop artificial organs and new recyclable materials.

Scientific discoveries are turned into products which can be manufactured and used at a large scale, through processes like testing, prototyping and small batch manufacturing. Once applied, frontier innovation can transform industries such as manufacturing, construction and logistics. This applied frontier innovation is called industrial innovation.

Some frontier innovation – particularly artificial intelligence and quantum computing – will also be applied at scale in the services sectors.

London Cancer Hub

The London Cancer Hub in Sutton is Europe's leading cancer research district and a key driver in London's economic growth and innovation. It brings together the Institute of Cancer Research (a member institution of the University of London), The Royal Marsden, Epsom and St Helier University Hospitals, Maggie's, Harris Academy and Sutton Council – with plans from Aviva Capital Partners and Socius to grow the district. Alongside hosting world-class research and exemplary cancer care, it has brought multi-million-pound investment, making the borough a life sciences hotspot. Across the campus there are 3,200 jobs already onsite, with thousands more expected as it develops.



Why we win: London’s global competitive advantage

London has important competitive advantages in frontier innovation: globally leading universities; a deep and diverse talent pool; access to global capital; a large market for innovation; and a culture of entrepreneurship.

London is already the leading city in Europe for life sciences and artificial intelligence⁷³. Our world-class universities produce brilliant research and ideas. And we’ve got much better at turning our discoveries into products and services. The challenge for London now is to build truly global companies.

Number of universities featuring in ranking of top 100 universities by research quality – Times Higher Education World University Rankings 2025

City	No. of universities
London	6
New York	5
Boston	4
Bay Area	3
Paris	0

London’s size and diversity are a competitive advantage. For green innovation, London is a large urban centre, hosts the world’s leading built environment sector and has an ambitious net zero target to meet. For life sciences, London has one of the most diverse populations in the world and the advantage of a single healthcare system. Making the most of these strengths requires large buyers, particularly the public sector, to be open to innovation.

London leads the world in research on nature

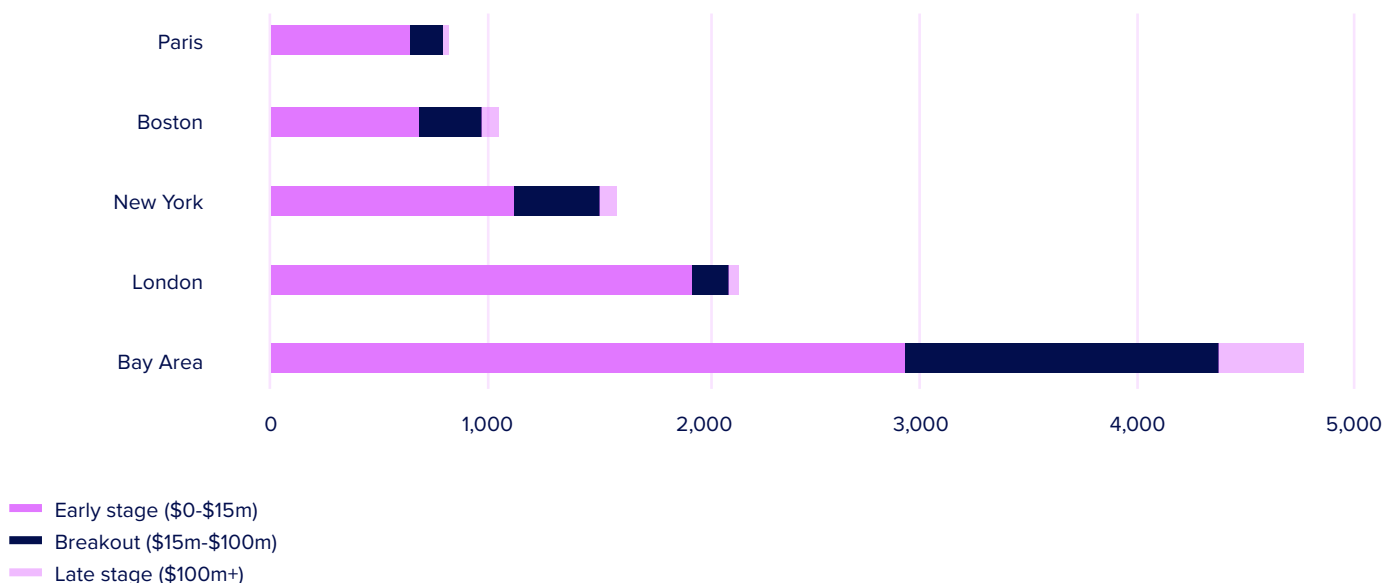
London hosts three collection-based research institutions of global importance – the Royal Botanic Gardens, Kew, the Zoological Society of London and the Natural History Museum. London’s scientists are developing solutions to the twin emergencies of climate and nature, working closely with the business and finance sectors. There are exciting plans to develop clusters for nature-based innovation, business and education at Kew Gardens and London Zoo.

London’s data is a powerful asset for innovation

The Mayor of London’s Data for London programme makes it simpler for people to share and use data held across London to improve the city and benefit Londoners. The Greater London Authority is building a new platform for data sharing and a user-friendly service to facilitate easy data discovery. Currently, there is an enormous amount of data across London, but the size and complexity of the ecosystem presents problems for joining it together. This means that we are missing opportunities for innovation.

Number of universities in each selected location based upon research quality, measured as a weighted index based upon citation impact, research strength, research excellence and research influence. London universities are Imperial College London, UCL, King’s College London, Queen Mary University of London, St George’s, University of London, and London School of Economics and Political Science.
Source: [The World University Rankings](#), 2025.

No of VC investment rounds in deeptech, AI and quantum technologies 2019-2025



Source: Dealroom.co, Jan 2025

Our ambition in frontier innovation

Our ambition is to turn frontier innovation from a powerful but relatively smaller sector into one of the main powerhouses of the London economy, alongside the [global city sectors](#).

London can be the global leader in artificial intelligence. Google, Microsoft, Salesforce and GSK have already chosen to put global AI research capability in London. London will work actively to implement the government's AI Opportunities Action Plan.

London is already the leading European city for life sciences, with strong ambitions to close the gap with Boston and New York. The Knowledge Quarter is a globally significant centre for life sciences, particularly the application of artificial intelligence. The London Cancer Hub will be the leading global centre for oncology. We will continue to develop a network of globally significant and complementary life sciences districts across the city.



Places for growth

01. Grow innovation districts and specialist clusters

Frontier innovation thrives in walkable districts that bring together research (universities and institutes), investors, startups, corporates and, for life sciences, hospitals⁷⁴. London has thriving innovation districts which include this full ecosystem of innovation players, as well as specialist clusters around particular institutions or facilities.

London's key innovation districts include, for example, the Knowledge Quarter (King's Cross/Euston), White City and Queen Elizabeth Olympic Park in Stratford. Specialist clusters include the London Cancer Hub in Sutton. These are shown on the map on page 66.

02. Develop industrial innovation corridors

London's industrial land and manufacturing base is an important growth opportunity.

Industrial innovation needs space and specialist facilities – like labs, data centres, workshops, small factories, testing facilities and specialist equipment. Giving entrepreneurs convenient, affordable access to this kind of space and equipment will support growth. This will often best exist on industrial land. Examples include University College London's (UCL) Person-Environment-Activity Research Laboratory (PEARL) facility in Dagenham, and Imperial College London's recent purchase of the Victoria Industrial Estate in Acton.

London is home to more manufacturing than meets the eye – mostly food and drink, clothes, printing and construction materials⁷⁵. These businesses are crucial for London's supply chain and create jobs outside the city centre. By adopting innovation, these businesses can become more productive and reduce their carbon footprint.

London will develop industrial innovation corridors in which we will both build new industrial innovation facilities to scale up frontier innovation; and support existing manufacturers to adopt innovation. This is important to ensure that growth is inclusive and avoid the gentrification of industrial estates and loss of local supply chains.

There are three industrial innovation corridors identified in the maps below, though others could also be possible in future:

- **West Tech Corridor**, anchored in White City, and going north and west through Old Oak and Park Royal and towards Heathrow and Hillingdon, with HS2 at Old Oak Common opening up new economic opportunity.
- **UK Innovation Corridor**, anchored in the Knowledge Quarter, and going north and east towards Cambridge, including towns like Harlow and Stevenage.
- **Thames Estuary**, anchored in Queen Elizabeth Olympic Park, and following the river Thames through east London, Essex and Kent.

London will use all its levers to support these innovation districts, clusters and corridors to thrive. We will make sure they have the right “hardware” like infrastructure, buildings and public spaces through strategic planning, placemaking and the use of public land.

We will also boost the “software” like connections to local communities, talent pipelines and knowledge exchange between research and industry. London will use its investment and promotion resources to attract inward investment to these priority frontier innovation districts and clusters.

03. Build advanced manufacturing partnerships with other parts of the UK

London develops innovative products but will rarely be the best place to manufacture them at scale, due to the availability and cost of land. We will explore opportunities to connect London's frontier innovation with advanced manufacturing in other parts of the UK, to support the national modern industrial strategy.

White City Innovation District

In 2017, Hammersmith & Fulham launched its pioneering industrial strategy, establishing the White City Innovation District in partnership with Imperial College London. The strategy – Upstream London – is set to cement the White City Innovation District's status as a global hub of innovation and inclusive growth. It has helped attract more than £6bn of investment through unique strategic partnerships, powering innovative startups and small businesses. This includes Scale Space, a dedicated space for innovative scaleup businesses, built by Blenheim Chalcot in partnership with Imperial College London. It has created more than 13,000 jobs, primarily in high-growth sectors such as science, technology, engineering, media, medicine and mathematics (STEM), boosting local opportunities and economic resilience, while transforming the borough into a global economic hotspot.

The Knowledge Quarter

The Knowledge Quarter is based around King's Cross, Euston and Bloomsbury in the London boroughs of Camden and Islington. It is Europe's leading innovation district. The Knowledge Quarter is home to more than 300 research organisations, including UCL, the British Library, the Francis Crick Institute, the Alan Turing Institute and Wellcome. It is also home to major private sector players including Google DeepMind, MSD, AstraZeneca, Meta and BenevolentAI.

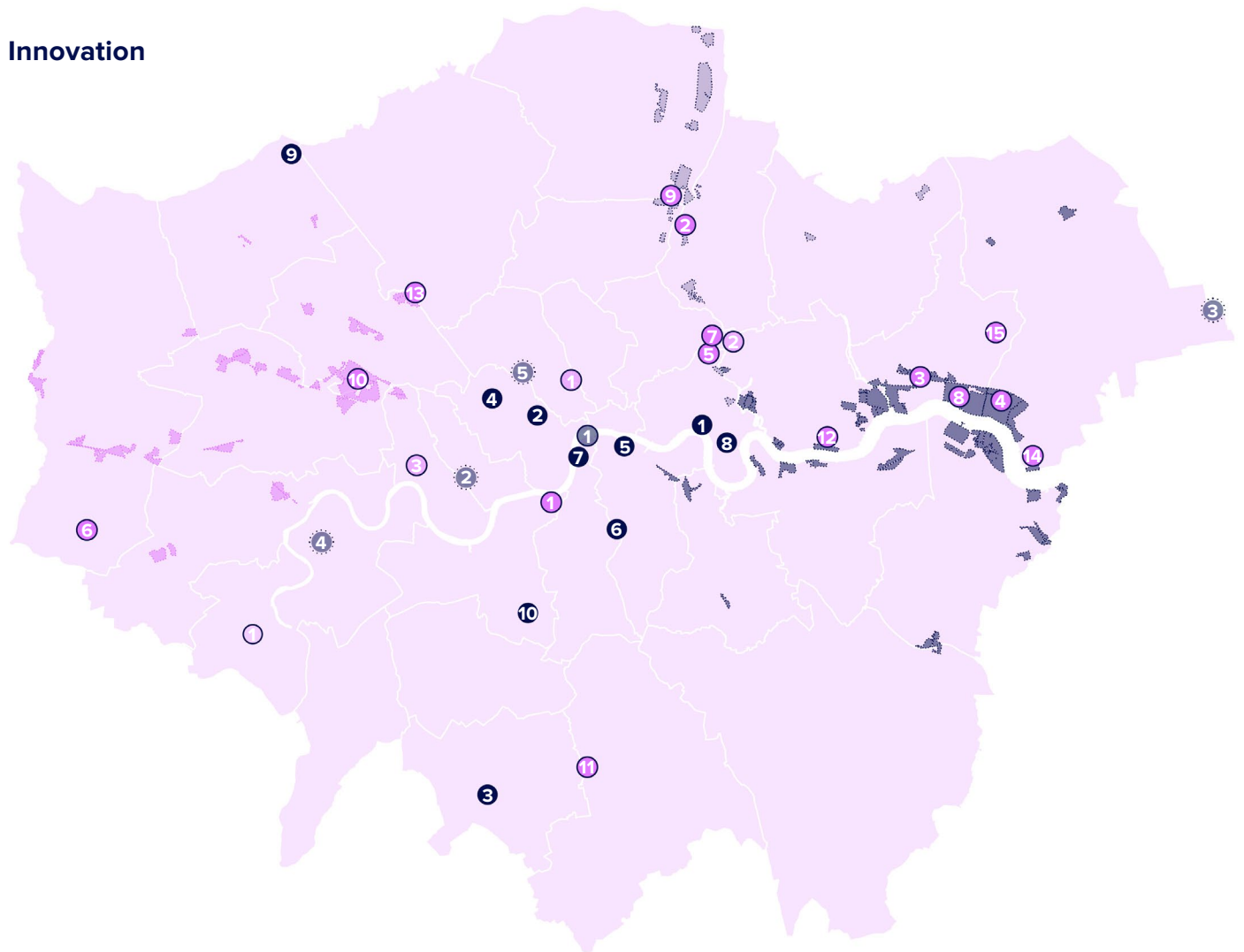
In 2021, the area contributed £34bn to the UK's GVA, with 2,700 high-growth companies which collectively raised more than £12bn in funds in the last five years.

The Knowledge Quarter has been identified as an "incubator" for the UK, with research strengths in the life sciences, digital and cultural collections, machine learning and AI. Its 14 higher education institutions produce 30,000 graduates each year and hundreds of university spinouts. The significance of its research outputs is globally recognised, from developing innovative cancer and dementia treatments to being a world research leader in quantum technologies.

Docklands Light Railway, Tower Hamlets



Innovation



- Existing internationally significant
- ⊖ Potential future internationally significant

Innovation districts

- 1. Knowledge Quarter
- 2. Queen Elizabeth Olympic Park
- 3. White City

Life science clusters

- 1. Whitechapel: East London Life Sciences Super Cluster
- 2. Harley Street: healthcare innovation
- 3. London Cancer Hub
- 4. Paddington Life Sciences
- 5. SC1: Guy's Hospital
- 6. SC1: King's College Hospital
- 7. SC1: St Thomas' Hospital
- 8. Canary Wharf: East London Life Sciences Supercluster
- 9. Royal National Orthopedic Hospital
- 10. St George's

Green innovation clusters

- 1. Sustainable Ventures
- 2. Earls Court: Climate Tech
- 3. East Havering Data Centre and Ecology Park
- 4. Kew Nature Science Quarter
- 5. ZSL Nature Science District

Other key innovation sites

- 1. National Physical Laboratory

Industrial innovation corridors

- UK Innovation Corridor (continues to Cambridge)
- West Tech Corridor
- Thames Estuary (continues to Essex and Kent)

Key industrial innovation sites

- 1. Battersea/New Covent Garden
- 2. Blackhorse Lane
- 3. Box Lane and Thames Road
- 4. CEME
- 5. Hackney Wick
- 6. Heathrow
- 7. Here East
- 8. London Sustainable Industries Park
- 9. Meridian Water
- 10. Old Oak and Park Royal
- 11. Purley Way and Beddington Lane
- 12. Royal Docks
- 13. Staples Corner
- 14. Thames Freeport
- 15. UCL PEARL

What we will do

To grow London's priority sectors, we will:

- 01. Grow the skilled workforce.** This is the primary task, as all our priority sectors rely on human capital. The plan for this is in [inclusive talent strategy](#).
- 02. Promote the sectors to win international investors and customers.** We will promote London's strengths in the key sectors and focus our inward investment activity on them. This includes landing foreign direct investment, capital investment to grow clusters, and major events and conventions. The plan for this is in [investment and promotion](#).
- 03. Dramatically increase investment into innovative companies.** This is especially relevant for frontier innovation where access to capital is a particular barrier, but is also critical to grow technology companies across the growth sectors. The plan for this is in [investment and promotion](#).
- 04. Support our growth sector businesses to scale internationally.** Exporting is key to our ambition to grow global companies. The plan for this is in [backing our businesses](#).
- 05. Set a City Innovation Strategy** to use the power of London's public sector to accelerate innovation through procurement, data and testing. The plan for this is in [backing our businesses](#).



Actions



Richmond Park

Inclusive talent strategy

Why it matters

The London economy cannot achieve its full growth potential until all Londoners are achieving their potential. So, growing the skilled workforce is the most important task for this London Growth Plan. It is critical to boosting productivity, reducing poverty and training enough workers for the green transition.

A third of recent productivity growth in the UK was driven by expanding the skilled workforce⁷⁶. Business leaders say that improving skills is the biggest lever for growth⁷⁷. Diverse teams are more productive, engaged and innovative. Yet many businesses say that a lack of skills is restraining their growth⁷⁸. London's workforce in many growth sectors doesn't reflect the city's diversity.

London still has lots of job vacancies that employers struggle to fill. Despite this demand, too many Londoners aren't in work or aren't working to their full potential. They are shut out of the labour market because have a disability or health condition, or because of discrimination, skills needs and caring responsibilities.

Our careers, skills, employment and health systems could be working together so much better for Londoners and for the economy. We're going to take a radically different approach. We're going to set London's first Inclusive Talent Strategy.

It will directly link the work and career ambitions of Londoners to a truly employer-led skills, careers and employment offer. It will help every Londoner to get into work, progress their career, and in doing so, grow the economy.

Power in partnership: who does what

London government: adult skills; primary and some secondary schools; some careers, skills and employment programmes; some enforcement of employment rights; setting strategy, coordinating and convening employers, trades unions and partners; campaigning and promoting (e.g. London Living Wage).

UK government: academies; national school curriculum; most higher level adult skills; apprenticeships, universities; careers service; JobCentre Plus; minimum wage; employment rights and enforcement; benefits; migration policy.

Key partners: employers (good work, inclusive workforces, investment in skills/training); trades unions; NHS London (including the integrated care services); universities; further education colleges; private training providers; voluntary support services; philanthropic funders of careers, skills and employment services.

10-year plan

This section sets out the big moves over the period of this growth plan.

01. Create an Inclusive Talent Strategy for London – an integrated workforce plan for the city

The Inclusive Talent Strategy will take previously scattered policies and bring them together around the working lives of Londoners:

- Making sure that work is safe and decent, with fair pay and conditions.
- Supporting people to get into work, particularly if they are struggling with ill health or other issues.
- Education, skills and training to help Londoners to grow their skills and progress, particularly in the growth sectors.
- Careers advice, recruitment and pathways to particular careers and sectors.
- Attracting the world's best talent to London.

The success of London's Adult Skills Fund

Since responsibility for London's Adult Skills Fund (formerly Adult Education Budget) was delegated to the Mayor of London in August 2019, more than one million learners have accessed training, helping more Londoners and businesses get the skills they need to thrive.

2022-23 data shows:

London's Adult Skills Fund is moving people into work and better pay.

Nearly half (46%) of learners (equivalent to about 81,000 learners) experienced positive economic changes five to eight months after completing their course, including an 8% average rise in earnings.

24% of learners previously out of work moved into employment five to seven months after completing their course. And more than a third of out of work learners aged 19 to 23 moved into work after their course.

59% of learners were from a minoritised background.

The Department for Education and Greater London Authority data suggests that the post-pandemic recovery has been stronger in London, compared to the rest of England and London now has the highest adult skills participation in the country.



We expect the priorities for the Inclusive Talent Strategy to be:

- **Support Londoners who face barriers to work to get quality jobs, adding to London's supply of workers**

We must help more Londoners into a quality job that sticks⁷⁹. Apart from providing an income, work gives people a sense of purpose, dignity and identity⁸⁰. And in order to grow, the London economy needs everyone who can be working to be doing so, to their full potential.

We must tackle the root causes of economic inactivity among marginalised and vulnerable Londoners. This means supporting Londoners with long-term conditions to work; helping the 13% of Londoners who have no qualifications at all to get essential skills⁸¹; and supporting the groups least well represented in the workforce into employment. This includes women, Londoners from a minoritised background, and disabled and neurodivergent Londoners⁸².

The Inclusive Talent Strategy will allow us to support Londoners with complex needs much more effectively, including through better collaboration between health, care, skills, employment and advice services⁸³.

- **Grow and diversify workforces in the growth sectors**

In order to shift our economy towards the growth sectors, we need to support more Londoners to pursue careers in those sectors, at all skill levels⁸⁴. London cannot achieve its productivity and inclusion ambitions without a major shift to diversify its growth sector workforces – which today typically don't reflect the city's demographics. Businesses with diverse workforces and inclusive cultures are also more productive⁸⁵ and more innovative⁸⁶.

We will prioritise the growth sectors for launching elements of the Inclusive Talent Strategy.

- **Coordinate a massive investment in green skills**

London already has too few people with too few skills to do the green jobs of today⁸⁷. If we secure the investment needed for net zero and climate resilience, thousands more jobs will be created. Everyone who funds skills and training in London must focus on filling these jobs – prioritising Londoners who are not working, in low-paid or insecure work in other sectors, or whose jobs are at risk from the green transition.



02. Make London a centre of excellence for fair pay and good work

We must turn more jobs into quality jobs. We will use the collective power of London's trade unions, public, private and voluntary sectors to get more Londoners paid the London Living Wage and decent conditions. We will raise awareness and enforcement of employment rights and support the new Fair Work Agency (FWA). We will encourage employers to adopt the most inclusive employment practices⁸⁸.



03. Make sure London remains attractive for the best talent in the world

London will continue to position itself as a welcoming and inclusive destination for international talent. London's universities are critical in providing a pipeline of world-class talent. We will back them to continue to attract international students, as well as supporting a stabilisation in their funding. See [investment and promotion](#) and [international education](#).

In addition to these actions, our plans on [housing and infrastructure](#) are critical to growing the skilled workforce. We must build more homes, particularly affordable homes, so that people can afford to live and work in London. We must invest to make more public transport accessible for people with disabilities so they can travel to a good job. We must continue to expand public transport connections in outer London and improve connections to the wider south-east, to grow London's effective workforce. And we must tackle barriers such as the cost and accessibility of childcare which prevent people from working or working to their full potential.

The London Living Wage

The London Living Wage is the minimum hourly rate of pay that an employee needs to live in London, based on actual living costs. It is currently £13.85 per hour. It is calculated by the Resolution Foundation and overseen by the independent Living Wage Commission. It is different to, and higher than, the legal minimum wage set by the UK government. It is voluntary for employers; they choose to pay the London Living Wage.

Since 2001, more than 4,000 London employers have been accredited Living Wage employers, lifting more than 140,000 London workers onto the London Living Wage. This has productivity, staff retention and reputational benefits. However, there is more to do as 13% of jobs in London still pay below the London Living Wage.

London Living Wage employer, Bird & Blend



Getting started: one-year actions

This isn't a new issue for London and much good work is already underway, guided in part by the London Local Skills Improvement Plan⁸⁹. In the next year, London's important new moves will include:

- 01. Develop an Inclusive Talent Strategy.** The Inclusive Talent Strategy, to be published later in 2025, will be London's first integrated workforce plan. It will set out how London government, employers, schools, colleges and further education providers, universities, trade unions, voluntary and community sector will transform into a coordinated service to grow the skilled workforce and support vulnerable and excluded Londoners to get into good work.
- 02. Pilot the new integrated approach to help economically inactive and young Londoners.** Significantly increase the number getting into training, good work and progressing at work. We will achieve this by delivering the Connect to Work⁹⁰ programme and five new trailblazer⁹¹ programmes. These are large-scale trials which will inform a new approach to joining up employment, health and support services.
- 03. Start to change the way London commissions adult education,** working with government to transition from the learner-led model of today to the employer-led model of the future. We will support providers to transition to this new system.
- 04. Launch a new fund to targeted at reducing key skills gaps holding back growth.** Launch a new fund in autumn 2025 to upskill Londoners in areas key to London's growth.
- 05. Deliver a London Youth Guarantee to reduce the proportion of young people not in education, employment or training (NEET).** Ensuring young people are equipped to gain good career and employment progression by providing seamless support for young people at key transition points in their education and career journey.

The Work and Health Programme

London is one of only two areas to have delegated responsibility for the Work and Health Programme (WHP), which supports people with health conditions, disabled people and disadvantaged Londoners into work. The programme is managed by sub-regional partnerships (SRPs), working closely with their providers and boroughs. Between 2018 and August 2024, WHP supported 73,677 Londoners and got 28,016 people into employment. SRPs also quickly stood up WHP Job Entry Targeted Support (JETS) during the pandemic to help Londoners find work and have delivered WHP Pioneer: a one-year programme to test out ways of supporting economically inactive Londoners into jobs.



Partnership with UK government

As part of London's new partnership with UK government, we will work towards the following over the course of this London Growth Plan.

Foundations

- **Sustainable funding for London's adult skills (further education) system.** Underfunding over the last decade means that 90,000 Londoners every year are missing out on essential skills training that could help them get into work or put them on a pathway to a better job. This is a massive pool of potential productivity that London is not tapping into.
- **Sustainable funding for London's universities.** Universities need to be financially sustainable to continue to create the highly skilled workforce of the future. London's universities lead the UK in widening participation for social mobility. They will be an integral part of the city's Inclusive Talent Strategy.

Freedom

- **Allow London to implement an employer-led Inclusive Talent Strategy.** Replace the current fragmented approach to funding with the freedom to integrate the Growth and Skills Levy, adult education budget and various careers and employment support funding streams into a single, coordinated programme which responds to London's specific needs.

LIFT: supporting local residents into jobs in growth sectors

Islington, Camden, Hackney and Tower Hamlets councils have collaborated to deliver the innovative LIFT (Leading Inclusive Futures through Technology) programme. With £7.4m of funding over four years, LIFT helped residents to get the skills to launch careers or business startups in the local tech, life science and creative sectors. LIFT has so far provided 1,300 Londoners with work experience and more than 1,000 people with employability and entrepreneurship support. It has supported 467 residents into a job, apprenticeship or internship. 62% of beneficiaries are women and 72% from a minoritised background.



LIFT Partnership, Islington, Camden, Hackney and Tower Hamlets

Backing our businesses

Why it matters

London's brilliant entrepreneurs create jobs, innovate and anchor local communities.

To achieve our growth ambitions, we need to back our businesses to raise finance, win new customers, hire and train great talent, use new technologies, develop their leadership skills, reduce their carbon footprint and energy bills, and grow internationally.

There are around a million small businesses in London. So, we need to take a systematic approach to make a difference on a meaningful scale. Support for businesses must be designed around entrepreneurs – which means it's easy to navigate, inclusive and responds to their needs.

But at the moment, some business support in London is small scale, low quality or doesn't meet the real needs of entrepreneurs. We will take a new approach, bringing together a coalition to provide the strategic, coordinated support that London's entrepreneurs deserve.

We will tackle some of the knotty, long-term problems which are holding too many small businesses back – starting with access to finance. And we will work to tackle the deep inequalities faced by specific groups of entrepreneurs including women, people from minoritised backgrounds and disabled people⁹².

Power in partnership: who does what

London government: one place for business support; some business support provision; procurement/market-making; civic innovation; some small SME equity and debt funds; planning requirements for affordable workspace; strategy and coordination; promotion.

UK government: tax (National Insurance contributions, corporation tax, business rates, tax credits, sector-specific schemes); finance (British Business Bank, UK Export Finance); regulation; trade policy; business support (Business Growth Service); research and innovation funding.

Key partners: businesses; investors including pension funds; venture capital and private equity; banks; corporates (as buyers, service providers and funders); philanthropic foundations (who fund a lot of business support); universities (spinouts, entrepreneurship), anchor institutions (as major buyers), affordable workspace.

10-year plan

UK government is developing a new Business Support Strategy and a new national business growth service, to be delivered locally through growth hubs⁹³. London will work closely with UK government to deliver this service in London and make sure it meets the specific needs of London businesses.

Access to venture capital and other risk capital is a priority for growing innovative businesses. As this is closely linked to capital markets, it is largely covered in the investment and promotion action.



01. Coordinate a pan-London business support offer with a coalition of partners

London has made significant progress in helping SMEs to find support with Grow London Local, delivered by London & Partners – the one place to get free access to small business support. The next step is to bring together the key funders of business support around a shared strategy, to deliver in partnership. SMEs in London will get support that is high quality, accessible, predictable, inclusive and relevant to their real needs. This will align with the new national Business Growth Service being developed by government.

The objectives of the business support strategy will reflect London's growth ambitions:



- **Increase SME productivity**
SMEs can increase productivity by adopting technology including AI, improving leadership and management and investing in growth⁹⁴. But many SMEs don't take up the support that is on offer⁹⁵. London's business support strategy will focus on encouraging SMEs to take productivity-boosting action and backing the ambitious entrepreneurs that do⁹⁶.



- **Scale businesses in the growth sectors**
A small percentage of SMEs disproportionately drive productivity growth as they scale up rapidly⁹⁷. London has an outstanding track record of supporting scaleups through Grow London Global, delivered by London & Partners⁹⁸. Focus particularly on scaling frontier innovation businesses, and on growing exports in the growth sectors.



- **Systematically increase access to finance**
SMEs that invest become more productive. But SMEs in London are least confident they'll get the finance they need of any in the UK⁹⁹.



- **Close the entrepreneurship gap**
Lower income Londoners, women, people from minoritised backgrounds and disabled Londoners face barriers to growing their businesses. This includes lack of access to finance and appropriate business support¹⁰⁰. London must support these groups of entrepreneurs to succeed.



- **Support community and social economy businesses**

30% of the city's jobs are in local neighbourhoods, high streets and town centres outside the city centre. These often offer accessible, flexible work close to home and can help vulnerable or excluded Londoners to access the labour market. The social economy, which includes businesses like social enterprises, cooperatives, mutuals and community interest companies, can create inclusive local growth¹⁰¹.



- **Help businesses to take climate action**

Businesses of all sizes say they want to take climate action, but many need support to do that. We need to make support with climate action part of our overall offer to businesses, as part of a coherent business support service.



02. Make London's public sector an accelerator of innovation

London's powerful public sector will scale innovation, and in doing so benefit Londoners by helping to improve public services like healthcare, transport and housing. The public sector has a critical role as a buyer of innovation, a creator and curator of data, and as an enabler of tests and pilots. By taking a strategic approach to all three, it can turn London into a powerful innovation accelerator.

As a major buyer, London's public sector can create markets for innovation which can then be exported around the world. For example, the London Office of Technology and Innovation is coordinating the rollout of new sensors to spot damp and mould in social housing¹⁰². This means healthier homes for social tenants and an important green innovation for London.

London has large, powerful data sets. It is already leading in bringing this data together safely for the benefit of Londoners in the Data for London Library¹⁰³. NHS OneLondon is improving health and care services by joining up information. For example, the London Care Record, which brings together information from different services for patients with complex needs, is saving the NHS more than £2m each month, which can be used for patient care¹⁰⁴.

London's public sector creates opportunities for tests and pilots, which are crucial for breakthrough discoveries and inventions for frontier innovation. For example, clinical trials in the NHS are a vital step in the process of developing new drugs, like new treatments for cancer and dementia¹⁰⁵. Transport for London has been a global leader in adopting technologies like contactless payments. The Smart Mobility Living Lab based at Queen Elizabeth Olympic Park is a safe environment to test new forms of transport, from scooters to autonomous vehicles¹⁰⁶.



Yeison Tapiero, Wandsworth



03. Open up the supply chains of London's anchor organisations to smaller and diverse-led businesses

The London Anchor Institutions' Network (LAIN) has collectively awarded £2.7bn worth of contracts to small and medium-sized businesses since 2021. They have pledged to spend up to 30% of their procurement budgets with small and medium-sized businesses going forward.



04. Make London the springboard to global growth for innovative companies across the UK

London is one of the deepest capital pools in the world and has the most HQs of any city in Europe. This should make it the natural place for ambitious UK businesses to raise capital and find global customers. London should work in partnership with the UK government, devolved nations and Mayoral Combined Authorities to support more businesses outside London to raise capital and enter global markets via London.

Grow London Local

Grow London Local is a free service for entrepreneurs to help them find the support they need, delivered by London & Partners. The Grow London Local website offers curated business support available in the capital, connects to low or no-cost expert support providers and provides a team of multilingual small business champions who are available to meet with business owners based in London to discuss their business goals and support needs. Since its launch in January 2024, the service has reached more than 250,000 entrepreneurs and supported more than 16,000 businesses across London's boroughs. There is a strong focus on supporting underrepresented entrepreneurs. Across the year, 88% of all those supported are from minoritised backgrounds, female or have a disability. Business founders rate the support they receive highly.

Grow London Local, London & Partners



Getting started: one-year actions

The big moves in the next year will include:

- 01. Create an evidence-based Business Support Strategy**, aligned to the new national Small Business Strategy and Business Growth Service, and in partnership with the main funders of business support in London.
- 02. Launch a new fund to provide loan and equity funding for high-growth SMEs.** Funding London will offer new capital by reinvesting returns from previous successful investments. It will invest an initial £20m and seek co-investors up to £100m¹⁰⁷.
- 03. Support scaleups in the growth sectors to expand into international markets.** Maintain the highly effective Grow London Global scaleup export programme. Boost London's international trade missions (see [investment and promotion](#)).
- 04. Explore a large-scale intervention on SME finance**, in partnership with the British Business Bank and others in the responsible finance sector. This could be creating a Community Development Finance Institution (CDFI) for London to lend to SMEs in local communities.
- 05. Accelerate the work to make it easier for SMEs to win contracts from London's public sector organisations** such as the NHS, Metropolitan Police and local councils through the London Anchor Institutions' Network and local anchor networks.
- 06. Set a City Innovation Strategy** for how London's public sector will adopt innovation to solve problems for Londoners and, in doing so, grow innovation, particularly in frontier sectors. The strategy will be developed in partnership with a wide range of public sector partners, universities, businesses, investors, trade unions, regulators and communities. It will complement the government's AI Opportunities Action Plan¹⁰⁸. The City Innovation Strategy will be published by the end of 2025.
- 07. Invest in developing a new quantum tech cluster**, working with London's leading industry leaders such as UCL, Imperial College London and King's College London, to create a new centre for London's emerging quantum ecosystem to attract investment and support startups to grow.

Funding London

Funding London helps grow London's early stage small businesses by providing loans and equity investment. It has supported more than 800 London businesses to access £1bn of private and public sector funding. Funding London's London Co-Investment Fund has doubled the value of its initial investment, enabling it to reinvest in the next generation of London businesses.

Partnership with UK government

As part of London's new partnership with UK government, we will work towards the following over the course of this London Growth Plan.

Foundations

- **Sustainable funding for business support.** Replace the current fragmented approach to funding (UK Shared Prosperity Fund, growth hubs, trade and investment support) with long-term, flexible funding.

Freedom

- **Enable London to invest in its own growth** by retaining and reinvesting the benefit of some of the growth it creates.

Funding

- **Investment from British Business Bank (BBB).** London is currently the only region to be excluded from the Regions and Nations Investment Funds. London will seek to partner with BBB on the plans for a not-for-profit SME lender (Community Development Finance Institution) and on an innovation investment fund anchored by Local Government Pension Schemes (see [investment and promotion](#)).
- **National scaleup export support.** Commission London to support scaleups across the UK to go global, harnessing its deep corporate and investor networks and expertise.

Grow London Global

Grow London Global is a free, 12-month programme helping UK companies expand into international markets, delivered by London & Partners. The programme offers tailored trade missions, workshops, events and support, supported by expert trade managers. Grow London Global is the successor to the Mayor's International Business Programme, which supported the growth of 1,300-plus scaleups, including Monzo, What3Words and Revolut. Since launching in April 2023, the programme has supported more than 500 UK tech scaleups, with companies securing international deals so far worth more than £377m. 85% of those exporters reported revenue growth, with 51% of non-exporters starting to export by the end of the programme. Grow London Global has so far generated £20 for every £1 invested in the programme.



Grow London Global, London & Partners

Building housing and infrastructure

Why it matters

London is in a housing crisis. We need to build new homes – lots, quickly, of good quality and a range of sizes and types. This will raise productivity and reduce poverty. The priority is building genuinely affordable homes. This means rapidly reversing the post-pandemic decline in house building, driven by high interest rates and inflation.

London has some world-class infrastructure. But some of it is creaking and not ready for growth – particularly the power grid. We need transport, logistics, low-carbon energy, clean water, waste and digital connectivity infrastructure that is designed for the future and climate resilient.

Growth increasingly happens in hubs outside the city centre as well as within it, creating new needs for infrastructure in new places. Transport extensions, including buses, are essential to unlock housing at scale and support new growth clusters.

London will not achieve its climate and nature goals without massive investment in resilient infrastructure and upgrading existing buildings. London will need to build, retrofit, electrify, install, plant and clean like never before. That will need a huge workforce, electric grid capacity and massive amounts of building materials, equipment and technology.

Power in partnership: who does what

London government: strategic planning; public land; Mayoral Development Corporations; housing development programmes; infrastructure framework and coordination; London transport network; waste management.

UK government: National Planning Policy Framework; public land; regulation of housing, affordable housing funding, national rail and other transport infrastructure, utilities; capital investment.

Key partners: investors; developers; utilities operators and regulators; housing associations; built environment sector; Port of London Authority; airports, airlines, rail and bus operators.



10-year plan

These are the 10-year actions that will transform London's housing and infrastructure. This action, more than any others, is dependent on support from UK government for London to achieve its ambitions. The plan sets out what needs to be done, with the support required from government.



01. Set a long-term framework and plan for London's infrastructure

London's infrastructure is critical to the city's growth ambitions. Weak historic investment in infrastructure, buildings and energy generation explains much of the UK's productivity gap today¹⁰⁹. So, London will set a clear framework and plan to futureproof its infrastructure.



02. Rapidly build more homes, prioritising genuinely affordable homes

London's lack of affordable housing is pushing households into homelessness and poverty¹¹⁰. High housing costs are a drag on London's productivity¹¹¹. London needs to rapidly build more homes of different sizes and tenures.



03. Develop and implement a new London Plan which prioritises housing and growth

The London Plan is London's statutory development strategy, which means it is the policy framework for what can be built where. London will work towards a new London Plan, to be published in 2027, which will work alongside complementary Local Plans and national planning reforms. This will aim to make it easier to make productivity-boosting investments in London and to build homes.

Alongside this, London will ensure that the way planning is done supports investment, building capacity in planning teams to work efficiently and effectively with developers on behalf of their communities, and engaging with partners in the south-east on joined-up plans for housing and infrastructure.



04. Stabilise funding for London's world-class public transport network

Transport makes the city productive and inclusive. We need to ensure that the network is reliable, improve public transport in underserved parts of the city, make public transport more accessible for people with disabilities, and keep costs down wherever possible.





05. Extend and upgrade the public transport network, prioritising projects to unlock new homes and growth

- Docklands Light Railway extension to Thamesmead unlocks 30,000 homes.
- Bakerloo line extension unlocks 20,000 homes.
- West London Orbital unlocks 7,000 homes.
- Work towards Crossrail 2 that will unlock 200,000 new homes, and safeguard the route in the meantime.



06. Extend internet and digital connectivity

Improving internet access across the city will support productivity, better public services and safer local places. For example, SMEs are missing out on an estimated £28bn in annual revenue due to slow and unreliable workplace broadband¹¹². Installing full fibre broadband allows the city to expand CCTV coverage and install sensors to monitor traffic congestion and air quality¹¹³. London will continue to expand full fibre, improve capacity in mobile networks to boost 5G coverage and make wifi access easier, by working in partnership with industry.



07. Explore new potential energy sources to power London's growth

Deliver clean energy for London by scaling up local renewable energy generation. Priorities include installing more solar panels across London's building stock and capturing waste heat to power new heat networks, particularly from data centres.



08. Grow international travel connections

Prioritise developing more international rail connections.

The Bunhill heat network

The London Borough of Islington's Bunhill heat network is an example of London's groundbreaking innovation to meet net zero targets. Supplying heat from energy centres EC1 and EC2, Bunhill's EC2 draws waste heat from underground transport, the first scheme in the world to do so. To date, £16.85m has been invested, heating 14 buildings, 1,350 homes, schools and leisure centres. With a current peak demand of 6.8 MW, Bunhill features as part of Islington's wider engagement with UK government on commercial heat networks. The borough's expansion plans for a third energy centre will connect another 1,000 private homes to the network.

Getting started: one-year actions

Over the next year, London will:

01. Publish a London Infrastructure Framework.

The 2025 London Infrastructure Framework will identify future needs and priorities in transport, energy, water and flood defences, digital connectivity and data centres.

02. Publish Towards a London Plan¹¹⁴. This is the high-level document which will set out the direction of travel and key challenges for the new London Plan, ahead of the formal consultation.

03. Launch the first wave of rent-controlled Key Worker Living Rent Homes to help London to attract and retain its essential workforce.

04. Work to reduce the time taken for planning applications. Review processes and boost capacity and capability in planning teams to reduce decision times, particularly around larger projects.

05. Speed up electricity grid connections for major projects by continuing to work with UK government, National Energy System Operator, regulators and utilities companies.

06. Warmer Homes London to start funding work to retrofit homes for vulnerable Londoners so that they are warmer and more energy efficient¹¹⁵.

07. Work across private and public sectors to understand the long-term logistics needs of London's economy and identify opportunities for innovation, including around productivity improvement and emissions reduction through cutting-edge technology, to inform the next London Plan and TfL's work related to the sector.

08. Support housing viability in the short term through further steps within the current London Plan¹¹⁶ and Affordable Homes Programme (AHP)¹¹⁷ frameworks. This will build on December's Planning Practice Note¹¹⁸ and AHP changes to provide further grant support.

London's growing international rail connections

London will grow its international rail connections to boost growth while reducing carbon emissions. There is significant growth capacity on the High Speed 1 route and a plan to create more capacity at St Pancras International station. Eurostar has exciting plans to grow its capacity. London also needs competition on the route to add more destinations, add more capacity and keep prices down. Travel behaviour is set to change over the next decade, with more people prepared to travel further by train. This means that some longer-distance European rail destinations should become commercially viable.

Partnership with UK government

As part of London's new partnership with UK government, we will work towards the following over the course of this London Growth Plan.

Foundations

- **Sustainable funding to deliver the core public services that enable growth** including our core transport network, social housing and effective planning services.

Freedom

- **Let London fund investment in its own growth.** Much of the infrastructure investment that London needs could be funded by letting London retain and reinvest more of the upside of the growth it creates.
- **Bring London's suburban rail services up to the standard of the London Overground,** using TfL's expertise to run more frequent services which would unlock substantial local housing and growth.
- **Let London run more of its own infrastructure,** particularly digital connectivity so we can get full fibre broadband and 5G where we need it most; and Heat Network zoning and funds so we can speed up the rollout to meet London's future energy needs.

Funding

- **Fund the housebuilding boom that London urgently needs.** In challenging market conditions, London needs additional funding to build affordable and upgrade its housing stock to provide safe, decent, energy-efficient homes. This includes funding for boroughs, housing associations and the Greater London Authority.
- **Help fund London's critical transport projects to boost growth and unlock thousands of new homes.** See map below for the priorities.

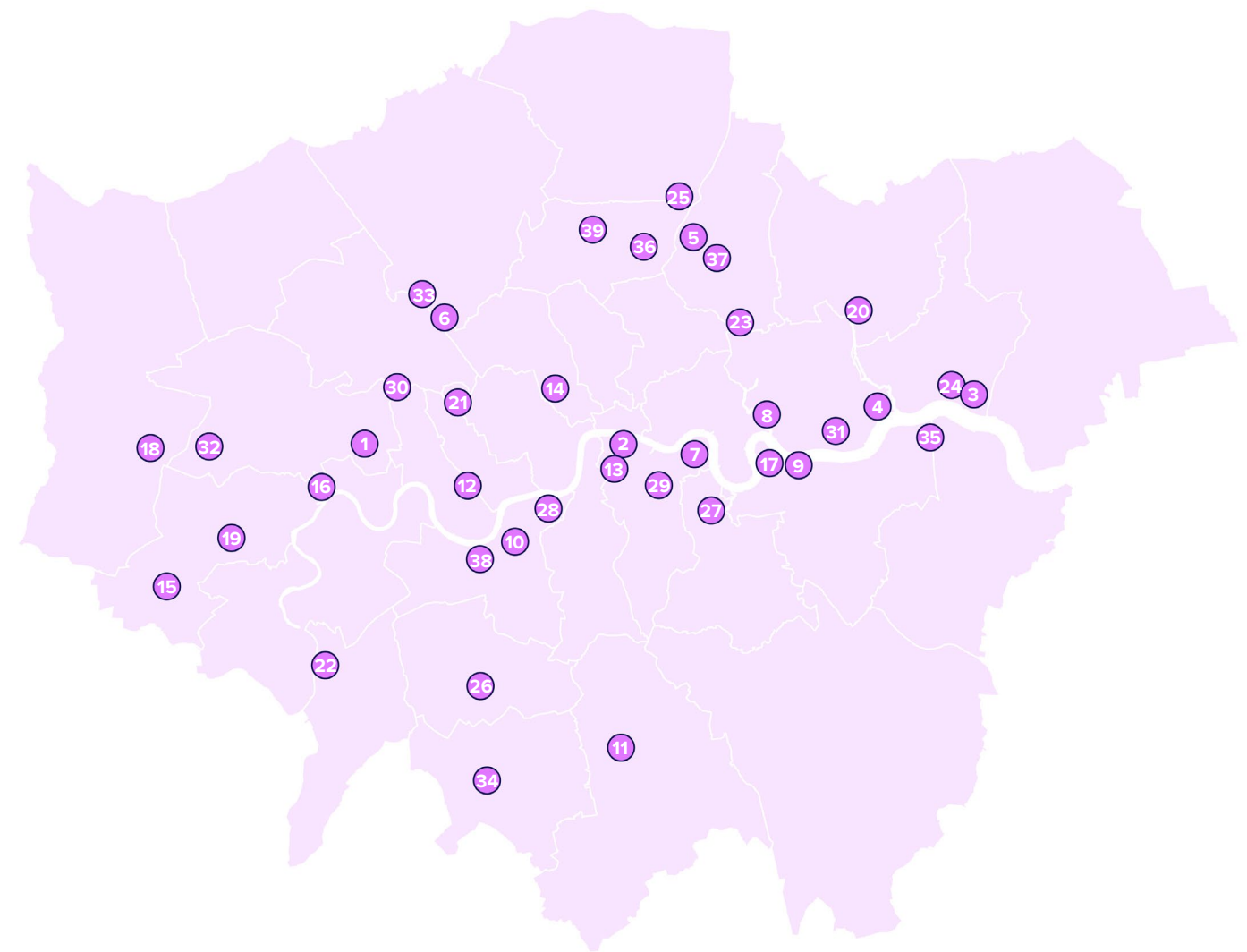
The success of the Elizabeth line

The Elizabeth line is the fastest growing railway in the UK with more than 500 million passenger journeys being made on the line since opening in May 2022, significantly helping drive recovery from the pandemic. It has helped to drive regeneration and job creation along the length of the route, supporting the delivery of 55,000 new homes. 60% of employment growth within Greater London between 2015 and 2022 has been within 1km (0.6 miles) of an Elizabeth line station. It has also helped to support jobs, supply chains and industries across the country, and delivered important contracts for firms across the country, adding an estimated £42bn to the UK economy to date.



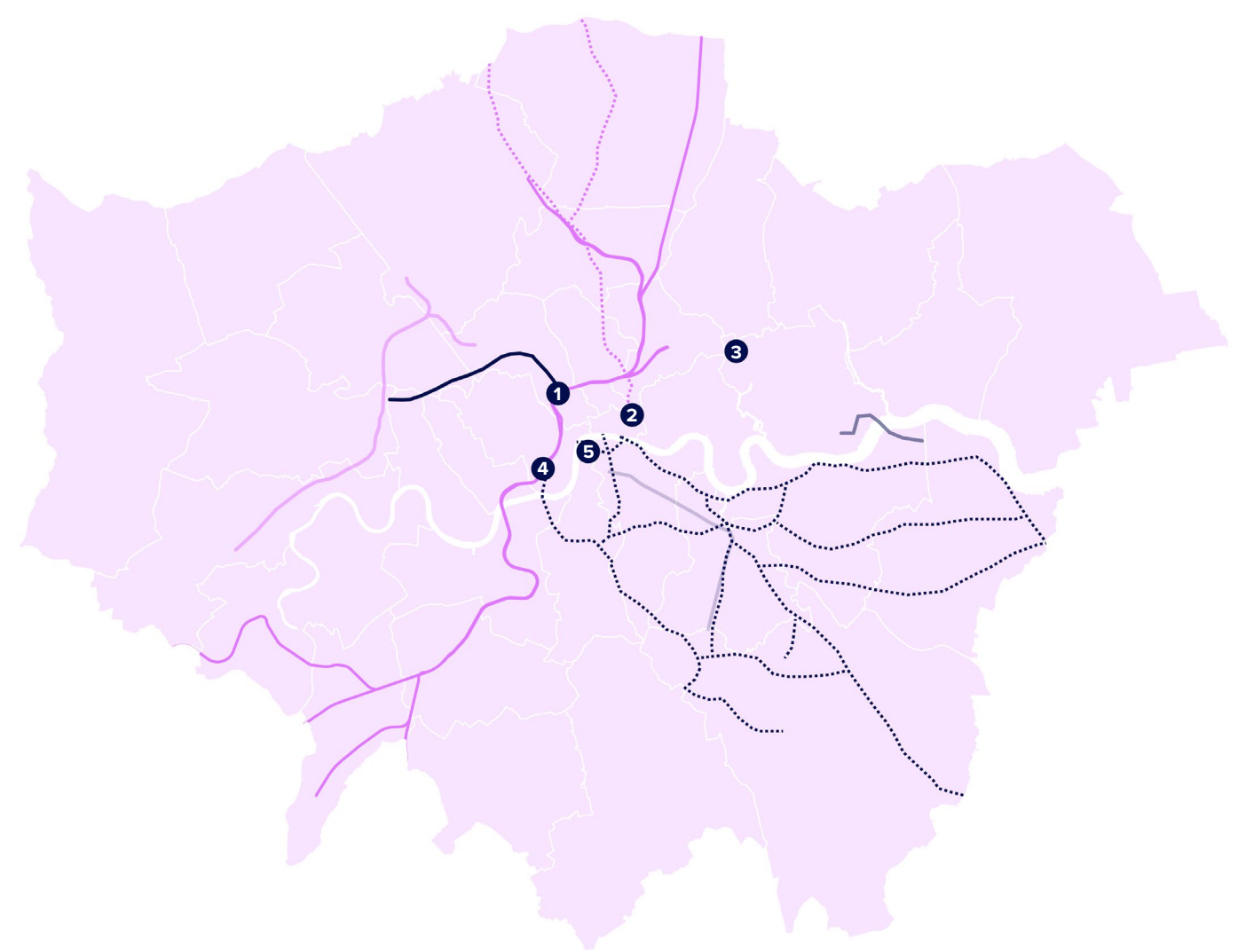
Strategically important housing led developments

All sites included in this map either have planning consent or are included in a Local Plan. Numbers are indicative and could be revised as a result of recent changes to the National Planning Policy Framework. Total homes included on this chart is 377,200.



1.	Acton	20,000 homes	21.	Kensal Canalside	3,500 homes
2.	Bankside, Borough and London Bridge	10,000 homes	22.	Kingston town centre	3,500 homes
3.	Beam Park station	5,000 homes	23.	Leyton Mills	5,000 homes
4.	Beckton Riverside	10,000 homes	24.	London Riverside (includes Barking Riverside)	39,000 homes
5.	Blackhorse Lane	3,000 homes	25.	Meridian Water	10,000 homes
6.	Brent Cross Cricklewood	9,500 homes	26.	Morden	3,000 homes
7.	Canada Water	5,000 homes	27.	New Cross/Lewisham/Catford	13,500 homes
8.	Canning Town	15,000 homes	28.	Nine Elms	8,400 homes
9.	Charlton Riverside	8,000 homes	29.	Old Kent Road	12,000 homes
10.	Clapham Junction	3,000 homes	30.	Old Oak/Park Royal	25,500 homes
11.	Croydon Growth Zone	14,500 homes	31.	Royal Docks	36,300 homes
12.	Earls Court	6,500 homes	32.	Southall	15,000 homes
13.	Elephant and Castle	10,000 homes	33.	Staples Corner	2,200 homes
14.	Euston	3,800 homes	34.	Sutton	4,000 homes
15.	Feltham	3,500 homes	35.	Thamesmead	15,000 homes
16.	Great West Corridor	7,500 homes	36.	Tottenham	6,000 homes
17.	Greenwich Peninsula	17,000 homes	37.	Walthamstow	4,000 homes
18.	Hayes	4,000 homes	38.	Wandsworth town centre	3,000 homes
19.	Hounslow town centre	3,000 homes	39.	Wood Green/Haringey Heartlands	4,000 homes
20.	Ilford	6,000 homes			

Regionally important infrastructure



Transport infrastructure

	Bakerloo upgrade and extension	20,000 homes
	Crossrail 2	200,000 homes
	DLR extension	30,000 homes
	Devolution: Great Northern	4,000 homes
	Devolution: Southeastern	10,000-20,000 homes
	HS2 to Euston	2,500 homes
	West London Orbital	15,800 homes
	Zero emission buses	

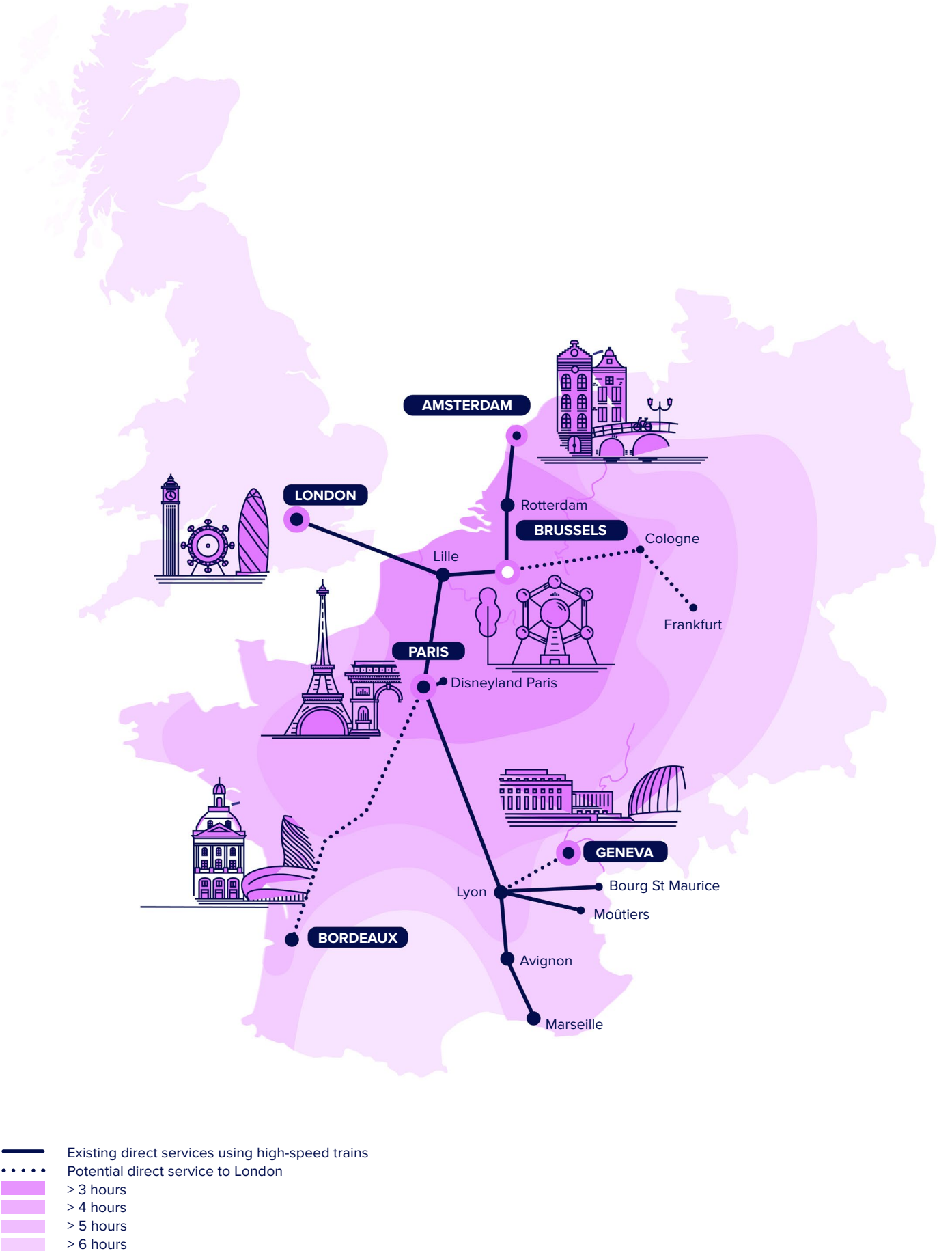
Other infrastructure

- Grid capacity
- Accelerate Project Gigabit
- Heat network
- Flood infrastructure

Terminus stations with planned upgrades

- 1. Euston station
- 2. Liverpool Street station
- 3. Stratford station
- 4. Victoria station
- 5. Waterloo station

International rail journey times from London



Inward investment and promotion

Why it matters

London is a magnet for investment. It consistently tops the European charts for foreign direct investment, venture capital and real estate investment¹¹⁹.

But our growth ambitions need investment on a new scale – and that means we need to take a new approach.

London needs to lead the world in partnering with private capital to build homes and infrastructure. We need to dramatically increase the capital available to innovative companies. And we need the world's most exciting businesses to keep choosing London.

The reforms to UK capital markets and pension funds are a powerful tailwind. London must respond by creating the right opportunities for institutional investment.

London's is one of the world's favourite cities for investors, visitors, students, events and talent.

But competition is fierce. London's many advocates must unite to tell our story with confidence and credibility. London's story is about facts and figures. But it is also about our values: a city that is culturally diverse and welcoming.

Power in partnership

London government: use of public land; planning; inward investment attraction; green finance; city promotion and major events (limited funding); strategy, convening and coordination; campaigning and advocacy.

UK government: inward investment attraction; investment incentives (tax/subsidy); tourism promotion; nation branding (GREAT campaign).

Key partners: growth sector businesses, trade bodies and influencers; property developers; tourism and events industry; universities.



Pride in London, central London

10-year plan

Investment



01. Dramatically boost investment into innovative companies

Lack of capital is holding back growth. It is acute in London for frontier innovation startups, and for companies at later stages of growth¹²⁰. This is stopping London from turning its innovative potential into truly global companies. London will:

- **Get our Local Government Pension Scheme pools investing in innovation and growth in London**, boosting our economy and providing returns to fund Londoners' pensions¹²¹.
- **Continue to champion UK capital markets reform** to improve access to capital across both public and private markets¹²².
- **Extend our inward investment infrastructure to institutional investors in innovation**. This could include attracting foreign sovereign investors to set up in London, as proposed by the City of London Corporation¹²³, and support for London universities and venture capital firms to raise funds from international investors.



02. Focus London's powerful inward investment machine on priority sectors and places

Foreign-owned companies in the UK are nearly 20% more productive than their equivalent UK-owned businesses¹²⁴. Inward investment can anchor new growth clusters. Focus the inward investment work of London & Partners and the City of London Corporation, in partnership with the UK government and sector bodies, on the priority sectors and places in this plan.

Opportunity London

Opportunity London is the public-private partnership, supported by the Mayor of London, London Councils and the City of London Corporation, bringing together every tier of government, and backed by industry, to attract the next £100bn of capital investment into and across London's low carbon real estate, energy and infrastructure.

Supporting more than £500m in investment in 2024 alone, Opportunity London unlocks barriers for investors, advising and connecting to the latest on-and-off market opportunities into London. The London Investment Prospectus showcases immediate investment opportunities, all of which have been carefully selected and will deliver strong returns for investors, as well as benefits for our communities and the city's future. Opportunity London is enabled by London & Partners and New London Architecture.



Barking Riverside, Barking



03. Attract significant institutional capital for net zero infrastructure and real estate

London is competing in an international market for green investment. There are three things we can do to win:

- **Be clear and consistent.** This means London being clear on its net zero infrastructure and development priorities, and backing them up with a predictable planning framework. This must sit within a stable national regulatory and planning environment.
- **Create investment models that work.** We need to innovate to design new business models that provide the returns needed for large-scale, patient capital. This includes coordinating investment in specific places, so that investments in infrastructure and real estate can be more than the sum of their parts.
- **Connect investors with projects which are ready and commercially viable.** London needs to curate a pipeline of net zero infrastructure and development projects which are ready for investors and have political support. Opportunity London, London's boroughs¹²⁵, the Mayor's Climate Finance Facility, Transport for London and Network Rail will work together to develop this pipeline.



04. Drive onward investment from London to other parts of the UK, in partnership with nations and regions

London is by far Europe's largest cluster of high-growth technology companies. Many are interested in expanding to other parts of the UK¹²⁶, but there is no functioning system to help them do that. This is a major missed opportunity – we estimate at least 600 interested potential tech investors every year¹²⁷. London should work in partnership with the UK government, devolved nations and Mayoral Combined Authorities to drive the onward growth of tech companies across the UK.

The Mansion House Compact and what it means for London

To unleash the untapped potential of its world-leading financial hub, the City of London secured a voluntary commitment from 11 of the biggest UK pension funds, which manage more than two thirds of the defined contribution (DC) pensions market, and represent more than one million employers. Combined, they have committed to allocate 5% of default pension monies to unlisted equity by 2030, unlocking up to £50bn to be invested into London and the UK's fastest growing, innovative and most productive companies. Access to unlisted equities could significantly enhance pension pots and provide investment gains traditionally enjoyed only by the wealthy and well-informed.

Promotion



01. Unite Team London to tell London's story to the world

Coordinate London's many advocates with shared messaging and promotion so that we are more powerful together. Align London's promotion to this growth plan, with our values at the heart of the story we tell about the city.



02. Develop a sustainable, long-term solution to fund London's experience economy sector

This could include exploring levies for overnight visitors.



03. Encourage visitors to use London as a gateway to tourism across the UK

Visitors who visit London and other parts of the UK have a better experience than those who just stay in London¹²⁸. London should work in partnership with Visit Britain, mayors of other cities and tourism partners to encourage more visitors to discover other destinations across the UK, building on effective previous partnerships¹²⁹.

The Green Finance Fund (GFF)

The Mayor of London's Green Finance Fund is a £500m fund that provides flexible and low-cost finance to public sector organisations to help decarbonise and accelerate London's transition to net zero. The GFF lends is a core part of the London Climate Finance Facility and lends to projects delivering energy efficiency, renewable energy or clean transportation. As an example, the London Stadium received a £4.35m loan which will help save more than 200 tonnes of carbon emissions per year and generate enough energy to power all the venue's major events. The former Olympic venue required an innovative, bespoke system using lightweight solar panels to minimise the roof weight loading and maximise energy generation.

Mayor of London's Green Finance Fund



Getting started: one-year actions

Over the next year, we will:

Investment

01. Align London's inward investment activity to the London Growth Plan's growth sectors and places. Adapt the priority sectors and asset classes for London & Partners' inward investment activity (both foreign direct investment and capital investment) to the London Growth Plan. Use inward investment to secure anchor investors and occupiers for growth clusters.

02. Explore an innovation investment fund, anchored by London's two Local Government Pension Scheme pools. London CIV and Local Pensions Partnership Investments (LPPI) – two pools that manage assets for London public sector pension schemes – are working with London & Partners to explore the development of a joint investment fund to grow frontier innovation in London. It could invest in university spinout funds, venture capital funds, and the real estate and infrastructure needed to grow the unicorns of tomorrow.

03. Explore a new public-private partnership to attract more international institutional investment into UK venture capital funds. A big push to boost international institutional investment would complement the major reform of domestic institutional investment (pension reform). Learning from the successful Opportunity London model in real estate, we will explore a public-private partnership to encourage more international limited partners to invest in UK venture capital by making the case for UK innovation and helping investors to navigate the venture capital landscape.

London is a global power in foreign direct investment

Since 2014, London has cumulatively attracted more foreign direct investment (FDI) projects than any other global city, and investor sentiment towards the UK and London remains very strong¹³⁰. London attracts around one in 12 of all inbound projects to western Europe – twice as many as any other European city. In 2024, London was the third largest destination for FDI in the world, behind only Dubai and Singapore.

London & Partners, the growth agency for London, supports more than 100 businesses each year to expand into the city. That accounts for around one in three of all FDI projects in the tech-driven growth sectors. In the past three years, London & Partners has attracted FDI from more than 40 different countries, through its international network across North America, Europe, India and China.



Promotion

- 01. Create London's offer for investors** in green innovation, artificial intelligence and other growth sectors, modelled on the life sciences offer¹³¹.
- 02. Refresh London's international brand messaging** and encourage more organisations to use it.
- 03. Create a coalition of the organisations with powerful, global London brands** to work together to promote the city. This would include sports clubs, cultural anchors, major events and iconic businesses.
- 04. Coordinate a calendar of high-impact international trade and investment missions.** Curate a small number of international civic missions in which London stakeholders collectively travel to a strategically important city or event to drive trade and investment together.
- 05. Turbocharge London Life Sciences Week (LLSW),** held in November. Working with the BioIndustry Association, grow LLSW into the leading global life sciences investor event over the coming years.
- 06. Work towards a world-class business visitor centre in central London** to host potential investors and promote London and specific investment opportunities. The centre would be developed and used by public and private sector partners including real estate agencies, developers and businesses. It would be funded by partners and commercial hire.



Crystal Palace Park, Bromley

Partnership with UK government

As part of London's new partnership with UK government, we will work towards the following over the course of this London Growth Plan.

Foundations

- **Sustainable funding for London's cultural institutions** so that they continue to attract visitors and underpin our soft power.

Freedom

- **Let London fund investment in its own growth.** Giving London more freedom to innovate around tax and infrastructure would allow it to unlock more private sector investment.

Funding

- **Investment from British Business Bank (BBB).** London is currently the only region to be excluded from the Regions and Nations Investment Funds. London will seek to partner with BBB on the innovation superfund.
- **Investment from the National Wealth Fund** to work with in partnership with the Greater London Authority to support its pipeline of investable propositions, and a successful track record of leveraging private sector investment into citywide projects.
- **Onward investment.** Fund London to work in partnership with UK government, nations and regions to encourage high-growth companies to expand beyond London into other parts of the UK.

London Government Pension Scheme investment in growth

Mobilising public sector pension funds to invest in growth is a national priority. London's public sector pension funds are already investing in growth together, and are now exploring a major joint investment into innovation.

Two of the Local Government Pension Scheme pooling companies that manage assets for London-based administering authorities (London CIV and Local Pensions Partnership Investments) have a strong track record of innovation-led investment in the capital.

The London Fund is a joint fund with a current size of £250m. It seeks regeneration, residential property and infrastructure investment opportunities that are specifically in the London boroughs, City of London and their immediate surroundings. Current projects include the regeneration of Shepherd's Bush Market, data centres and net zero commercial developments.



Langtons House, Hornchurch, Havering

Local places

Why it matters

Londoners experience the economy through their everyday lives in our high streets and town centres. Growth feels real when people see their local area becoming safer, greener and cleaner with more opportunities to work, learn, go out and be part of the local community.

That starts with the basics: clean streets; tackling crime and antisocial behaviour; and designing safe and pleasant public spaces and neighbourhoods. Local authorities need the capacity to provide decent core services, to plan for inclusive local growth and to attract investment for it.

Many Londoners work in London's local economies, particularly in the everyday economy sectors like care, construction, retail and hospitality. These local economies offer jobs close to home and are often the first step into work for people who have struggled with employment. We must support our local businesses, with thriving town centres and industrial estates across the city.

Power in partnership

London government: planning; public land; housing; infrastructure strategy; transport; policing (shared); public realm; local services; inward investment.

UK government: national Planning Policy Framework; local government funding; business rates.

Key partners: local business, Business Improvement Districts; investors; developers; community groups; infrastructure providers.



10-year plan

This is the 10-year plan to improve local places in London.



01. Create local places where people want to spend time and money, day and night

This includes designing and maintaining quality public spaces; supporting empty shops to be repurposed; supporting London's nightlife so everyone can feel safe and welcome; and encouraging the creation of more Business Improvement Districts to invest alongside local authorities in local areas.



02. Tackle crime and antisocial behaviour in the city centre and town centres

London is one of the safest major cities in the world¹³². It is essential that London's city centre and town centres continue to feel safe. The Metropolitan Police will work in partnership to support London's city centre, town centres and high streets through stronger neighbourhood policing.



03. Use the procurement and planning systems more strategically to achieve local inclusive growth ambitions

This includes creating more affordable workspaces where they are most needed, and of the types most needed.



04. Increase the capacity for boroughs to develop more local growth strategies and to win the investment to make them happen



05. Improve transport between town centres, particularly in outer London

This includes transformational new infrastructure like the West London Orbital; bringing some regional rail into the TfL network; and continuing to expand London's bus network with initiatives like the Superloop.

Creative Enterprise Zones

The Mayor of London's Creative Enterprise Zones are helping artists and creatives to put down roots and thrive. By providing affordable workspaces, the zones spark growth and innovation, contributing to London's world-leading creative industries that generate more than £50bn per annum. Jointly developed by City Hall and boroughs, by 2026, the zones will deliver 71,000 sq m (764,238 sq ft) of affordable creative workspace and support more than 1,000 creative businesses, including 40% diverse led, to flourish. They have become centres of economic resilience, with a 22% increase in creative businesses while London overall saw a 4% drop.

Getting started: one-year actions

Over the next year, important actions in London will include:

- 01. Support town centres and high streets with stronger neighbourhood policing.**
The Metropolitan Police has significantly increased funding for neighbourhood policing, with an additional 500 staff in every borough. It has increased funding for dedicated operations to tackle robbery and shoplifting, targeting theft hotspots and the criminal gangs driving violent and volume crime.
- 02. Work to attract investment in major projects to revitalise London town centres.**
Opportunity London will support large-scale regeneration schemes to win institutional investment, including Broadway Connection in Ealing, Walthamstow Central and Brent Cross Town.
- 03. A new High Streets and Places Fund of £20m** for boroughs to invest in improving local areas, funded by the UK Shared Prosperity Fund.
- 04. Explore a publicly owned, mission-driven property agent and manager.** It would manage empty units on behalf of local authorities and other landlords, bringing them back into use for local businesses or community uses. It would match empty shops with new users, breathing new life into high streets.
- 05. Create an action plan for London's nightlife.** The new Nightlife Taskforce¹³³ will make a plan to make sure London retains and grows a nightlife sector that is thriving and diverse. It is led by the Mayor of London and involves nightlife communities, businesses and stakeholders.
- 06. Continue the successful Creative Enterprise Zones programme.** See the Creative Enterprise Zones box for details.

The Bexley affordable workspace initiative: The Engine House

Located in Bexley and just minutes from the Elizabeth line, The Engine House is a hub for businesses seeking affordable workspace. The building is owned by the council but operated independently as an arm's length private LTD company, with all-inclusive pricing covering utilities, high-speed internet and rates. There is onsite access to 3D printing for rapid prototyping, as well as training support on digital design. Surrounded by a dynamic, collaborative community, members benefit from networking opportunities that drive innovation and success. The Engine House is where affordability meets inspiration, making it a perfect base for growing businesses, freelancers and startups.

Creating local opportunities in gaming in Croydon

Croydon, a hub of creative talent in London, plays a key role in the UK's leading gaming industry. Through partnerships with The Brit School, Universal Music Group, London South Bank University and Croydon College, the area is fostering the next generation of gaming and creative tech professionals. Croydon's strong presence in gaming, web design and visual effects is bolstered by local SMEs with global expertise. The Brit School's Interactive Digital Design course and its alumni's successful careers in media highlight the borough's impact. The Creative Digital Lab further enhances Croydon's economic growth, offering advanced facilities for content creation and supporting local businesses, while generating job opportunities for young people.

Partnership with UK government

As part of London's new partnership with UK government, we will work towards the following over the course of this London Growth Plan.

Foundations

- **Sustainable funding to deliver the public services that underpin growth in a global city**, particularly local government, policing and our core transport network.

Freedom

- **More powers to push forward growth**, including wider powers for Mayoral Development Corporations, stronger powers of land assembly and compulsory purchase¹³⁴.

Walthamstow culture-led regeneration

Waltham Forest Council is driving a culture-led regeneration programme in Walthamstow, building on its success as the first London Borough of Culture in 2019. Collaborating with communities, businesses, and partners, the council is enhancing public spaces, assets and programming. Highlights include the Blackhorse Collective Creative Enterprise Zone, the 2025 reopening of Grade II*-listed Soho Theatre Walthamstow and the expansion of the University of Portsmouth's London campus. With £17.2m in government funding, cultural assets are being revitalised to boost footfall, safety and inclusivity. Thousands of new homes and step-free access at Walthamstow Central station are key to supporting this growth.



Getting involved

London will deliver this growth plan together. There are many ways to get involved as a partner, employer or advocate of London.

Head to growthplan.london/getinvolved for regular updates.

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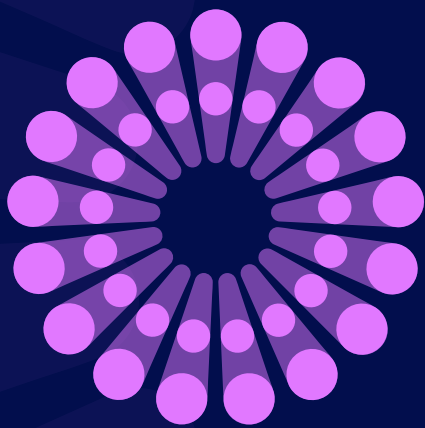
St Paul's Cathedral, City of London



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LONDON

GROWTH PLAN

MAYOR OF LONDON

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COUNCILS