



Socio-economic impact of Covid-19

City Intelligence Unit, GLA
September 2020

Contents

1. [Introduction](#)
 2. [Household finances](#)
 3. [Well-being](#)
 4. [Families and community](#)
 5. [Contact details](#)
- [ANNEX – Cohort studies](#)

1. Introduction

- This briefing presents evidence on the socio-economic impact of Covid-19 on London and Londoners.
- It presents a number of findings on Londoners' financial position, their well-being, as well as data about their family situation and the community.
- Topics included in the briefing focus on recent data releases that tell us how social policy issues are evolving in London since the start of the Covid-19 pandemic.
- One particular data release referred to heavily in this briefing is the Covid-19 Survey in Five National Longitudinal Cohort Studies. Further details of this study can be found in the Annex.
- If you would like to know more about any of the findings or datasets featured, or would like to suggest a topic for inclusion in a future briefing, please email SocialEvidence@london.gov.uk.

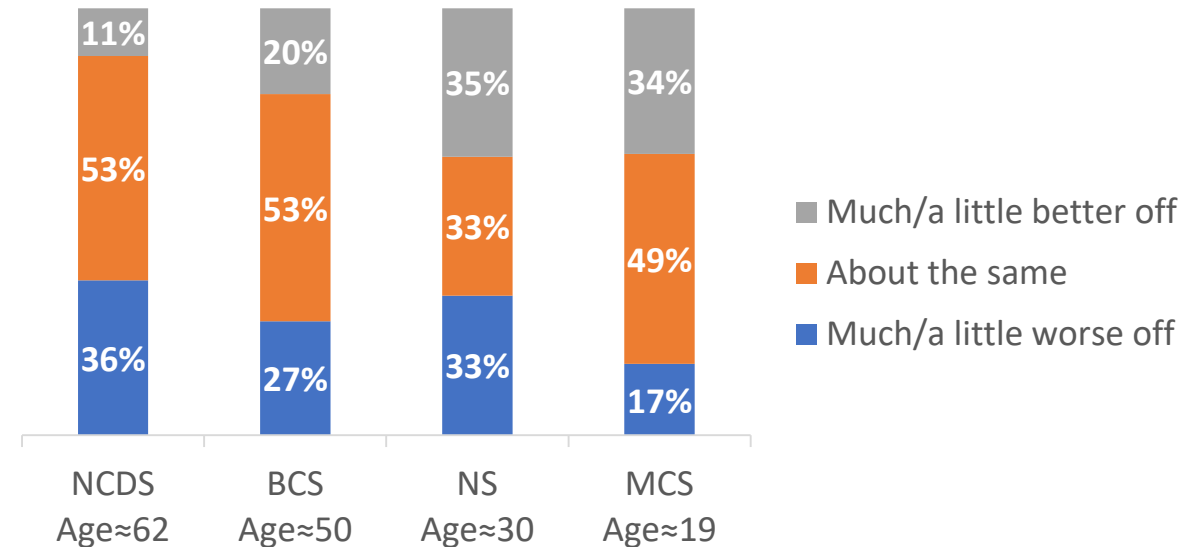
2. Household finances

- The coronavirus outbreak has had profound effects on the economy, and will continue to do so. It has impacted on household earnings, outgoings and incomes and, in turn, likely exacerbated poverty and inequality.
- Government support and especially the Coronavirus Job Retention Scheme (CJRS) have cushioned the impact of Covid-19 on employment in London so far, but the numbers point to major concerns in light of the scheme being wound down at the end of October.
- The socio-economic impacts of the pandemic have tended to disproportionately affect certain groups of Londoners, including people from ethnic minorities and those living in areas of greater deprivation.
- This section sheds further light on the state of Londoners' household finances during the pandemic and should be read alongside other City Intelligence Unit [outputs](#) in this area. These include:
 - GLA Economics Covid-19 Labour Market Analysis
 - Macroeconomic scenarios for London's economy post Covid-19

London's older cohort study members have suffered more financially than younger cohort study members

- In May 2020, older Londoners were more likely to say they are worse off financially compared to before the coronavirus outbreak than younger Londoners.
- In contrast, far fewer NCDS cohort members (aged 62) in London said they are better off financially compared with MCS cohort members (aged 19) in London.

How cohort member is managing financially compared to before outbreak

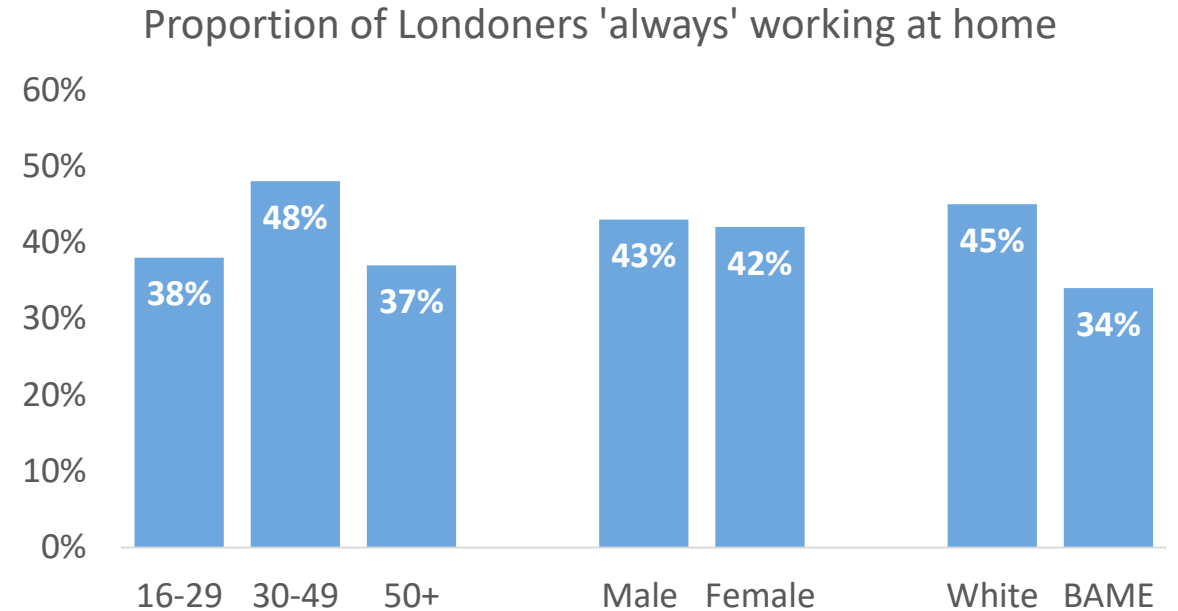


Base: 1958 National Child Development Study: 270; 1970 British Cohort Study: 301; Next Steps: 301; Millennium Cohort Study: 208

Source: University of London, Institute of Education, Centre for Longitudinal Studies. (2020). COVID-19 Survey in Five National Longitudinal Cohort Studies: Millennium Cohort Study, Next Steps, 1970 British Cohort Study and 1958 National Child Development Study, 2020. [data collection]. UK Data Service. SN: 8658, <http://doi.org/10.5255/UKDA-SN-8658-1>

Around four in ten working Londoners were always working at home in June

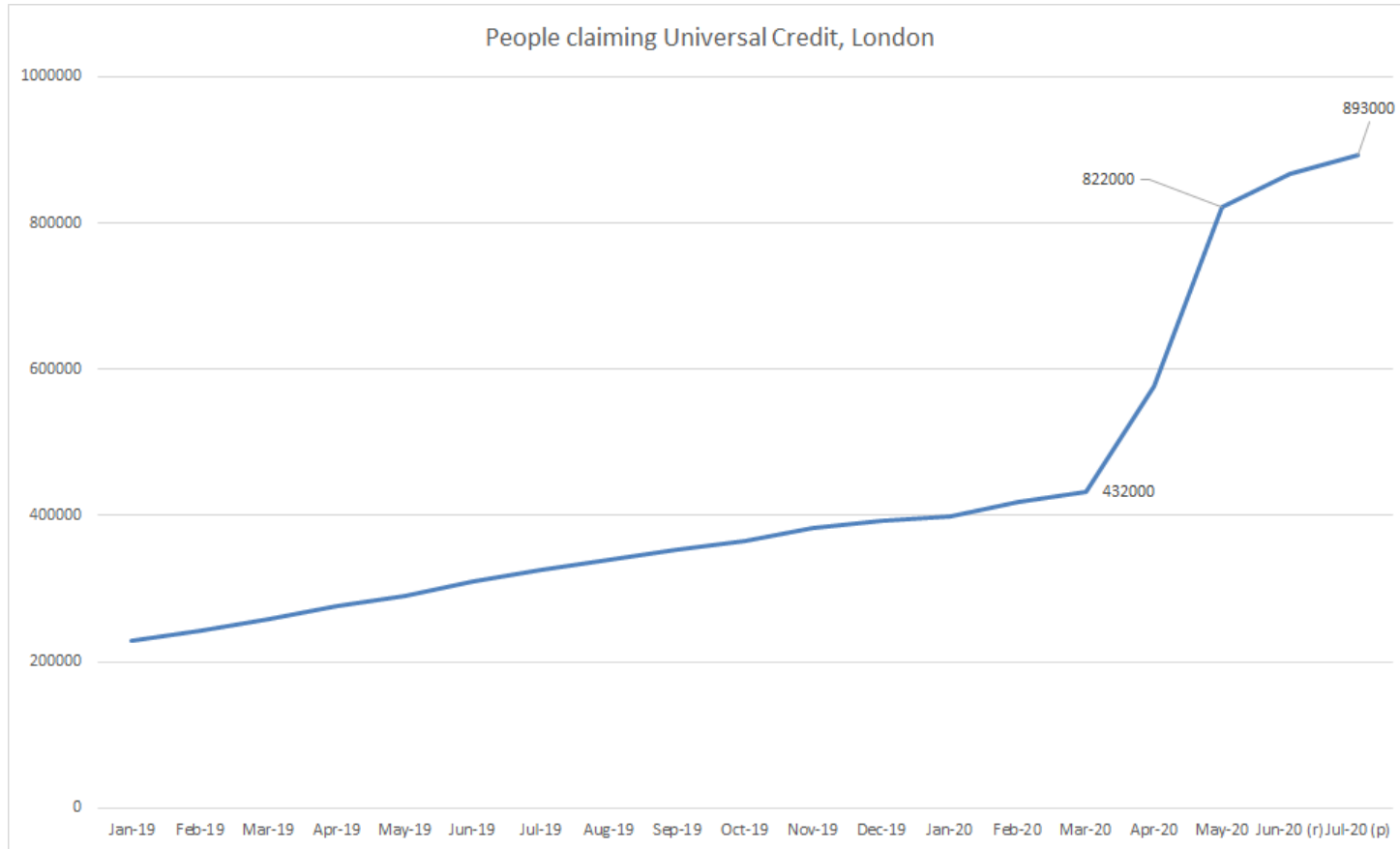
- **In June 2020, during the last four weeks, 42 per cent of working Londoners (including the self-employed) reported 'always' working at home.**
- Both younger workers aged 16-29 and older workers aged 50+ were less likely to always be working at home in the last four weeks than workers aged 30-49.
- White Londoners were more likely to be always working from home in the last four weeks (45 per cent) than BAME Londoners (34 per cent).



Base: June-20 16-29: 111; 30-49: 353; 50+: 388; Male: 347; Female: 504; White: 488; BAME: 349

Source: University of Essex, Institute for Social and Economic Research. (2020). Understanding Society: COVID-19 Study, 2020.

The number of Londoners claiming Universal Credit rose a further 25,000 between June and July 2020



- **890,000 Londoners were claiming Universal Credit in July 2020.**
- Between March and July the number of claimants searching for work increased by 250,000; those looking for more work* increased by 80,000; and those working but on low earnings** increased by 90,000.
- The numbers of claimants from every age group under 55 have doubled since March, but tripled among men aged 25-29.

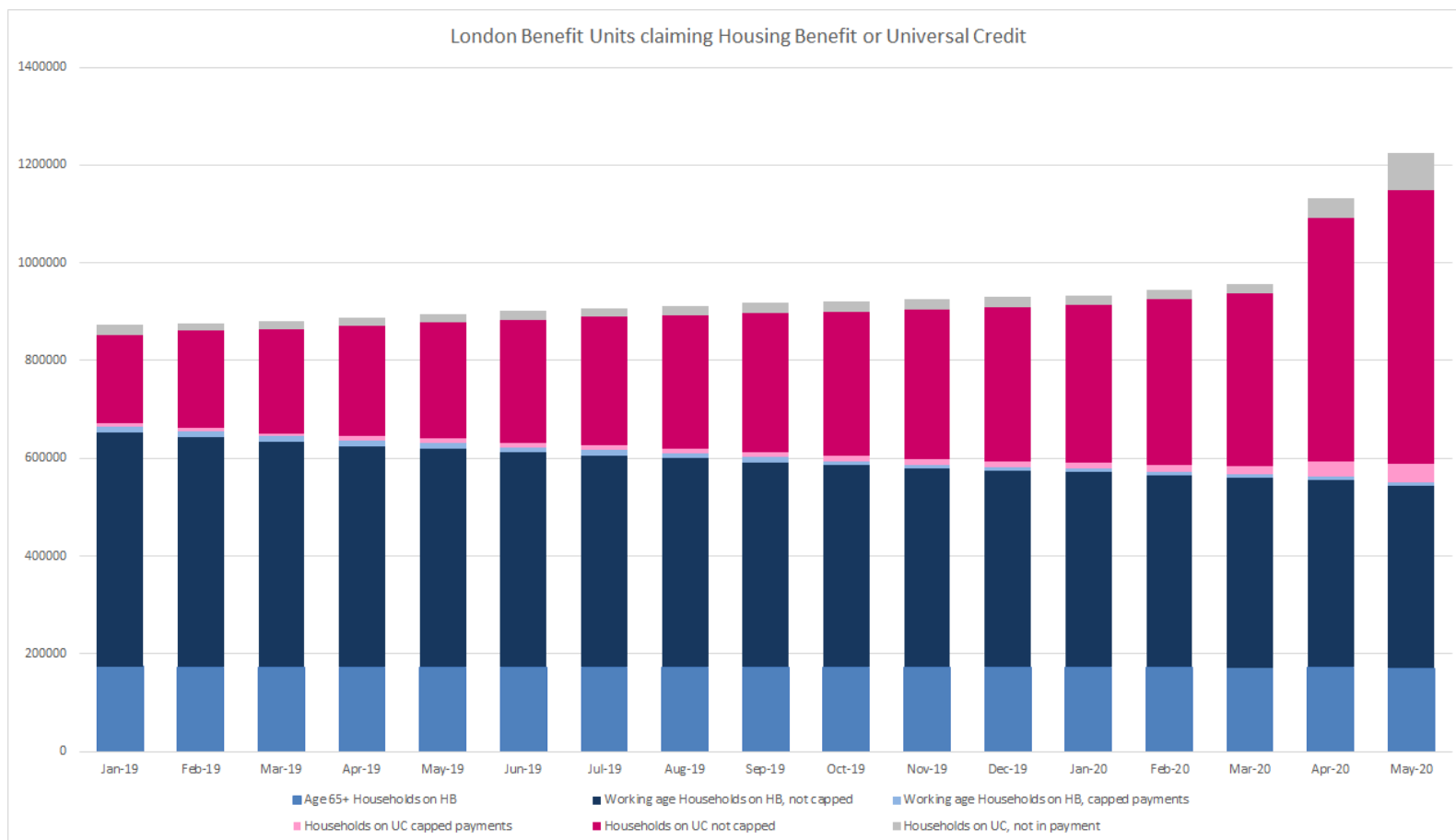
Source: DWP

Notes: June figures have now been revised and July figures are provisional.

* "Looking for more work" refers to the working with requirements Universal Credit conditionality regime

** "Working but on low earnings" refers to the working with no requirements conditionality regime

Nearly one million working-age benefit units in London received either Universal Credit or Housing Benefit in May



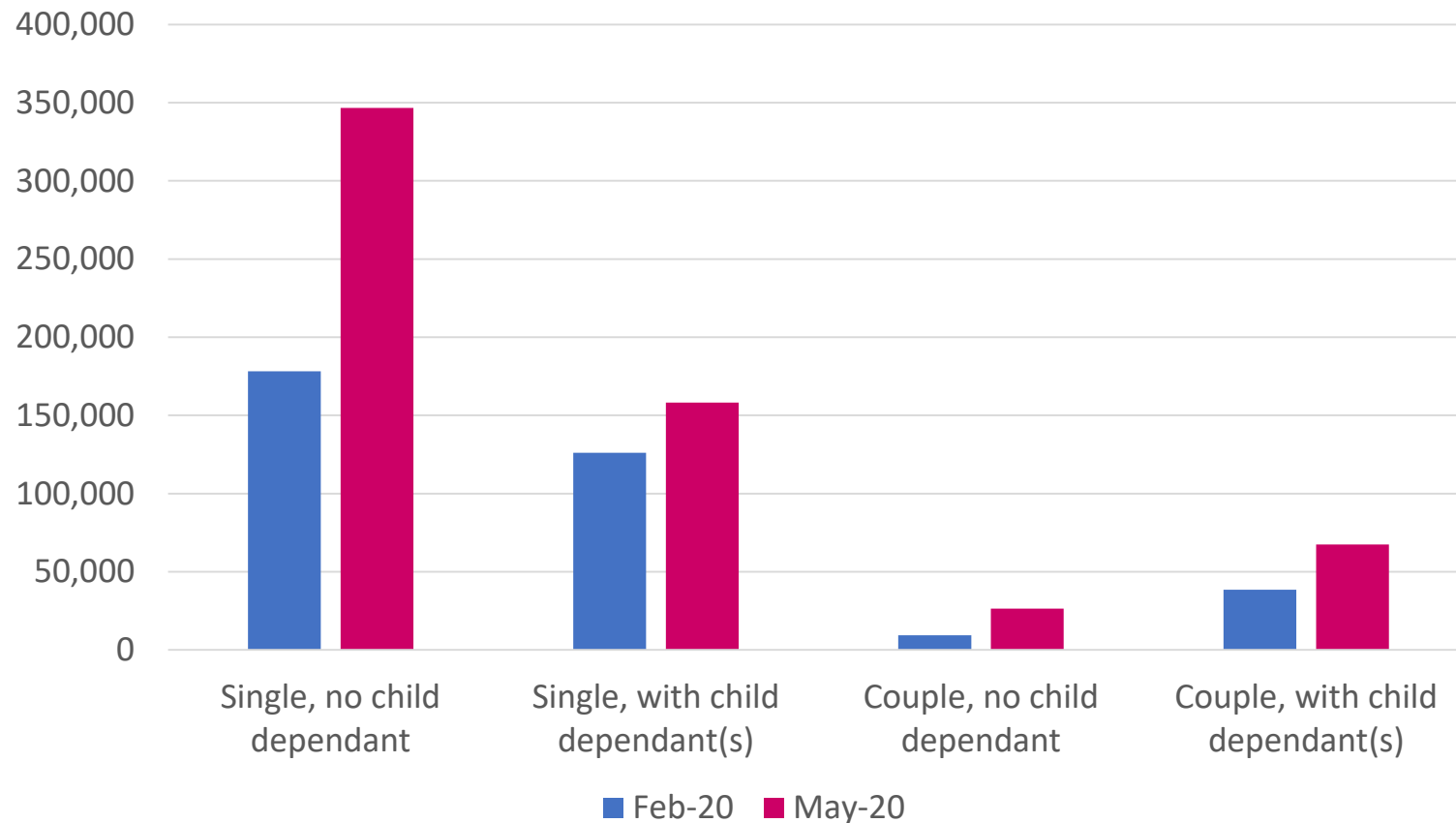
- **Housing Benefit claims have been steadily decreasing.**
- Almost 45,000 claims have the benefit cap applied.
- More than 75,000 Universal Credit claims were assessed as having zero payment in May.

Source: DWP

Note: A 'benefit unit' is a specific term for a 'family', consisting of a single person or a couple living together along with any co-resident dependent children. Older, non-dependent, children would form separate benefit units.

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There has been a 250,000 increase in London households receiving Universal Credit between February and May

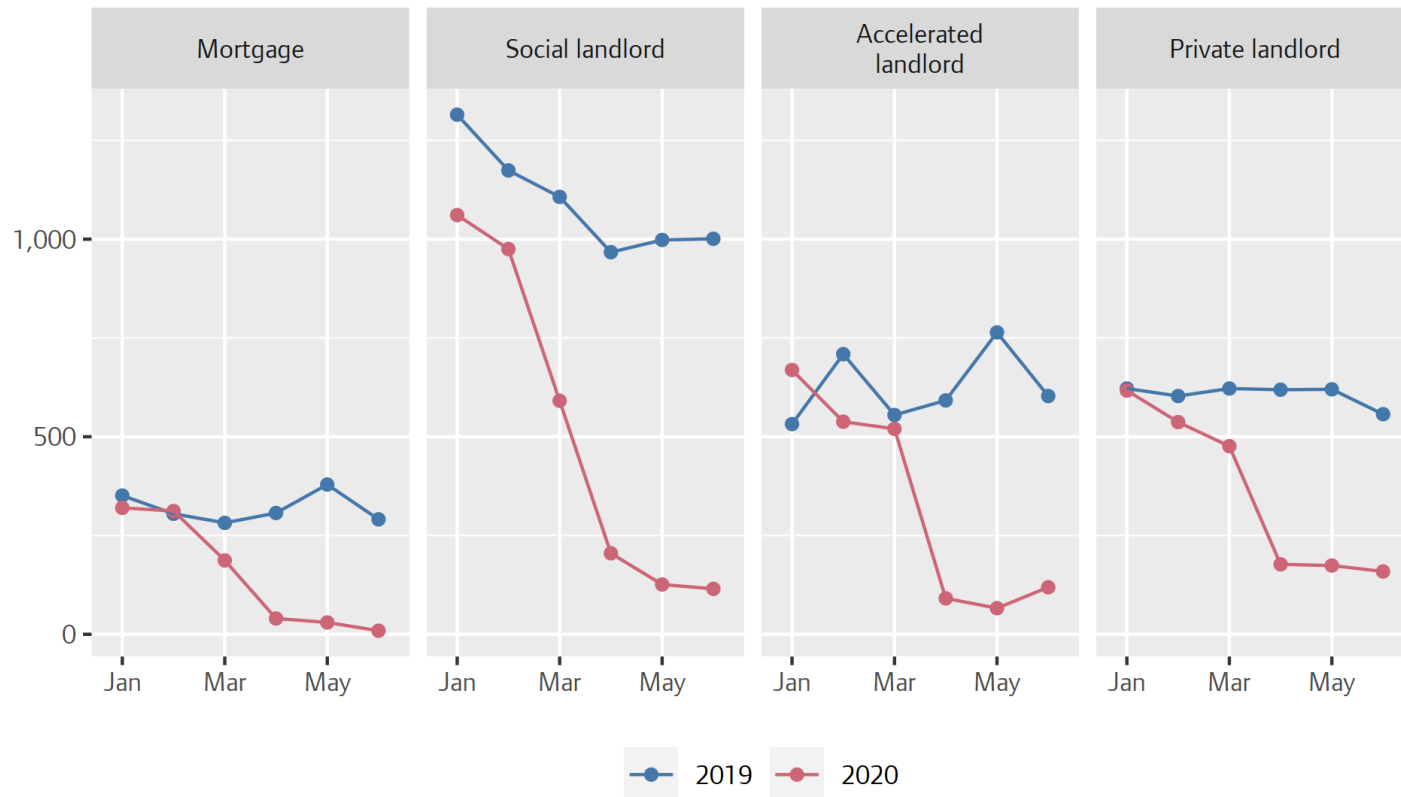


- **Universal Credit claims increased most among single person households.**
- Nearly half the single person claimants, but just one in five couples, had no housing entitlement.
- More than half of couples receiving Universal Credit lived in privately rented housing.
- London's households with payments reduced by the benefit cap rose from 5.6 per cent to 7.5 per cent of all those receiving payments, but more than 14 per cent of lone parent claimants.

Source: DWP

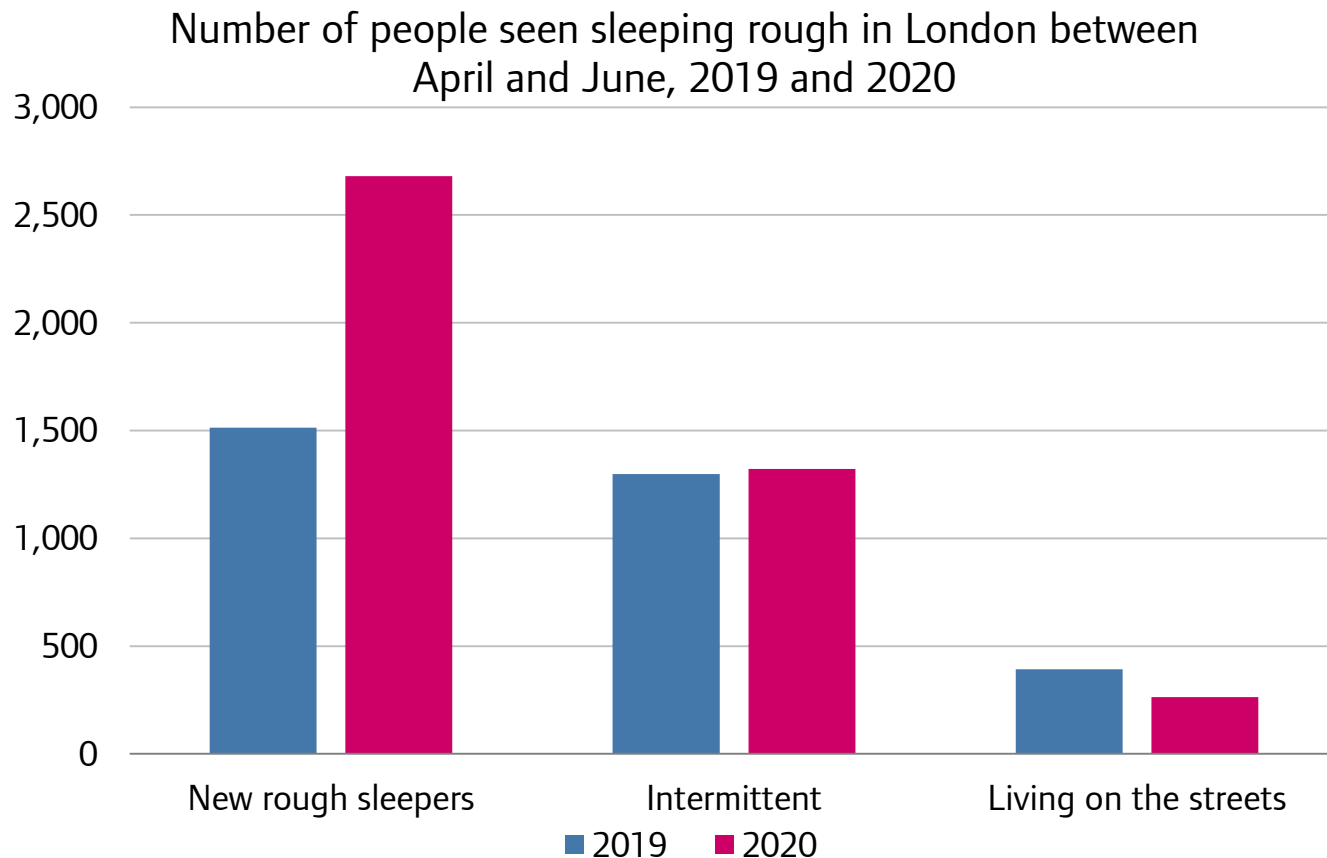
Amid decreasing rents, many Londoners have fallen behind on their rent, but possession claims were well below 2019 levels

Mortgage and landlord possession claims in London region courts by case type, Jan-June 2019 and 2020



- Rents in the private rental market have fallen close to or below levels a year earlier in the second quarter of 2020¹.
- One in twelve private renters have fallen behind on their rent, with twice as many expecting to do so soon².
- Mortgage and landlord repossession claims fell sharply between March and June³ due to FCA announcements and the Coronavirus Act in March 2020. Possession claims do not necessarily result in repossessions or evictions.

Numbers of people seen sleeping rough significantly higher than a year previously



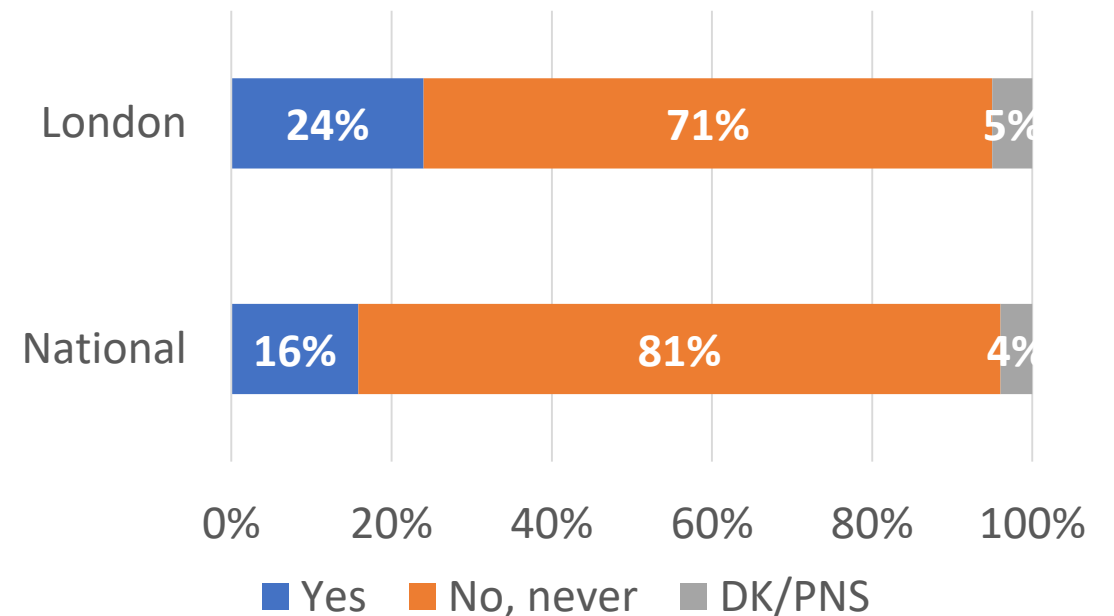
Source: CHAIN report

- The number of new rough sleepers was more than 75 per cent higher than in the same months of 2019.
- However, 80 per cent were prevented from spending a second night sleeping out.
- The numbers living on the streets were a third lower than in 2019.

On some measures of food security, London fares worse than the rest of the country

- **Cutting down the size of meals/skipping meals:** In July, around a quarter (24 per cent) of Londoners aged 16-75 reported they had done this in the last month because they did not have enough money to buy food vs. 16 per cent nationally.
- In July, around one in six (16 per cent) of Londoners have had **food delivered to their house through a food charity or food bank in the last month** vs. 9 per cent nationally. Of these Londoners:
 - 34 per cent said it was because there was a delay or problems with benefits payments.
 - 31 per cent said it was because someone in the household had lost their job.
 - Other reasons include 'having difficulties travelling to get food' – 24 per cent, 'someone in the household being on furlough' – 22 per cent and 'someone in the household self-isolating/shielding' – 20 per cent.

Proportion who cut down the size of their meals or skipped meals in the last month because they did not have enough money to buy food



Base: All adults aged 16-75 in England, Wales and Northern Ireland: 2,068; London: 305

Source: Food Standards Agency. (2020). Covid-19 Consumer Tracker Wave 4 (July 2020).

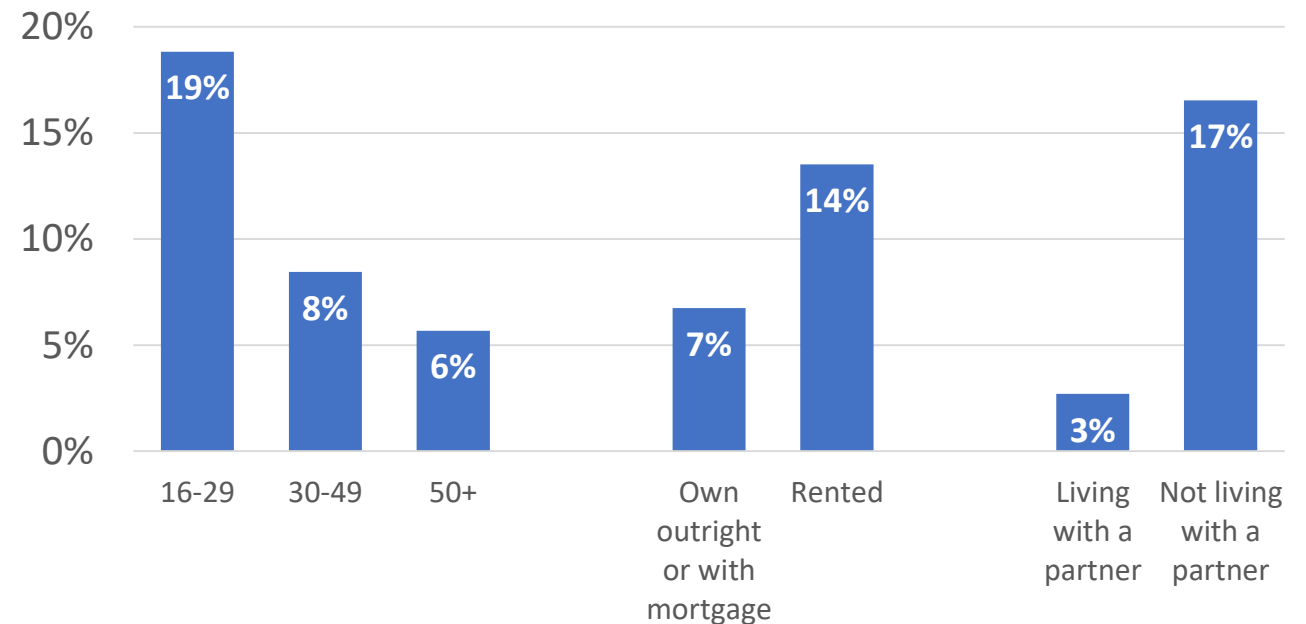
3. Well-being

- The [Covid-19 Social Study](#) is a research study run by University College London, exploring the effects of the virus and social distancing measures on adults in the UK during the outbreak of Covid-19.
- It has been running since the beginning of the pandemic and seeks to understand the psychological and social impacts of the pandemic.
- Some of its most recent findings include:
 - Many people are reporting changes in their relationships since lockdown came in. For example, 18 per cent say their relationship with their spouse has deteriorated, compared to 27 per cent reporting improvements.
 - 26 per cent of people say they have experienced some form of discrimination since lockdown came in. Discrimination experiences have been higher among younger adults, women, people from BAME groups, and in urban areas.
- This section will go on to examine Londoners' feelings of loneliness during the pandemic, their mental health and stress levels.

The proportion of Londoners feeling lonely at least some of the time has increased since the start of lockdown

- **In June 2020, 9 per cent of 16+ Londoners reported that they felt lonely 'often' in the last 4 weeks.** A further 36 per cent reported feeling lonely 'some of the time' in the last 4 weeks.
- **This is a slight increase in the prevalence of loneliness compared to April 2020,** when 7 per cent of 16+ Londoners reported feeling lonely 'often', and 32 per cent 'some of the time'.
- In particular, feeling lonely 'often' is more common among younger Londoners aged 16-29, renters and those not living with a partner.

Proportion of Londoners feeling lonely 'often' in the last 4 weeks

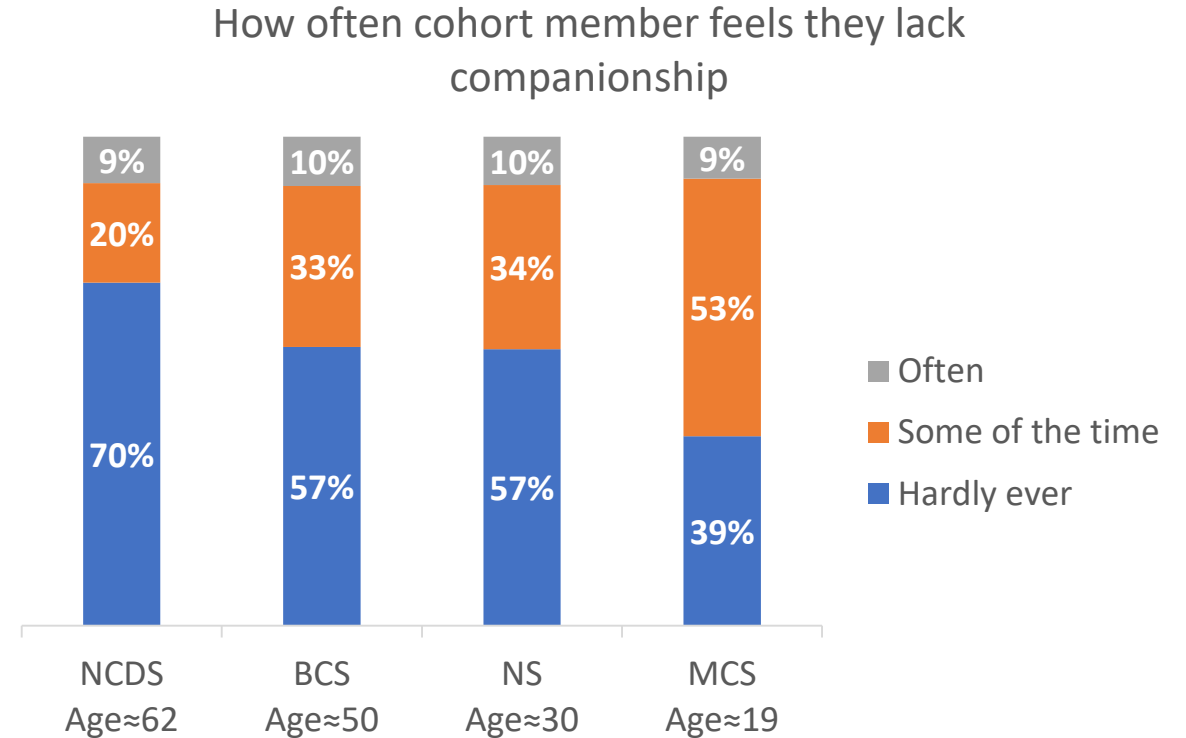


Base: June-20 16-29: 180; 30-49: 439; 50+: 722; Own outright or with mortgage: 895; Rented: 352; Living with a partner: 828; Not living with a partner: 513

Source: University of Essex, Institute for Social and Economic Research. (2020). Understanding Society: COVID-19 Study, 2020.

Younger Londoners are more likely to lack companionship than their older counterparts

- Reflecting the age differential in loneliness, in May, Londoners aged around 19 were twice as likely to feel they lack companionship at least sometimes, compared to those aged around 62.
- However, feeling that they lack companionship 'often' does not differ across the age groups (9-10 per cent across all studies).



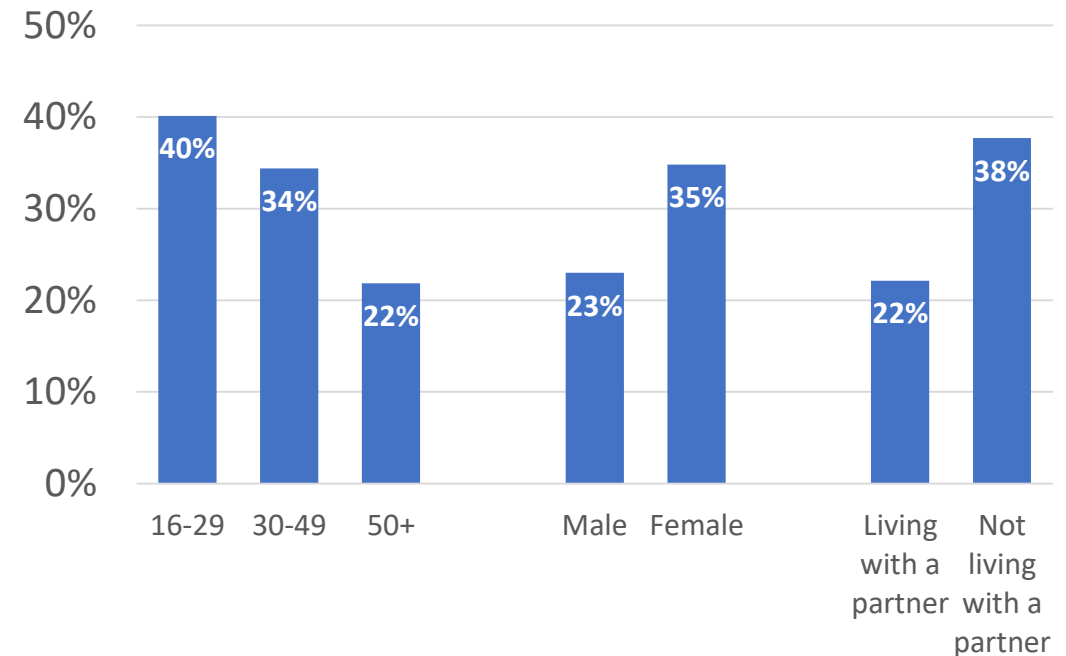
Base: 1958 National Child Development Study: 263; 1970 British Cohort Study: 294; Next Steps: 290; Millennium Cohort Study: 193
Source: University of London, Institute of Education, Centre for Longitudinal Studies. (2020). COVID-19 Survey in Five National Longitudinal Cohort Studies: Millennium Cohort Study, Next Steps, 1970 British Cohort Study and 1958 National Child Development Study, 2020. [data collection]. UK Data Service. SN: 8658, <http://doi.org/10.5255/UKDA-SN-8658-1>

The proportion of Londoners who have poorer mental health has increased during Covid-19

- The General Health Questionnaire (GHQ-12) helps to identify minor psychiatric disorders in the general population. Higher scores are indicative of poorer mental health.
- **In June 2020, around three in ten 16+ Londoners reported characteristics of poor mental health.** The pre-pandemic estimate from this survey in 2017-19 was 19 per cent, so the prevalence has increased.
- **Younger Londoners were more likely to show features of poorer mental health:** 40 per cent of Londoners aged 16-29 in June 2020, compared to 34 per cent of Londoners aged 30-49 and 22 per cent of Londoners aged 50+.
- **Female Londoners were more likely than male Londoners to show a GHQ-12 score of 4 or more** in June 2020 (35 per cent of females, 23 per cent of males).
- **Fewer Londoners living with a partner had aspects of poor mental health** in June 2020 (22 per cent compared with 38 per cent not living with a partner).

Note: The General Health Questionnaire focuses on two major areas: the inability to carry out normal functions; and the appearance of new and distressing phenomena, with each of the 12 items rated on a four-point response scale. A coding method was used whereby the maximum score for any respondent is 12, with higher values indicating poorer mental health. A threshold of 4 or more was set as the difference between 'no or few mental health problems' and 'poorer mental health'.

Proportion of Londoners with a high GHQ-12 score



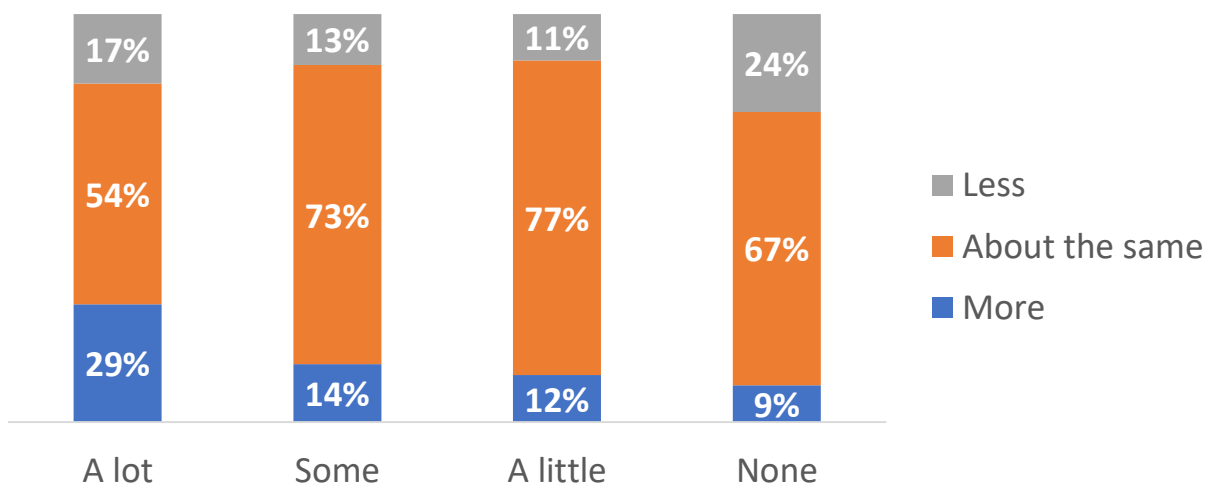
Base: June-20 16-29: 170; 30-49: 423; 50+: 702; Male: 535; Female: 759; Living with a partner: 801; Not living with a partner: 494

Source: University of Essex, Institute for Social and Economic Research. (2020). Understanding Society: COVID-19 Study, 2020.

One in seven Londoners received more emotional support from people outside their household compared to early 2020

- **In June 2020, for the majority of Londoners aged 16+ there has been little change in the amount of emotional support provided by friends and family who do not live with them compared to before the outbreak of the coronavirus pandemic (69 per cent); 15 per cent have received more; and 15 per cent have received less.**
- For Londoners who received a lot of emotional support from friends and family who do not live with them in January/February 2020, they were more likely to receive additional support during the pandemic (29 per cent) compared with those who had received no support previously (9 per cent).
- Around a quarter (24 per cent) of those who had received no emotional support before the outbreak of the coronavirus pandemic said they had received even less during the pandemic.

Londoners aged 16+ who received varying levels of emotional support from friends and family who do not live with them before the pandemic and whether that has changed in June 2020



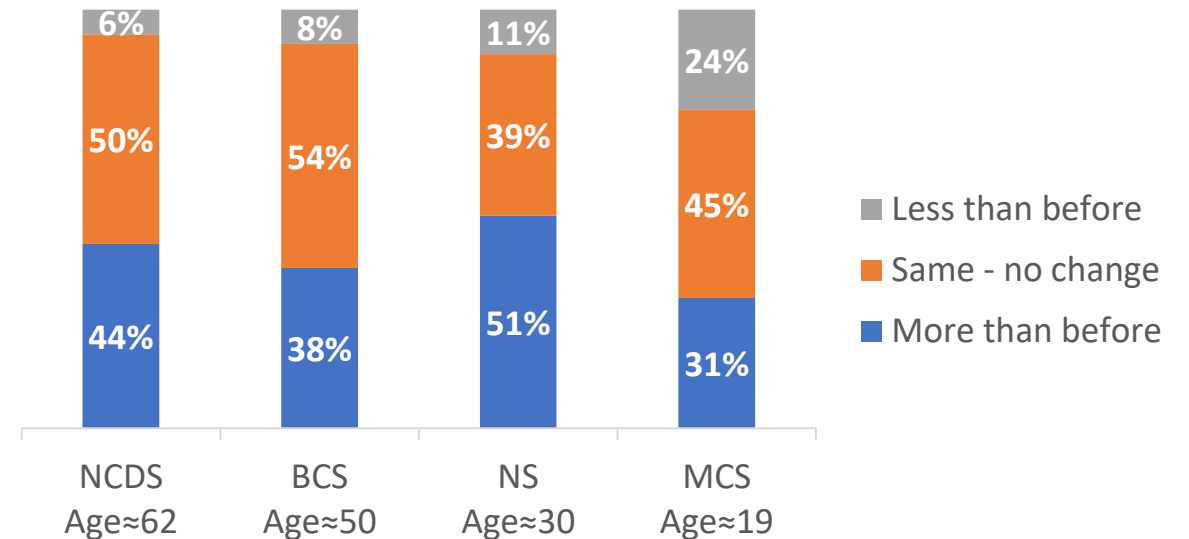
Base: June-20 Londoners 16+ who received a lot of emotional support from friends and family who do not live with them in January/February 2020: 267; Some support: 488; A little support: 332; None: 219

Source: University of Essex, Institute for Social and Economic Research. (2020). Understanding Society: COVID-19 Study, 2020.

The coronavirus outbreak has been a stressful experience for many Londoners

- In May 2020, between a third and half of each age group reported increases in their stress levels, though many people reported no change.
- Some people reported feeling less stressed than before the outbreak from a quarter of 19 year olds, decreasing with age.

Since the coronavirus outbreak how the amount of stress the cohort member has been feeling has changed



Base: 1958 National Child Development Study: 262; 1970 British Cohort Study: 293; Next Steps: 290; Millennium Cohort Study: 188
Source: University of London, Institute of Education, Centre for Longitudinal Studies. (2020). COVID-19 Survey in Five National Longitudinal Cohort Studies: Millennium Cohort Study, Next Steps, 1970 British Cohort Study and 1958 National Child Development Study, 2020. [data collection]. UK Data Service. SN: 8658, <http://doi.org/10.5255/UKDA-SN-8658-1>

4. Families and community

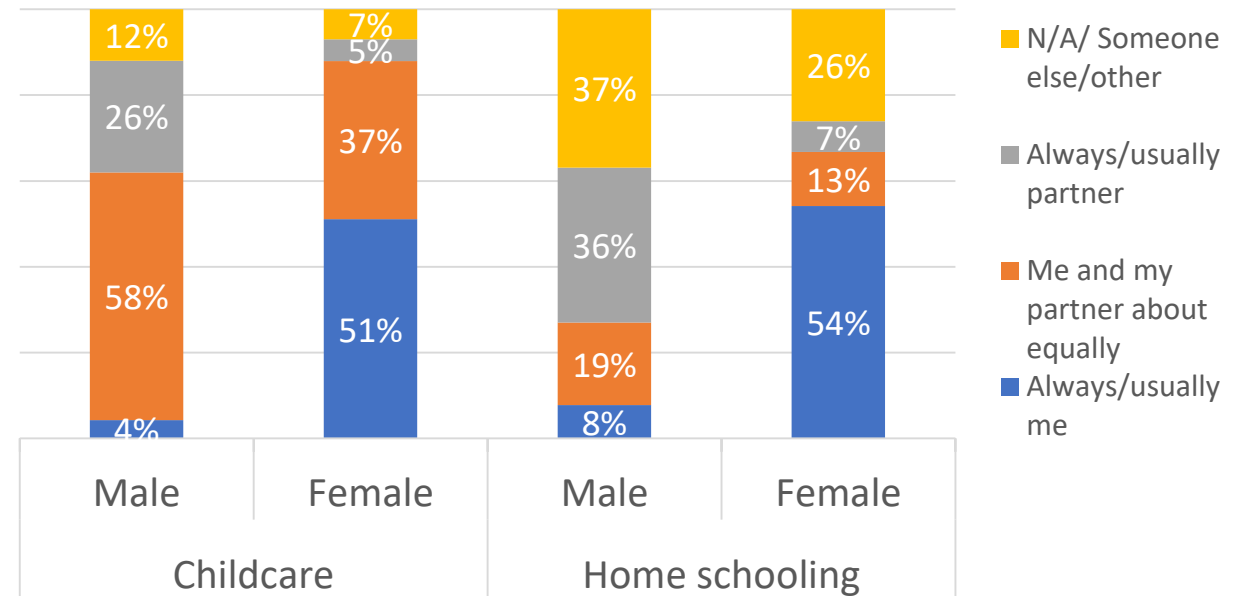
- The [Covid-19 Social Study](#) has been running since the beginning of the pandemic and seeks to understand the psychological and social impact of the pandemic. Some recent national findings include:
 - One in twelve people report relationships with neighbours have worsened since lockdown came in, but one in four say they have improved and one in twelve trust their neighbours more.
 - While many people have felt the same about their neighbourhoods since lockdown came in, 29 per cent report feeling their neighbourhood has become more supportive and that shared values have increased, 18 per cent feel the neighbourhood has become closer and 10 per cent feel things are more cohesive. Fewer than 6 per cent of people feel that neighbourhoods have deteriorated in any way.
- Similarly, research commissioned by [Onward](#) finds that Londoners have generally shown community spirit, with people willing to volunteer and come together to help each other.

This section will examine Londoners' relationships with others during lockdown, as well as exploring how some younger Londoners' learning may have been affected.

In couples with children, women have taken on more of the domestic workload than men

- **In June 2020, around half (51 per cent) of 16+ female Londoners in a couple with children reported that they are mainly responsible for looking after their children these days (not their partner).** This compares with four per cent of male Londoners.
- **Similarly around half (54 per cent) of 16+ female Londoners in a couple with children reported that they are mainly responsible for home schooling their children these days (not their partner).** This compares with eight per cent of male Londoners in a couple.
- Twice as many female Londoners in a couple than male Londoners regard the way additional housework and caring responsibilities are shared these days as somewhat or not at all fair (24 per cent and 12 per cent respectively).

Within couples with children in London, who is responsible for childcare and home schooling



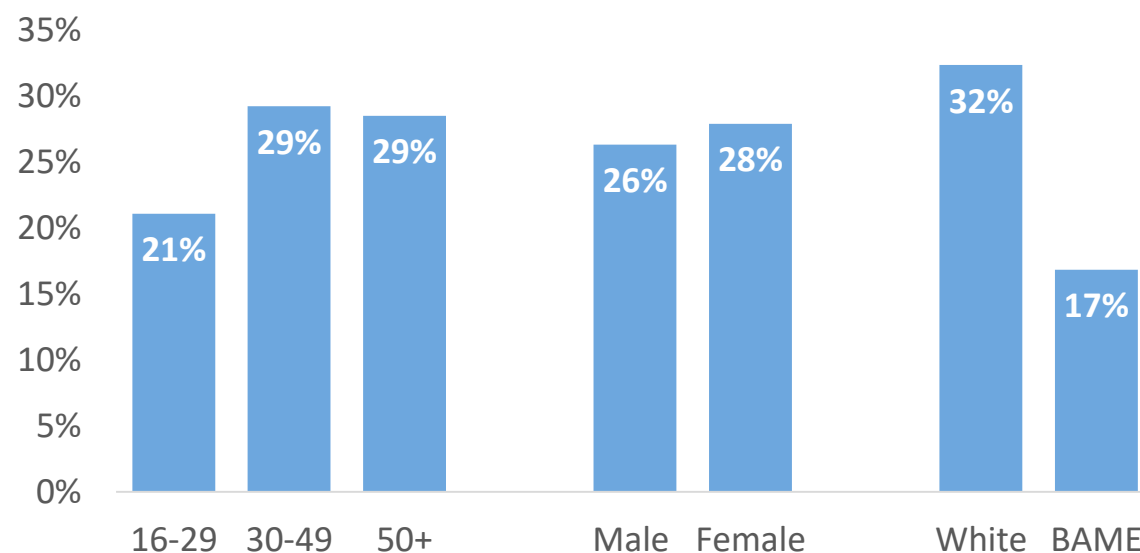
Base: June-20 Childcare: Male Londoners living with a partner with children aged 0-15 in household: 125; Female Londoners living with a partner with children aged 0-15 in household: 179; Home schooling: Male Londoners living with a partner with children aged 0-18 in household: 146; Female Londoners living with a partner with children aged 0-18 in household: 202

Source: University of Essex, Institute for Social and Economic Research. (2020). Understanding Society: COVID-19 Study, 2020.

In June younger Londoners aged 16-29 were less likely to have met in person with friends and family who do not live with them at least once a week

- In June 2020, in the last 4 weeks, around a quarter of Londoners aged 16+ (27 per cent) met in person with friends and family who do not live with them at least once a week.
- Around two in ten (21 per cent) younger Londoners aged 16-29 had met in person with friends and family who do not live with them at least once a week compared with around three in ten (29 per cent) older Londoners aged 30+.
- White Londoners were around twice as likely to have met in person with friends and family who do not live with them at least once a week compared with BAME Londoners (32 and 17 per cent respectively).

Proportion of Londoners who have had face to face contact outside household 'at least once per week'



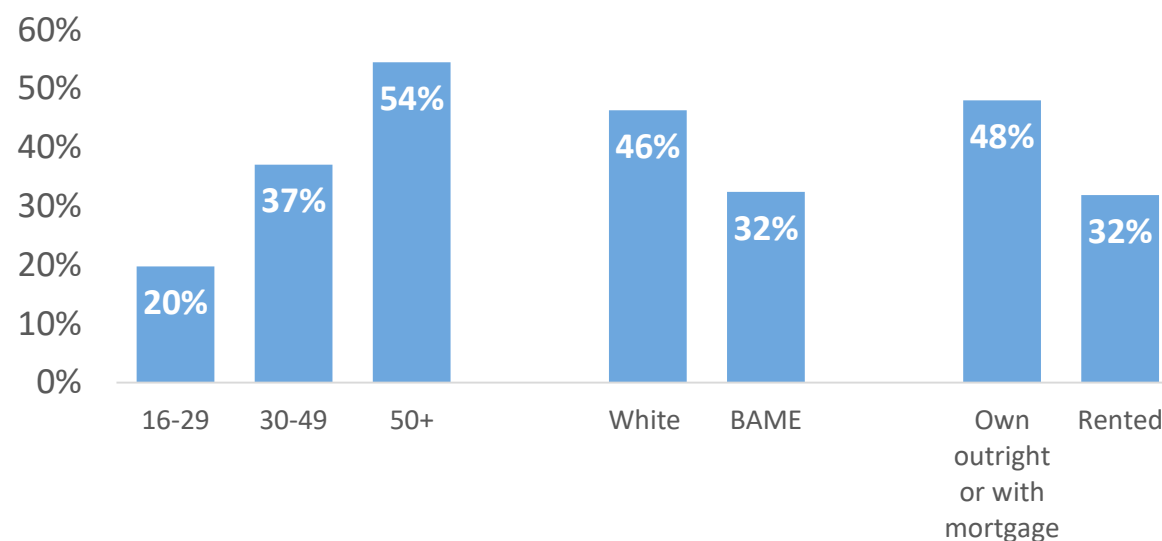
Base: June-20 16-29: 173; 30-49: 429; 50+: 707; Male: 538; Female: 770; White: 756; BAME: 522

Source: University of Essex, Institute for Social and Economic Research. (2020). Understanding Society: COVID-19 Study, 2020.

In June around four in ten Londoners aged 16+ agreed that they regularly stop and talk with people in their neighbourhood

- **In June 2020, around four in ten (42 per cent) Londoners aged 16+ agreed that they regularly stop and talk with people in their neighbourhood; a third (33 per cent) disagreed; with 25 per cent neither agreeing nor disagreeing.**
- The pre-pandemic estimate from this survey in 2017-19 for those agreeing was 54 per cent, so has decreased.
- Regularly stopping and talking with people in their neighbourhood is more common among older Londoners aged 50+, owner-occupiers and White Londoners.

Proportion of Londoners who 'agree/strongly agree' that they talk to neighbours regularly



Base: June-20 16-29: 173; 30-49: 429; 50+: 704; White: 755; BAME: 520; Own outright or with mortgage: 877; Rented: 339

Source: University of Essex, Institute for Social and Economic Research. (2020). Understanding Society: COVID-19 Study, 2020.

The majority of 18-20 year old students had switched to studying at home with online resources provided

- Millennium Cohort Study members were born in 2000-02, so a large proportion are still in education (school, college or university).
- In May 2020, cohort members were asked in what way their learning activity had changed since the coronavirus outbreak – around three quarters (76 per cent) said they were now studying at home with online resources provided; one in ten (10 per cent) were taking a formal break or had dropped out completely; 2 per cent said there had been no interruption to learning activities; while 12 per cent cited some other change.
- Of those who were now studying at home, they were asked to agree/disagree with the following statements where 0 means 'completely disagree' and 10 means 'completely agree':

	Disagree (0-3)	Neither (4-6)	Agree (7-10)
I am satisfied with the learning resources provided by my learning establishment	10%	47%	42%
I have been able to continue my studies effectively whilst being at home	28%	48%	23%

Base: Millennium Cohort Study: 128

Source: University of London, Institute of Education, Centre for Longitudinal Studies. (2020). COVID-19 Survey in Five National Longitudinal Cohort Studies: Millennium Cohort Study, Next Steps, 1970 British Cohort Study and 1958 National Child Development Study, 2020. [data collection]. UK Data Service. SN: 8658, <http://doi.org/10.5255/UKDA-SN-8658-1>

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ANNEX – Cohort studies

The Centre for Longitudinal Studies (CLS) and the MRC Unit for Lifelong Health and Ageing (LHA) carried out an [online survey](#) of the participants of five national longitudinal cohort studies in May 2020.

The aim of the survey was to collect insights into the lives of study participants during the lockdown.

These studies have been following large nationally representative groups of people since birth, and their ages currently range from 19 through to 74. The studies included are:

1. Millennium Cohort Study (born 2000-02) (MCS),
2. Next Steps (born 1989-90) (NS),
3. 1970 British Cohort Study (BCS),
4. 1958 National Child Development Study (NCDS), and
5. MRC National Survey of Health and Development (NSHD, 1946 British birth cohort)

In this briefing we pick out some of the key findings relating to cohort members' wellbeing, finances and education from these surveys. Note: the NSHD study was not analysed as this data is held under a different licence which has different access conditions, so was not obtained.