

Impacts of Covid-19

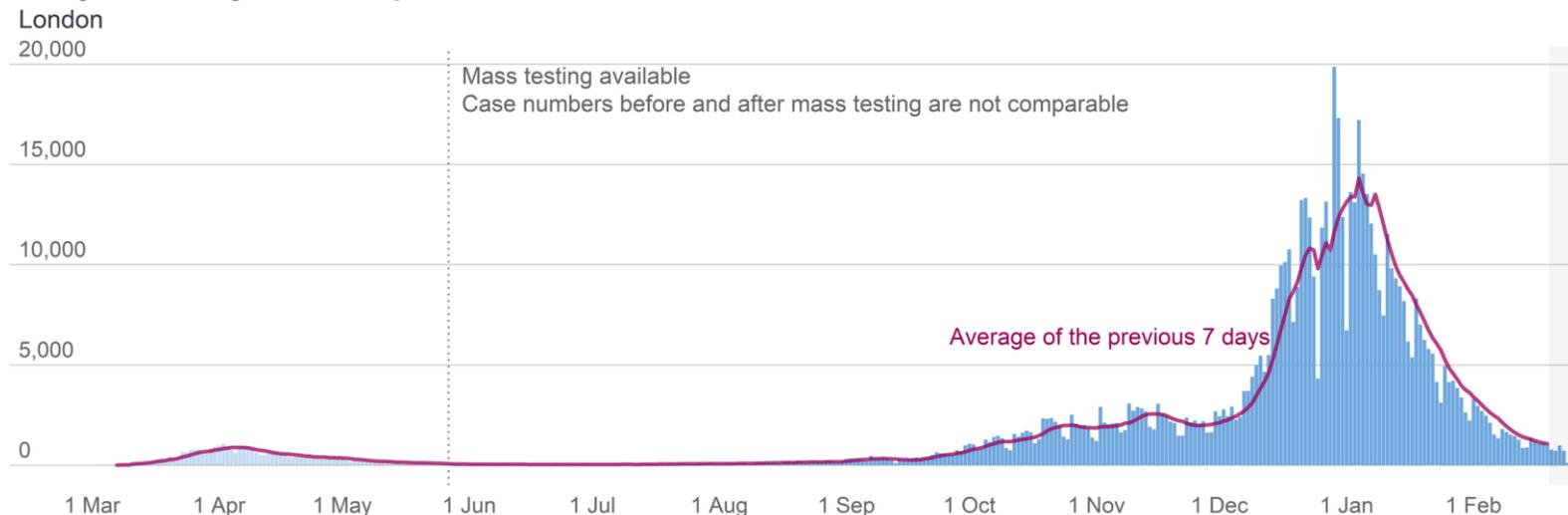
Briefing for London Recovery Board

3rd March 2021

Cases in London have dropped significantly, an estimated 1/125* people in the city with Covid-19

- In the most recent week of complete data, 14 February 2021 - 20 February 2021, **7,463** people tested positive in London, a rate of **83 cases per 100,000** population.
- On 24 February 2021 there were **2,503** COVID-19 patients in London hospitals. This compares with **3,292 patients** on 17 February 2021
- By 12 February, total recorded Covid-19 deaths in London stood at 17,741, with 13,848 of these occurring in hospitals

Daily Cases by date of specimen



Source: PHE COVID-19 Dashboard
Note: Recent data (shaded region) is likely to be revised upwards
Graphic by GLA City Intelligence

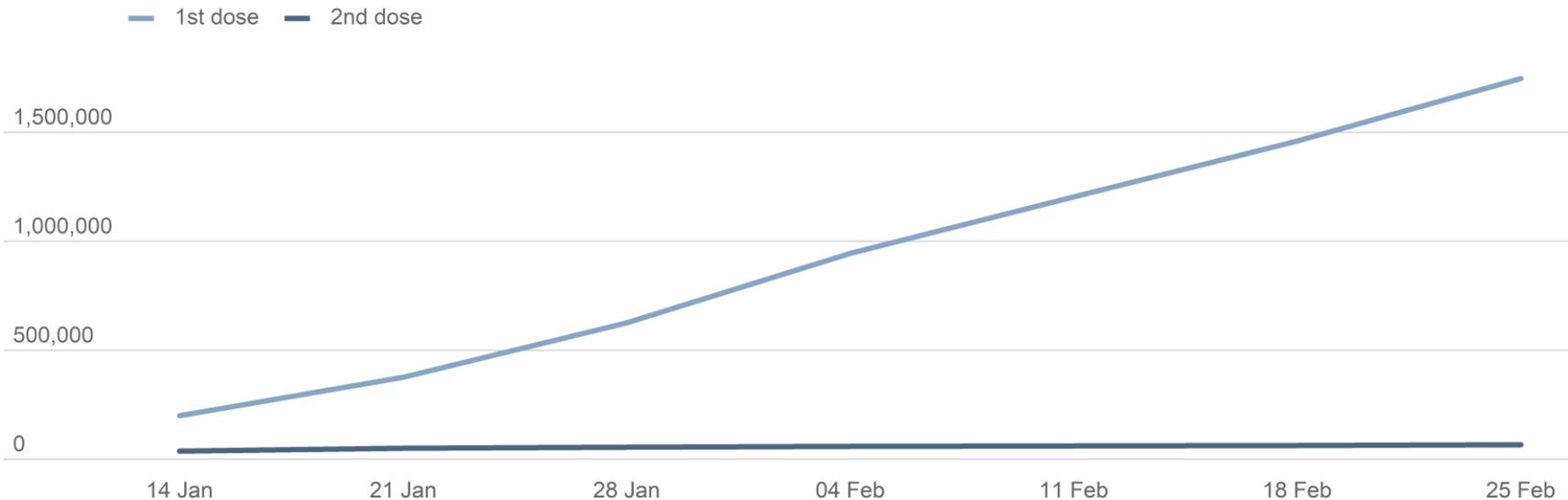
* Estimated by ONS Infection survey as at 12 February

1/4 of London's adult population have received a first dose of the Covid-19 vaccine

- Over 75% of people in each age-based priority group 1-5 have received the first dose of a vaccine
- 24.5% of the total adult population of London have received a first dose – a total of 1,746,338 (and 66,471 second doses)
- More than 250,000 doses given each week.

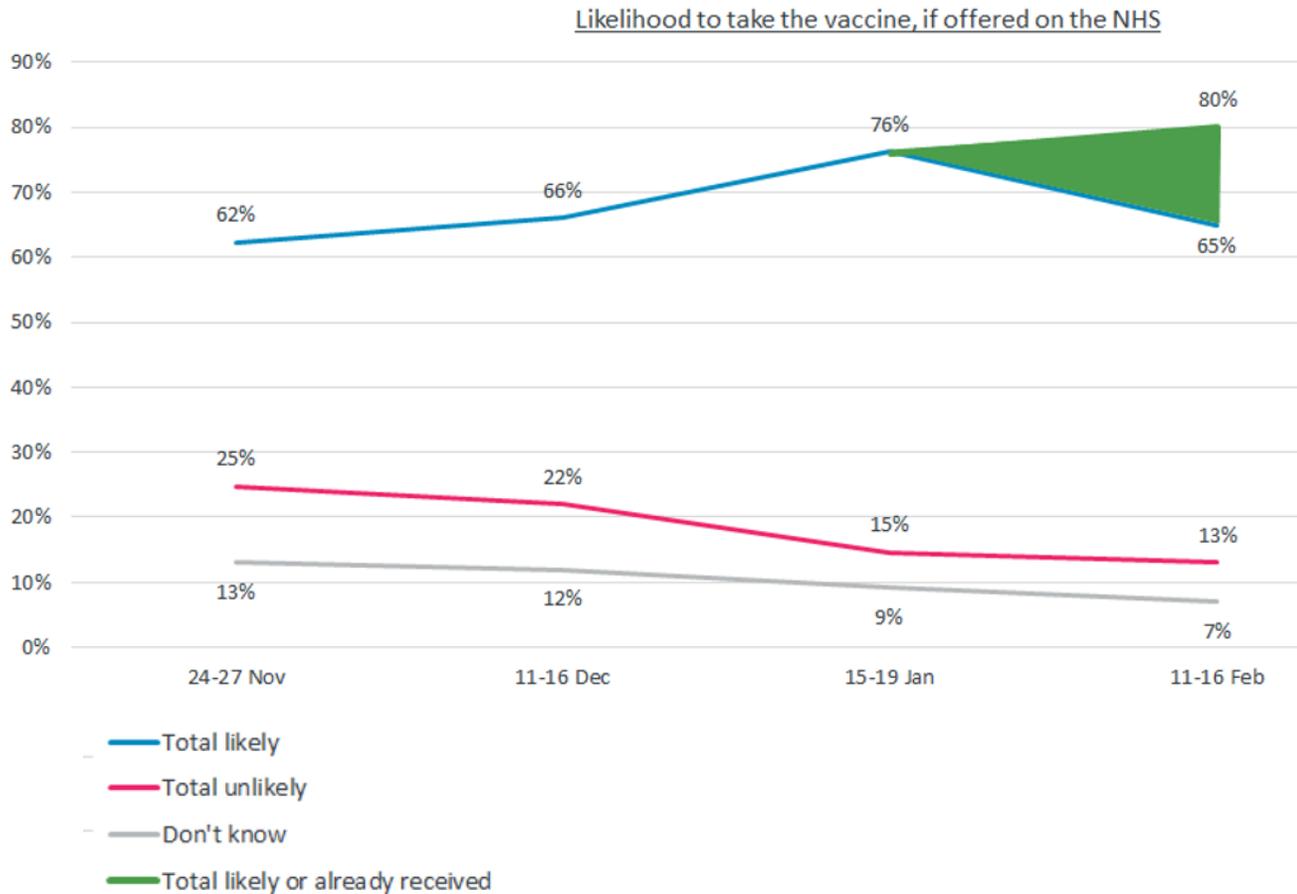
London residents who have received vaccinations, by weekly report date

Total London population over the age of 16: 7,118,408



Source: NHS Weekly COVID-19 Vaccinations
Graphic by GLA City Intelligence

Hesitancy towards a vaccine continues to decrease, with 13% of Londoners saying that they would be unlikely to take a vaccine. But this varies strongly by age and ethnicity

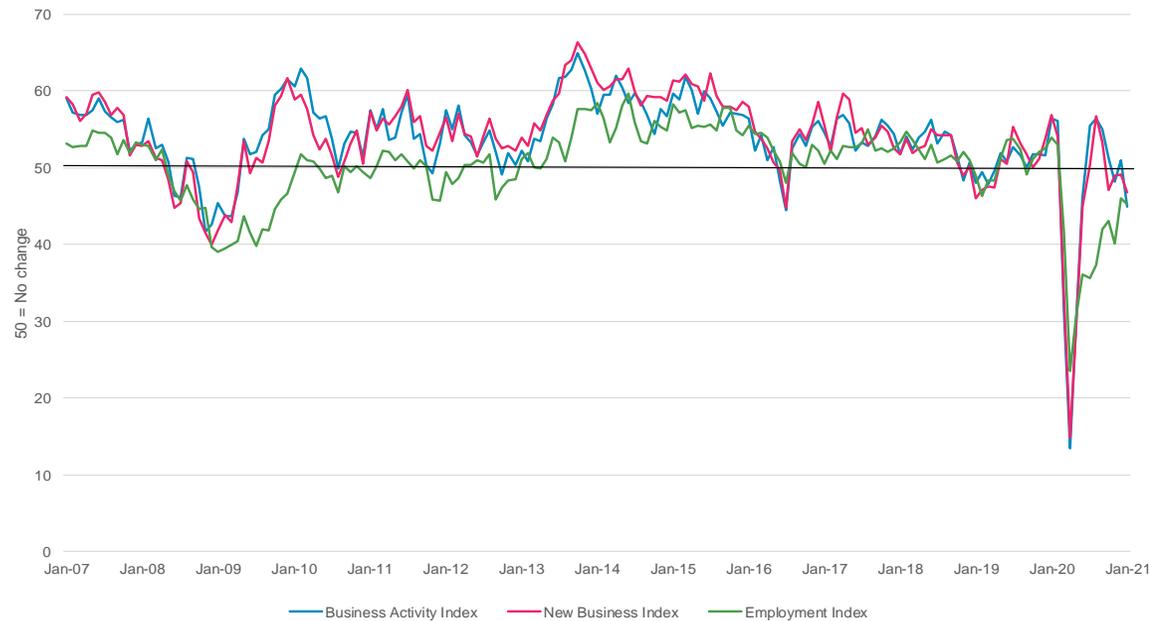


Hesitancy rates are much higher for younger Londoners, 27% of those aged under 35 say they are unlikely to get a vaccine

Black, Pakistani and Bangladeshi Londoners are much more hesitant towards a vaccine than White British and Indian Londoners.

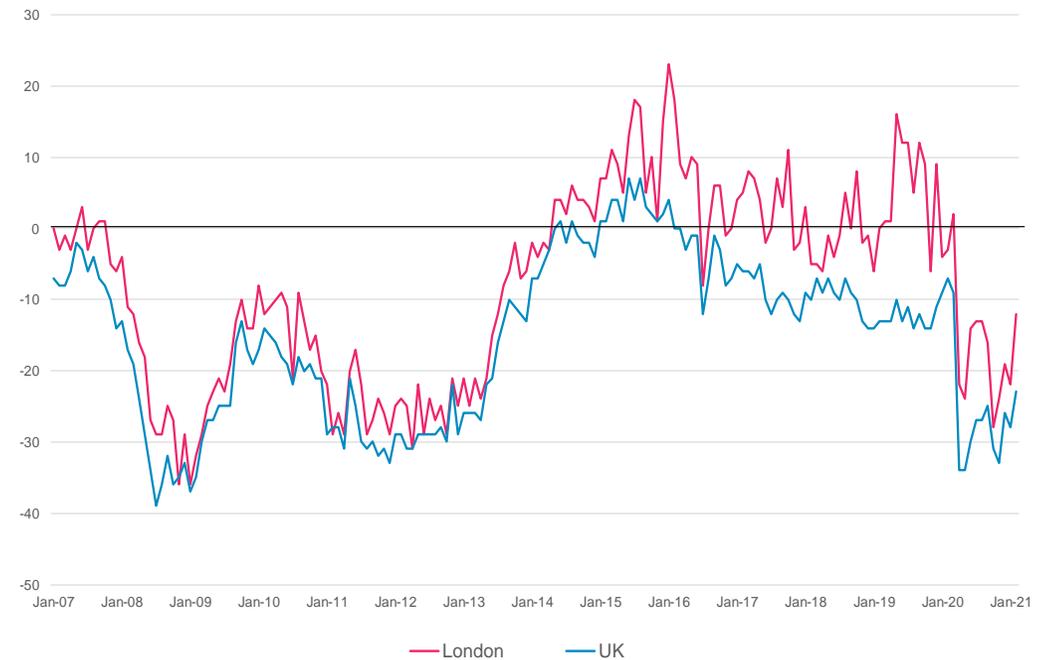
Business activity had recovered strongly in the autumn prior to further lockdown but consumer sentiment remains negative

London PMI Business Activity, New Business and Employment Indices



Source: GLA Economics based on IHS Markit data. Last data point is January 2021

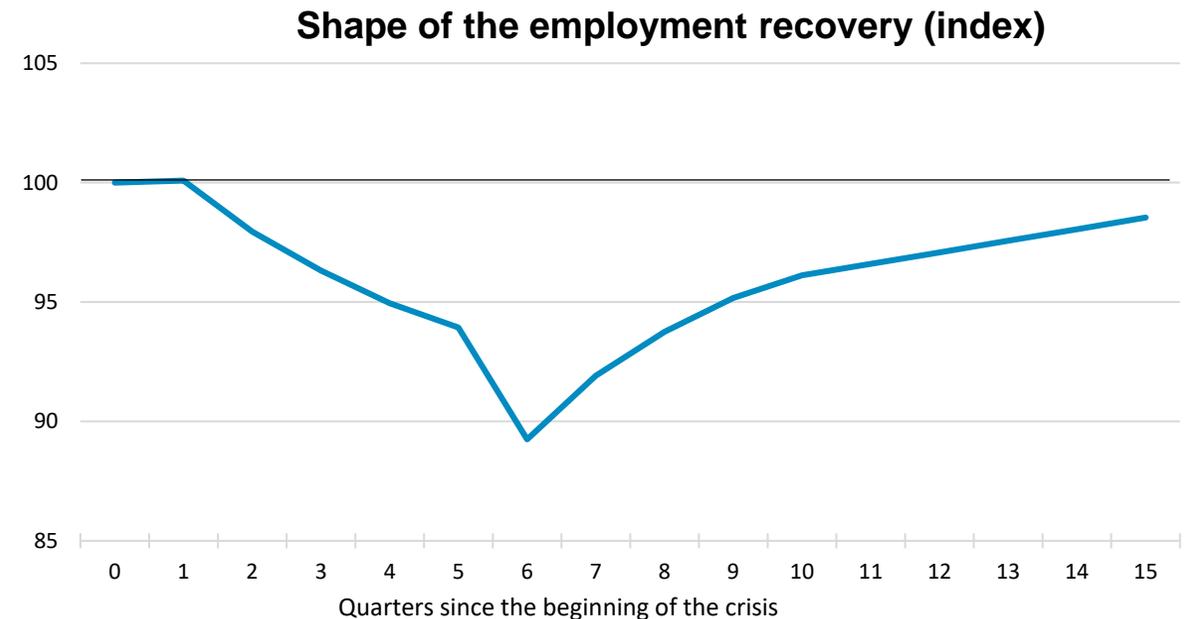
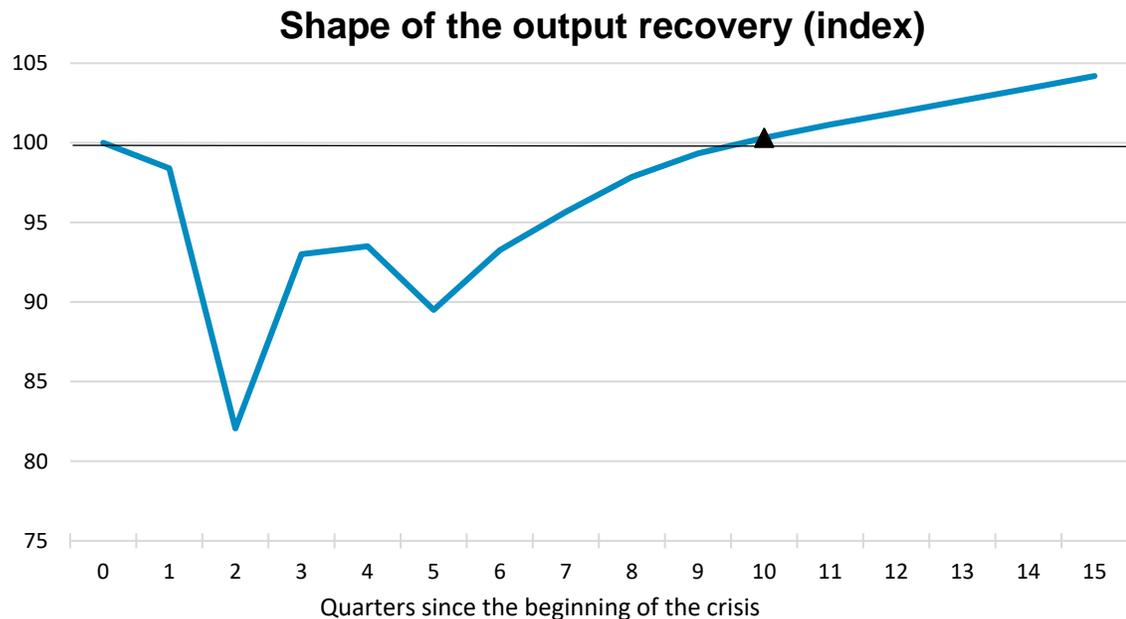
Consumer confidence index for London and the UK



Source: GLA Economics based on GfK-NOP data. Last data point is February 2021

Output is not expected to recover to 2019 levels until 2022, and the jobs recovery is expected to be slower

- Output is estimated to have fallen by 7% in 2020, which is less than originally feared
- Employee jobs fell by 5.5% in 2020, more than any other region



Source: GLA Economics

Asking rents have fallen sharply in Inner London. Sales volumes remain high due to the Stamp Duty holiday. Rough sleeping is down by 9%

Private rents

- Rightmove report that average asking rents in London were down 6.4% in Q4 2020 compared to a year ago, compared to a national increase (excluding Greater London) of 3.7%.
- The London average masks a sharp divergence between Inner London, where rents were down 12.4%, and Outer London where there was no change.

House prices

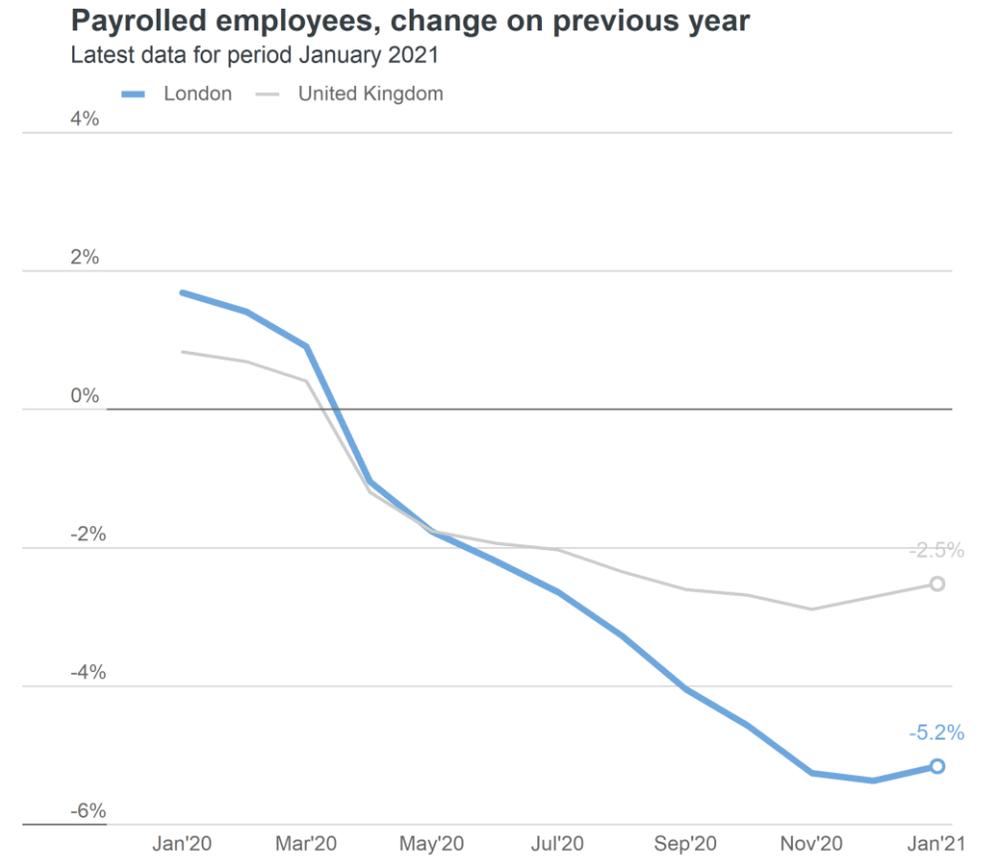
- Rightmove also report that average asking prices in London were down 1.1% in February from a year ago, but rose in every other region.
- The sales market remains very active, with UK Finance figures showing 7,700 mortgage approvals in September, up 31% from 2019 and the highest monthly total since March 2016.
- Sales activity is likely to remain strong ahead of the scheduled end of the Stamp Duty holiday in March

Rough sleeping

- Between October and December 2020 the number of people seen sleeping rough in London was 9% lower than the same period in 2019

The number of payrolled employees in London has declined more steeply than across the UK since last year

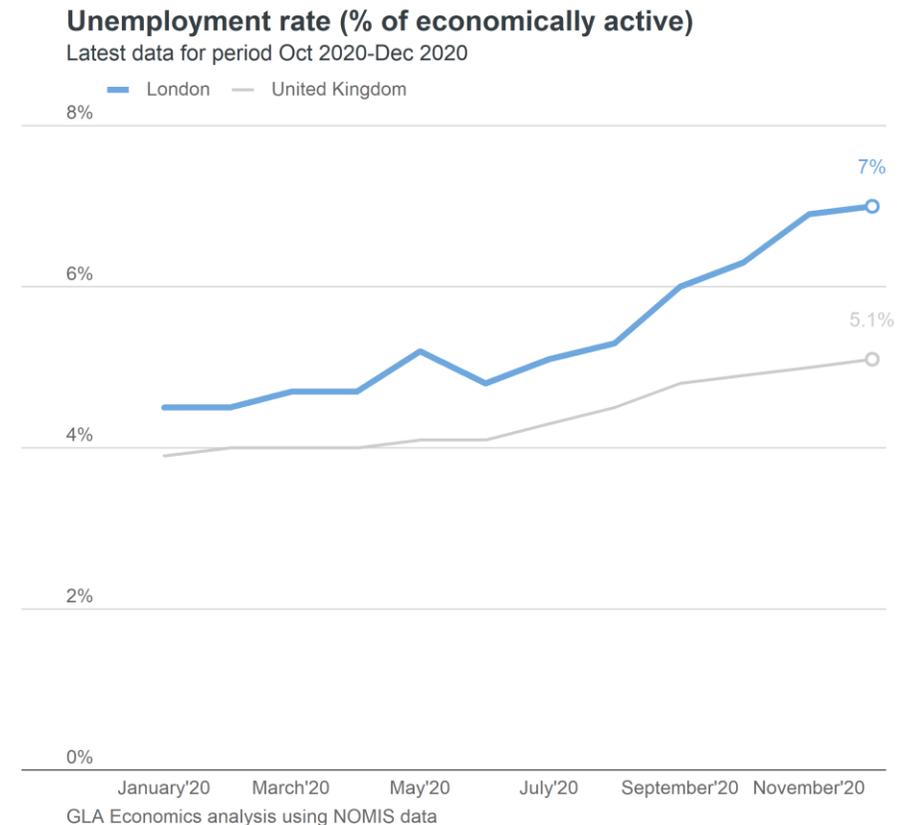
- The latest payroll data show a small increase in the number of employees living in London in January (up by 11,500 or 0.3%), in-line with national trends.
- Comparing January 2021 with January 2020, the overall number of employees living in London has declined by 213,900 (5.2%) – double the rate of decline for the UK as a whole (2.5%).



Overall, the unemployment rate in London continues to rise more quickly than in other parts of the UK

For October to December 2020:

- The unemployment rate for **London** was estimated at 7.0% – up 1.0pp on the quarter and 2.7pp from a year earlier.
- The annual change in unemployment in London was a record increase and higher than in any other UK region during this time.
- Some groups – including young people – have been particularly affected by recent labour market trends.

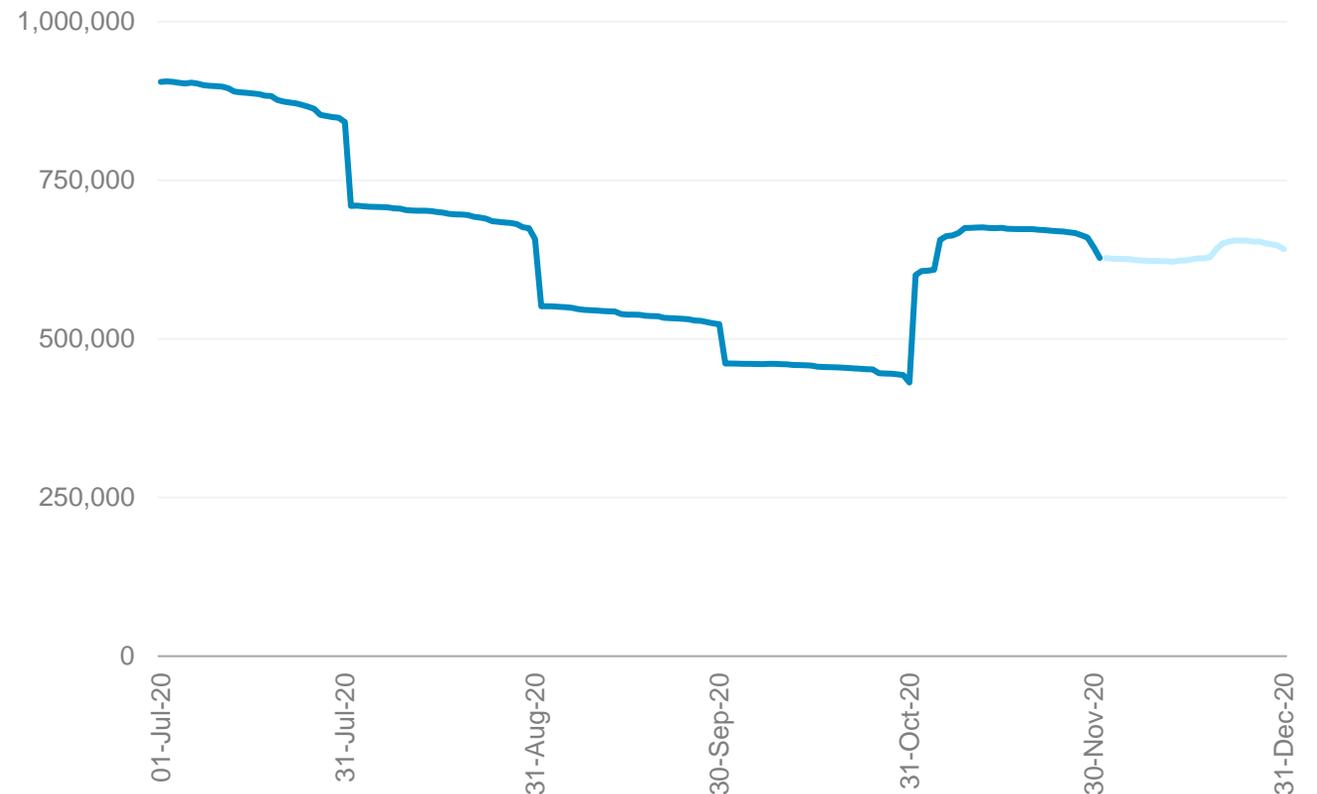


Source: ONS Labour Force Survey. Note: the margin of error for unemployment rate estimates is +/- 1% for London and +/- 0.3% for the UK.

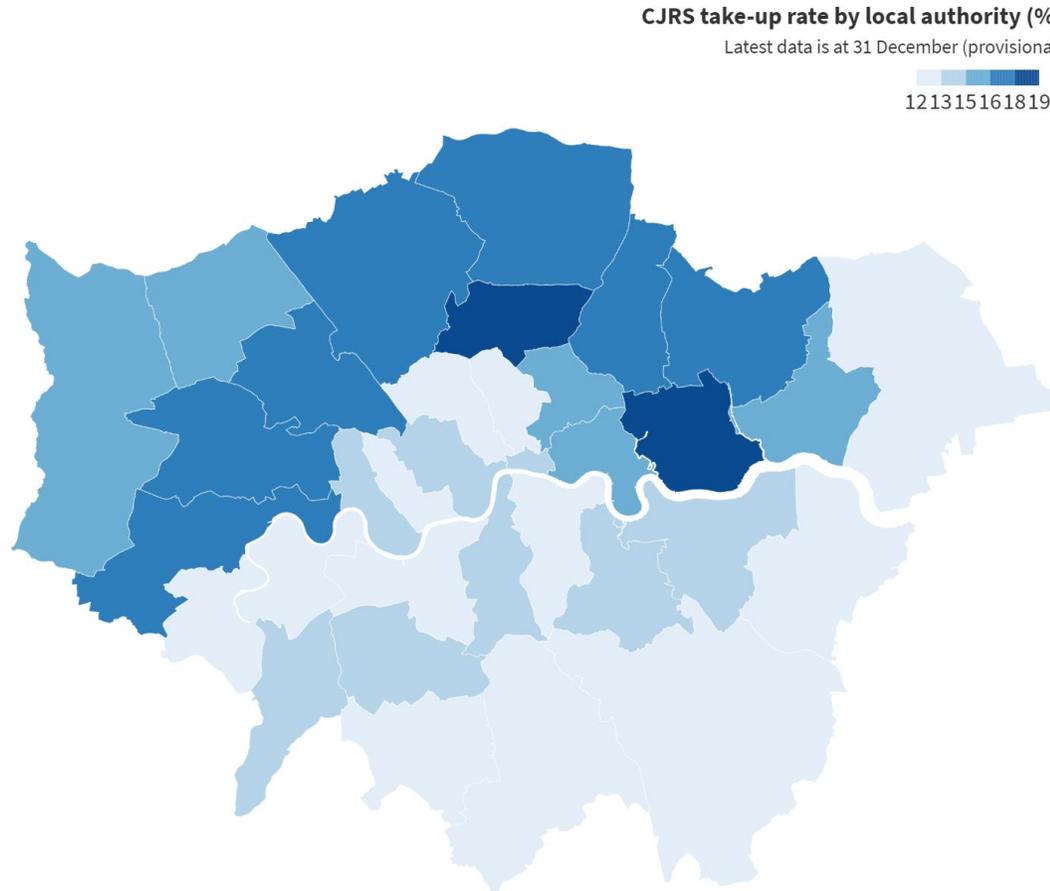
After falling considerably, CRJS claims in London increased during the second national lockdown, but stabilised in December

- There were 431,200 employments furloughed in London at 31 October 2020 – the lowest level since 1 July.
- This figure increased through November and stabilised at around 641,200 employments furloughed at 31 December 2020 – the highest take up rate of any UK region (15%).
- Yet this is a lower overall figure than at the start of July – partly because firms have adapted to restrictions and partly because of job losses.

Total employments furloughed in London, 1 July to 31 December 2020
data for December 2020 are provisional (incomplete data)



Several London boroughs – including Newham and Haringey – lead the country in terms of furlough take-up rates



At 31 December 2020:

- Newham had the highest proportion of resident employments furloughed in London at 19%, followed by Haringey (18%).
- Across the UK as a whole, Newham had the second highest take up rate, and Haringey the third highest rate.
- Bromley, Islington, Richmond upon Thames and Sutton recorded the lowest take up rates in London (each at 12%).

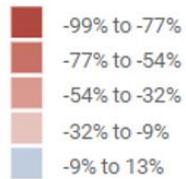
Contains Ordnance Survey data © Crown copyright and database right 2012

Source: HMRC CJRS data and PAYE Real Time Information

CITY INTELLIGENCE

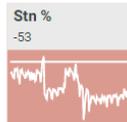
Mobility data shows the effects of November & January lockdowns on discretionary activity

% Change From Baseline (Retail & Recreation) - Note: Red is below baseline, blue is above.



Time Series: % Change From Baseline (Retail & Recreation) - Note: Breaks in series represent missing or suppressed data.

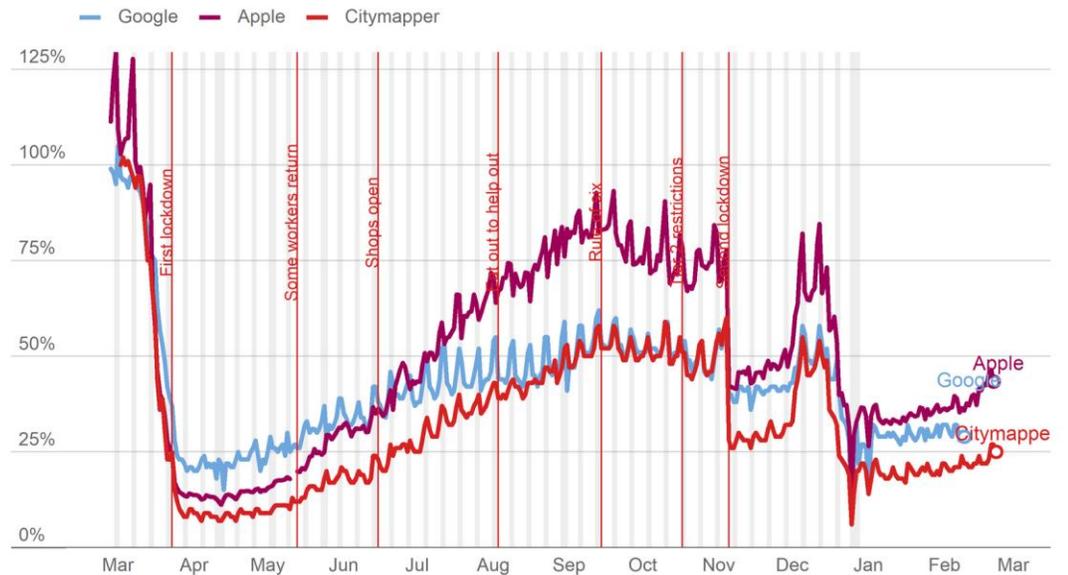
-99% to 13%



Line: 23rd Sept – 20th Feb | Colour: 20th Feb.

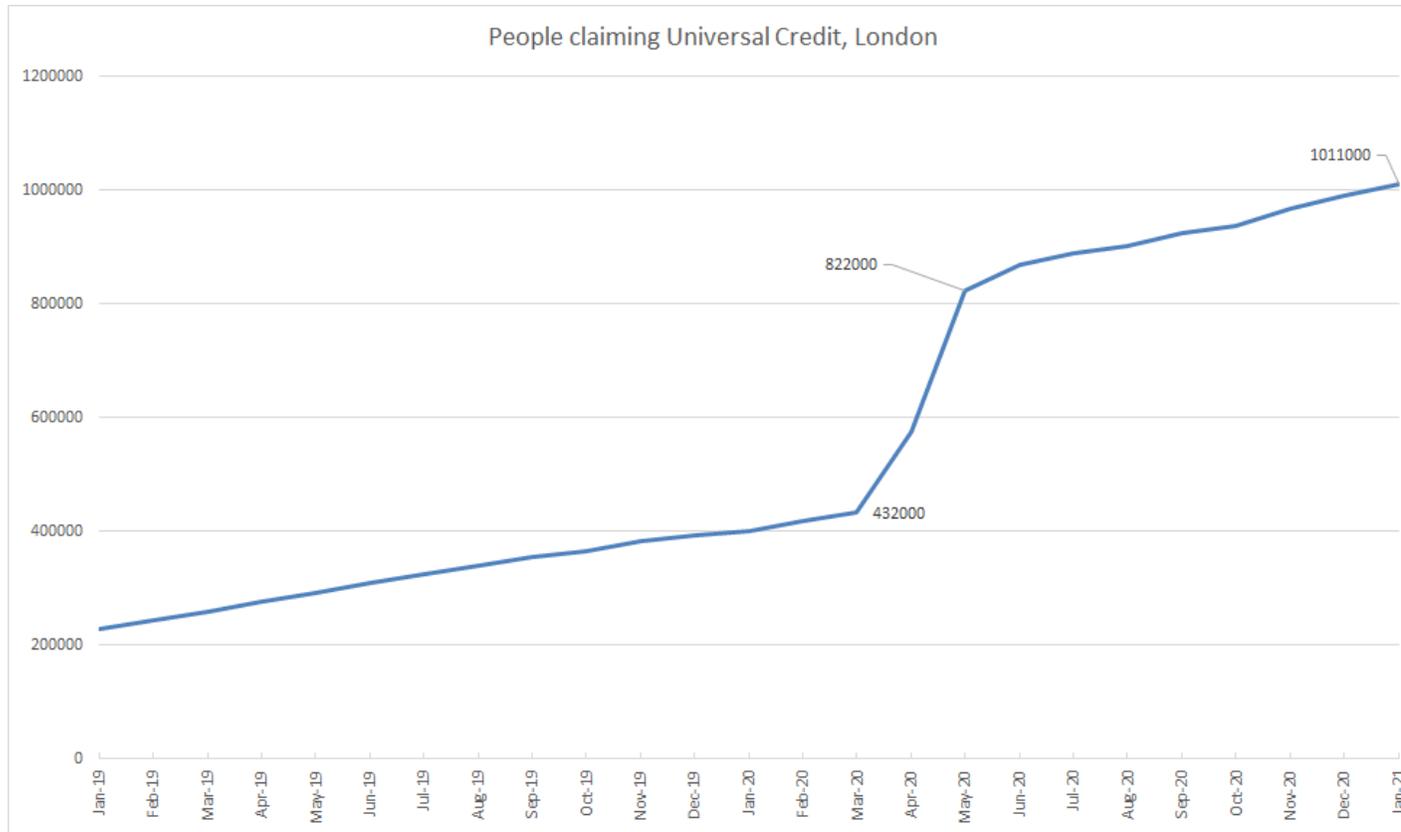
Baseline: % change from Jan 2020

Mobility Indices for London



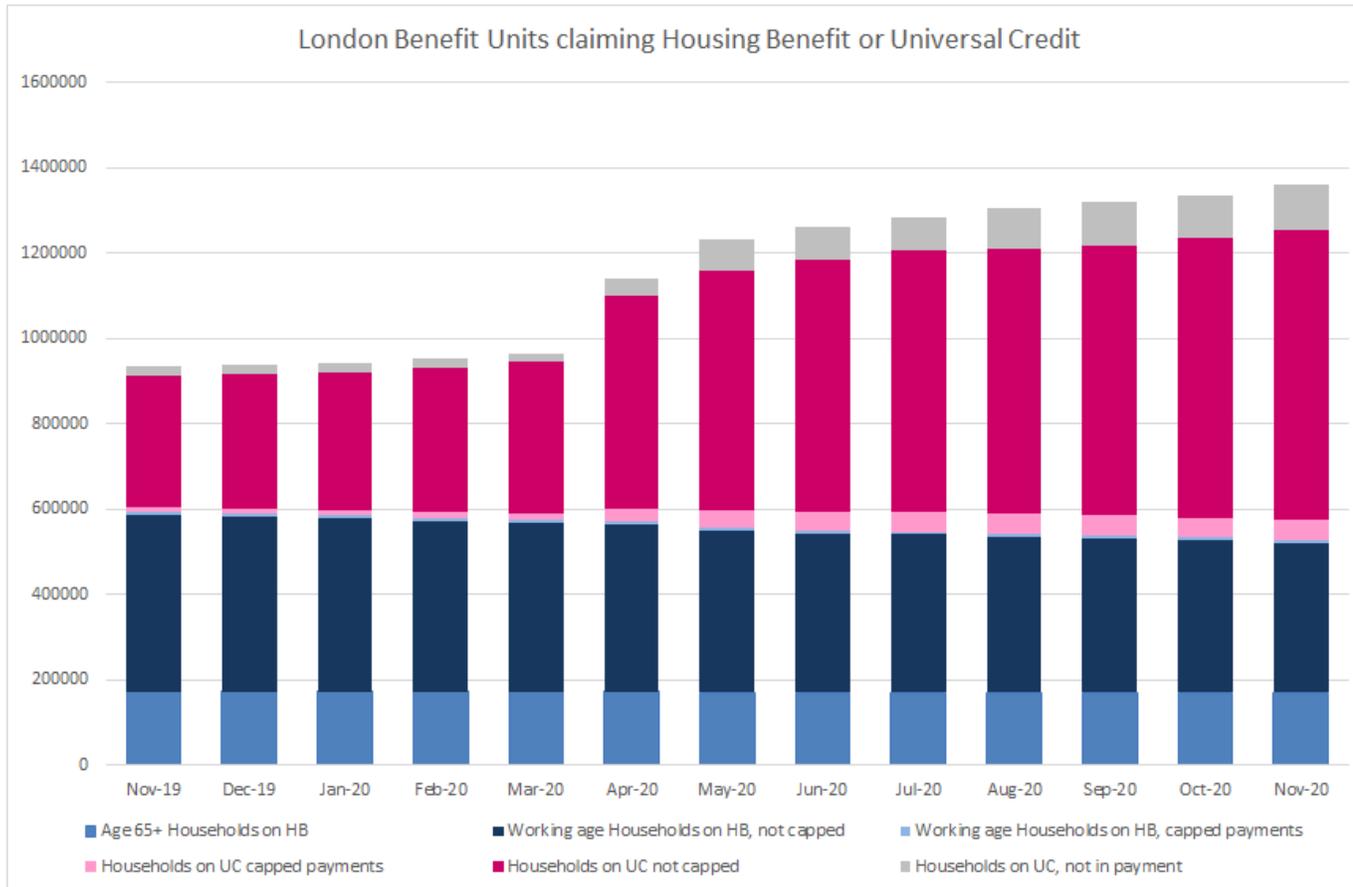
Sources: Citymapper (all journeys), Google (transit stations), Apple (public transport), TfL
Vertical red lines show changes in social distancing rules.
Vertical grey bands show weekends and public holidays

More than one million Londoners are claiming Universal Credit and the number is still rising



- The largest increases in UC claimants have been among the younger age groups, particularly among those in their twenties. The largest age group remains the 30-34 age group at more than 154,000 in January.
- Just over half of all those claiming Universal Credit are women, but just over a third of these women were unemployed and looking for work, compared to half of the men.
- Almost one in five UC claimants in England are Londoners, compared with one in six before the pandemic.
- Around 100,000 claimants are not in payment each month, because their earnings for that month are above the payment level.

Growth in London households receiving either Housing Benefit or Universal Credit has been driven by single working-age people without children



- The number of London households receiving either Housing Benefit or Universal Credit grew by 300,000 between March and November 2020
- Almost 80 per cent of the increase in households receiving one of these benefits was a working age single person with no children.
- Nearly half of London's single UC claimants without children did not have any payment for housing costs, but in other parts of England, there were more single people without housing payments than with.

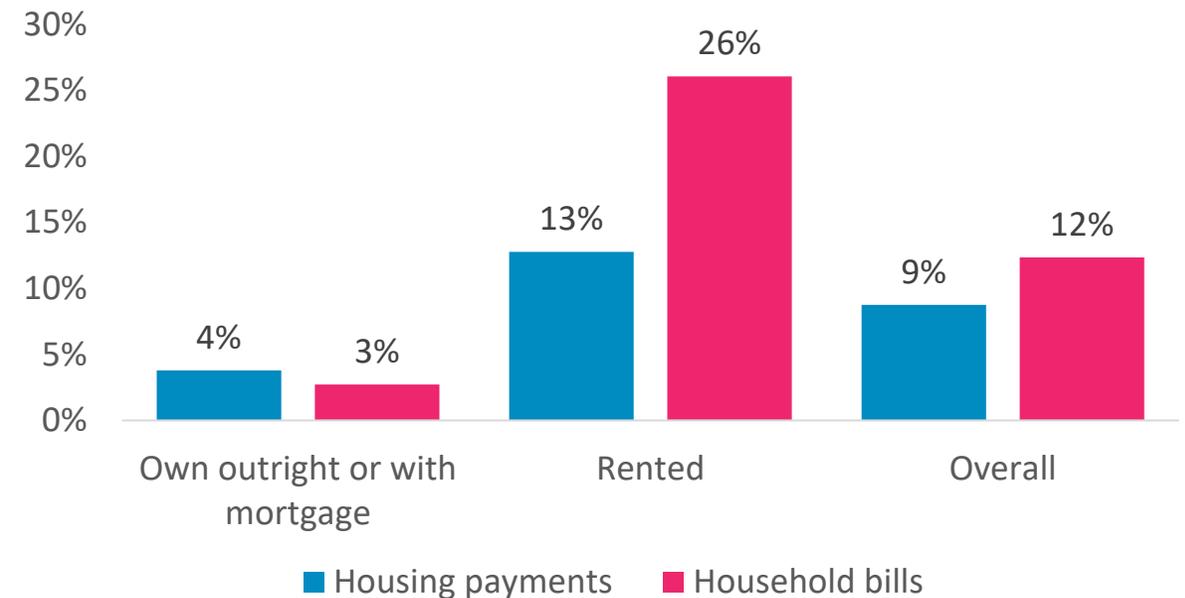
Source: DWP

Note: numbers of households with capped payments are estimated for September to November

Renters are more likely to be behind with their housing payments and household bills than owners

- Nine per cent of Londoners aged 16+ were not up to date with their rent or mortgage in November 2020.
- There is a split by household tenure with 13 per cent of renters not being up to date compared with 4 per cent of owners.
- Twelve per cent of Londoners aged 16+ were behind with some or all of their other household bills in November 2020.
- Again there is a split by household tenure with 26 per cent of renters being behind on their household bills compared with 3 per cent of owners.
- Six per cent of renters have turned to new borrowing from a bank or credit card compared with two per cent of owners, to cope with a reduction in earnings since January/February 2020.

Proportion of adults not up to date with housing payments and household bills, by household tenure



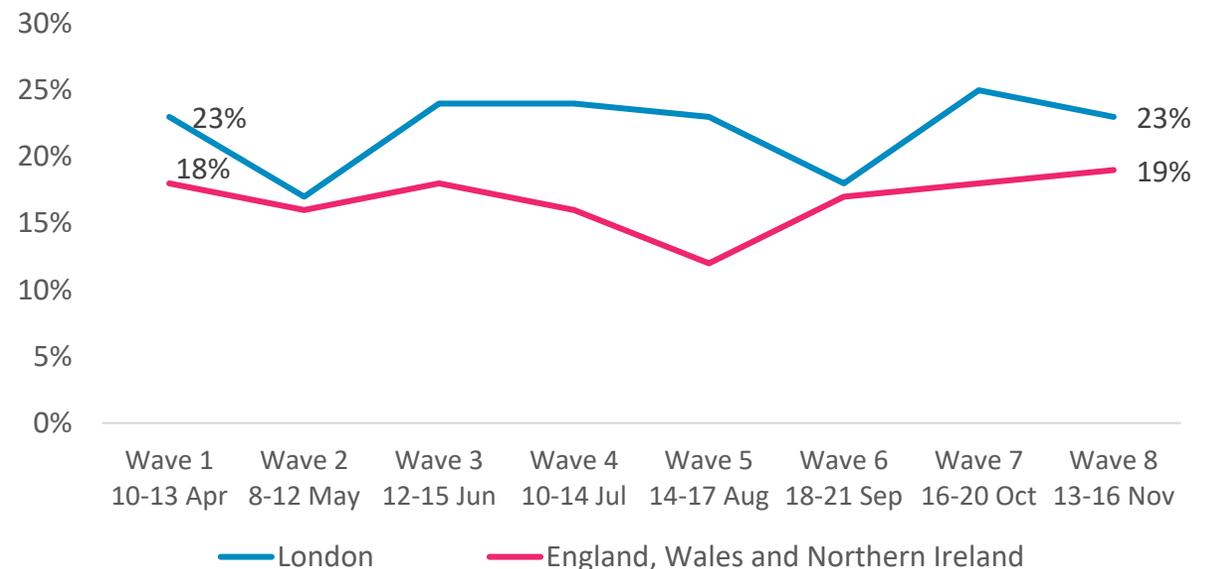
Base: Nov-20 Londoners aged 16+ Housing payments - Own outright or with mortgage: 393; Rented: 250; Overall: 664; Housing bills - Own outright or with mortgage: 751; Rented: 259; Overall: 1,040

Source: University of Essex, Institute for Social and Economic Research. (2021). Understanding Society: COVID-19 Study, 2020.

Londoners are more likely to report skipping meals or reducing meal sizes than nationally, and 11% aged 16-75 reported arranging for food deliveries by a food charity/bank

- A greater proportion of Londoners aged 16-75 have consistently reported cutting down the size of meals or skipping meals in the last month because they did not have enough money to buy food compared with adults nationally.
- This difference has been consistent throughout the pandemic
- In November around a quarter (23 per cent) of Londoners aged 16-75 reported they had done this in the last month.
- In November around one in nine (11 per cent) Londoners aged 16-75 reported that in the last month they had arranged for food to be delivered to their house through a food charity or food bank.

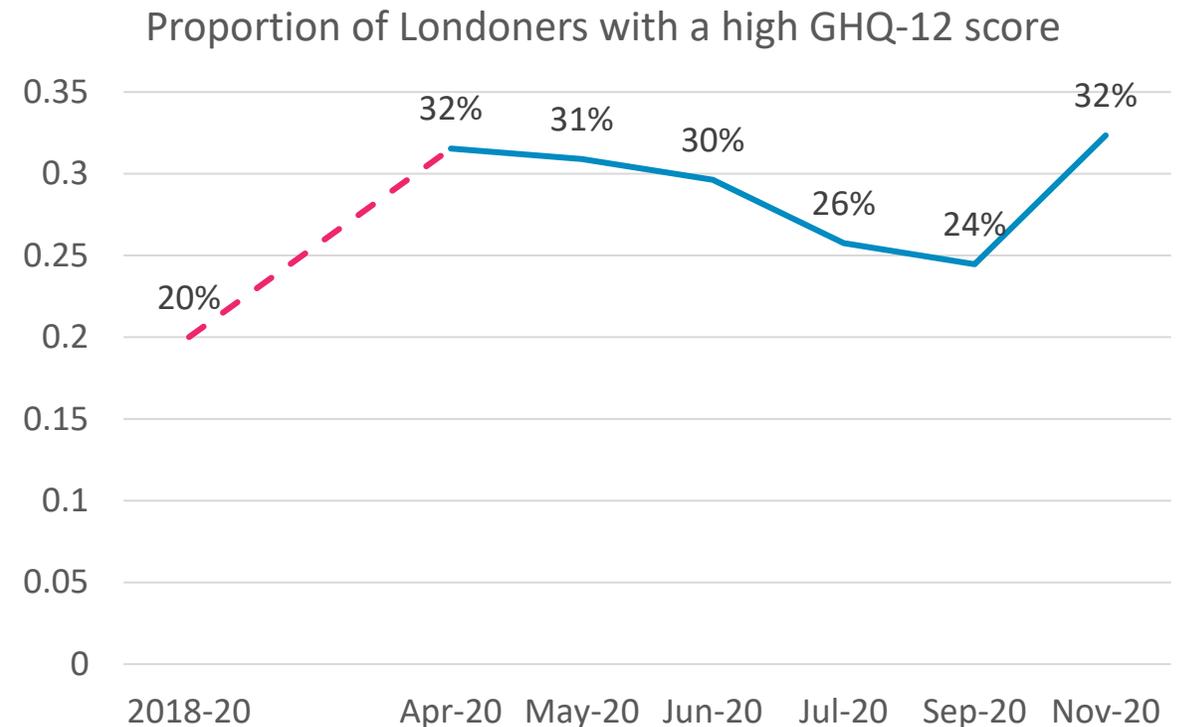
Proportion of adults who in the last month have cut down the size of their meals or skipped meals because they did not have enough money to buy food



Source: Food Standards Agency. (2021). Covid-19 Consumer Tracker Waves 1-8.

The second national lockdown saw the proportion of Londoners who have poorer mental health rise to the level seen during the first national lockdown

- 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 November 2020, around a third (32 per cent) of Londoners aged 16+ reported characteristics of poor mental health, which has increased from 24 per cent in September.
- Younger Londoners (43%), White Londoners (36%) and Londoners who did not live with a partner (41%) were more likely to report characteristics of poor mental health than Older Londoner (26%), BAME Londoners (24%) and Londoners living with a partner (24%)

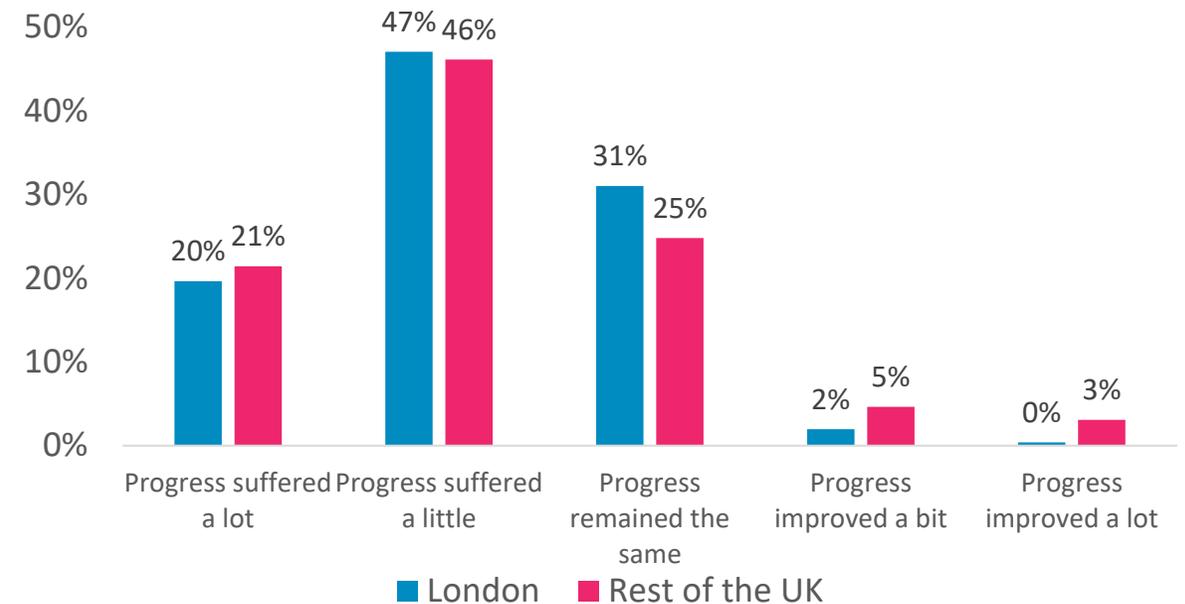


Source: University of Essex, Institute for Social and Economic Research. (2021). Understanding Society: COVID-19 Study, 2020.

Around two thirds of London parents felt their child's academic progress had suffered to some extent since March

- 67 per cent of parents in London and across the UK said their child's progress had suffered to some extent (a lot or a little) since the closure of schools in March 2020.
- 31 per cent of London parents felt their child's academic progress remained the same as it would have done if schools remained open, similar to the UK overall (25 per cent).
- Only two per cent of London parents reported their child's academic progress had improved since lockdown began, less than the rest of the UK where eight per cent of parents reported an improvement.

London parent's views of the effect of lockdown on their child's academic progress since March 2020

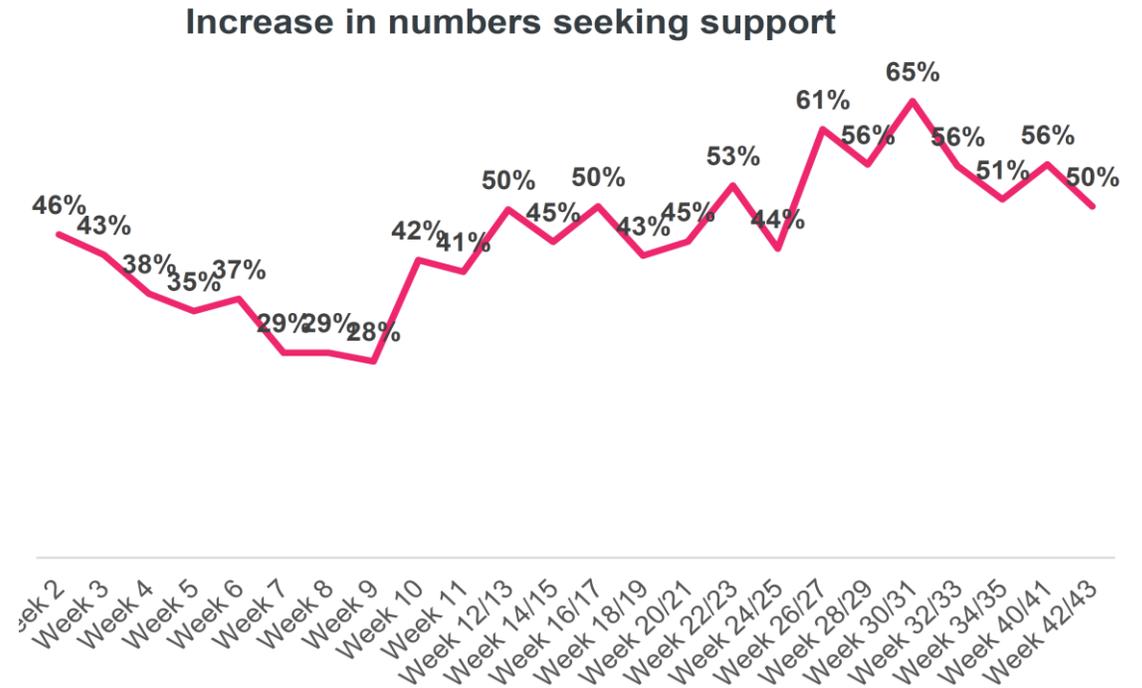


Source: University of Essex, Institute for Social and Economic Research. (2021). Understanding Society: COVID-19 Study, 2020.

Notes: Values provided by mother/main female guardian if available; or father/main male guardian if mother/main female guardian is not available.

At the end of January, the main issues reported by London's civil society organisations were mental health, isolation and financial insecurity

- The GLA's Community Response Survey reported that at the end of January the three biggest challenges that London's civil society organisations identified that the Londoners they work with were facing in the last week were mental health, isolation and financial insecurity.
- Organisations working with migrant communities highlighted digital exclusion and multi-lingual support as the biggest risks facing their community.
- Organisations working with children identified following social distancing as one of the main risks facing their community.



The introduction of a new lockdown saw an increase in domestic violence while overall crime fell

- This pattern was similar to the first lockdown
- Knife crime with injury rose sharply in summer 2019 but has since fallen
- Racist and religious hate crime rose to a record high in June 2020 but has since reduced

