



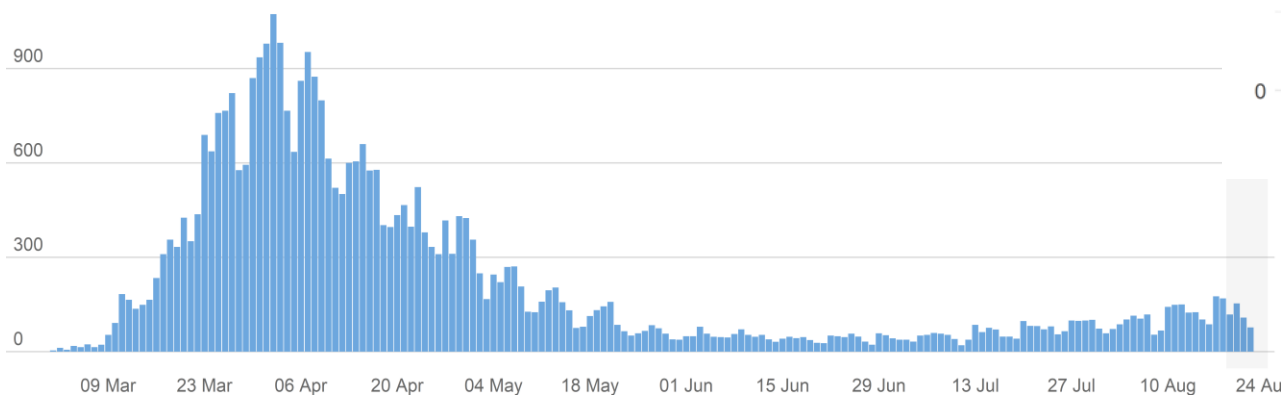
Overview and mitigation of Impacts of Covid-19

Briefing for Recovery Board

Weekly cases are increasing as lockdown has eased & have tripled since end June

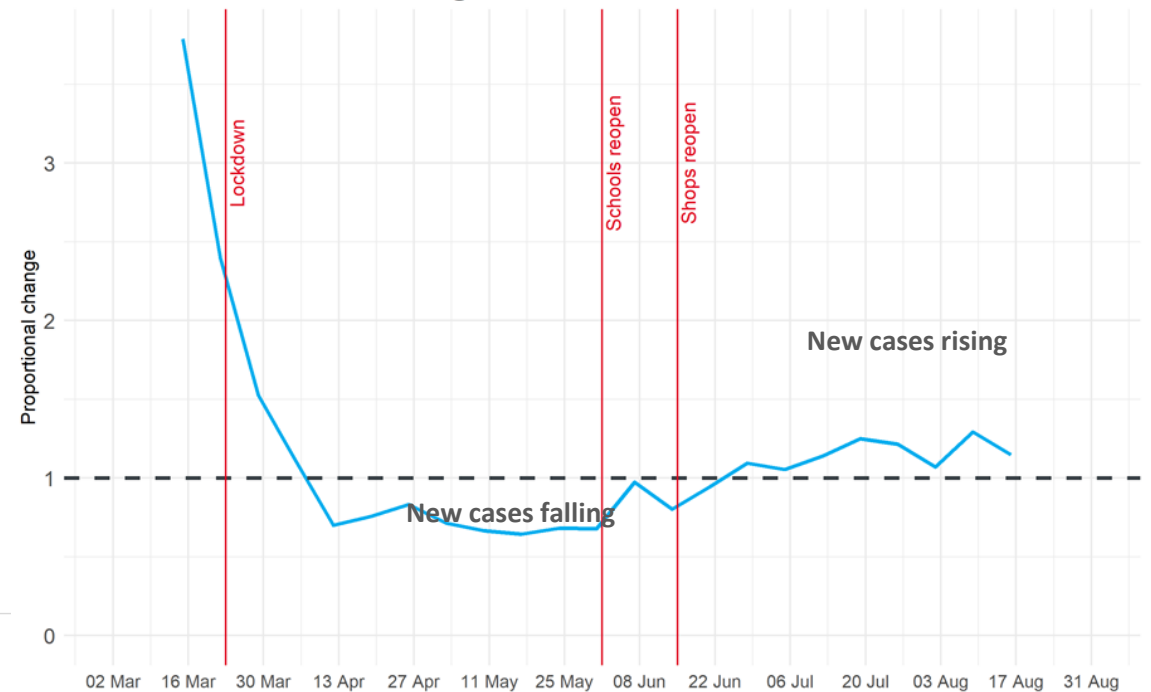
- Over 6,000 new cases/week at April peak
- Down to 300/week by end June
- Steady increase since start July and now over 900 new cases/week
- The highest concentrations of new cases have been in Brent and Hackney

Daily Cases by date of specimen
London



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

London: week-on-week change in new cases



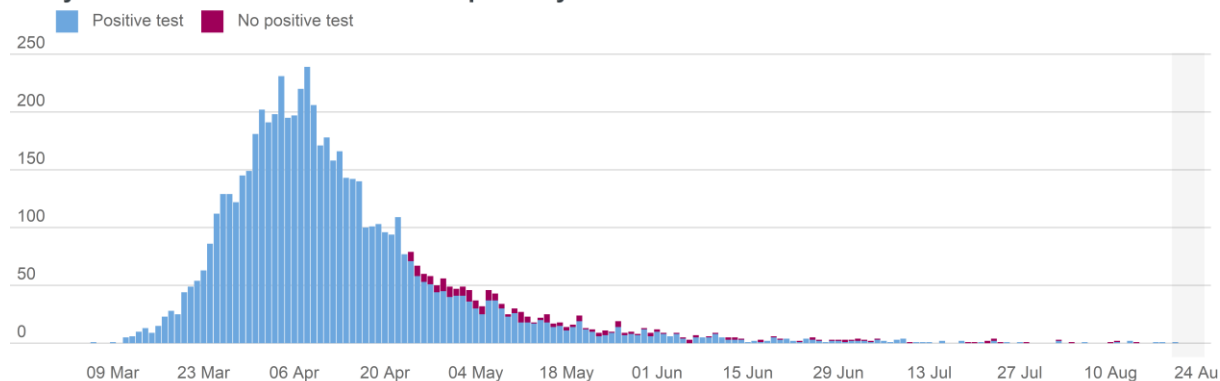
Recent COVID-19 deaths remain low

- Weekly deaths now around **10**
 - down from peak of over **2,000** in April
- Total toll in London – **8,560***
- By location:
 - Hospital - **6,290**
 - Care homes – **1,393**
 - Home – **683**
 - Other – **194**

*Deaths occurring up to 14 August

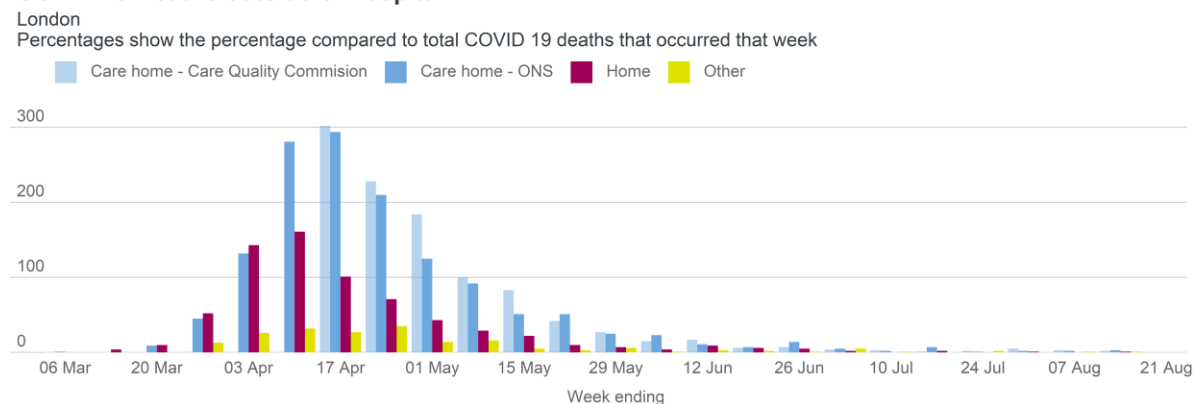
Source: ONS weekly deaths

Daily COVID-19 deaths in London hospitals by date of occurrence



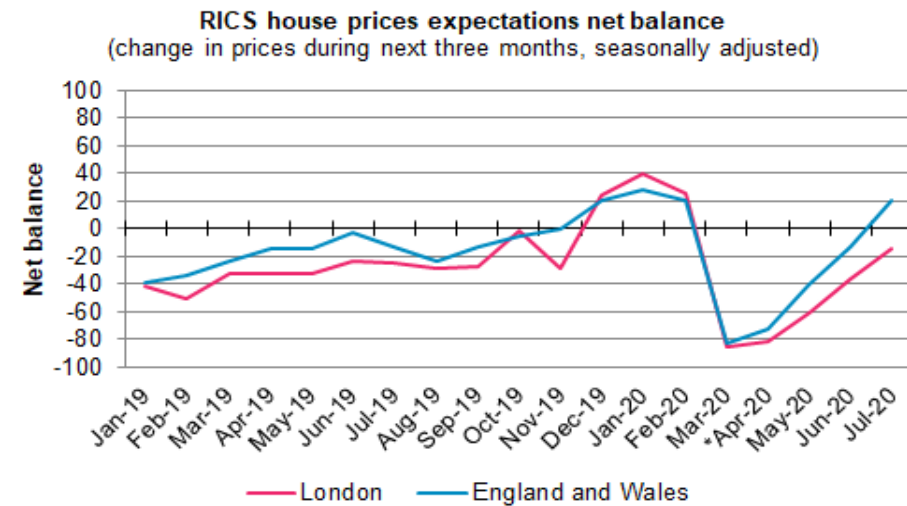
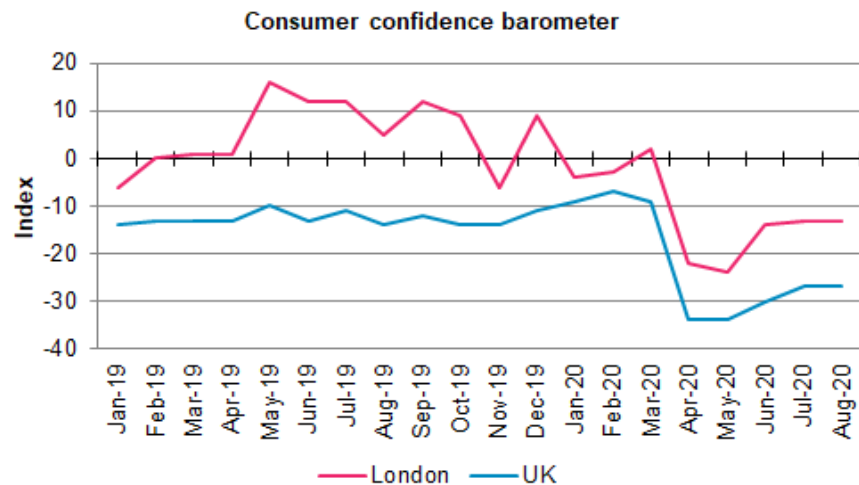
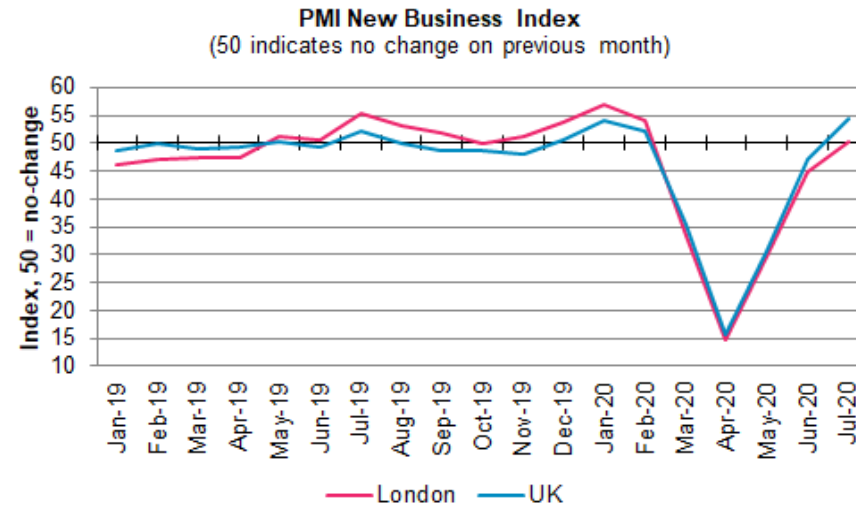
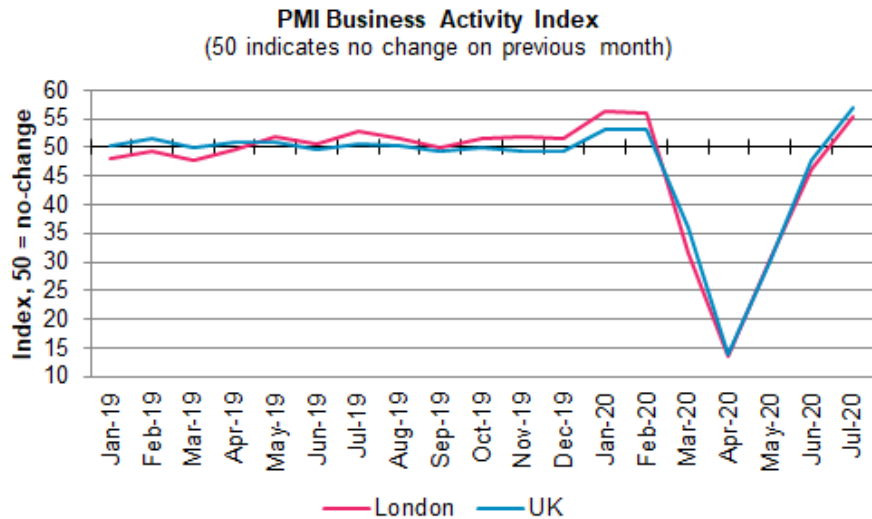
Source: NHS England COVID-19 Daily Deaths
Cases with no positive test are only published from 25 April
Note: Recent data (shaded region) is likely to be revised upwards
Graphic by GLA City Intelligence

COVID 19 Deaths outside of hospital



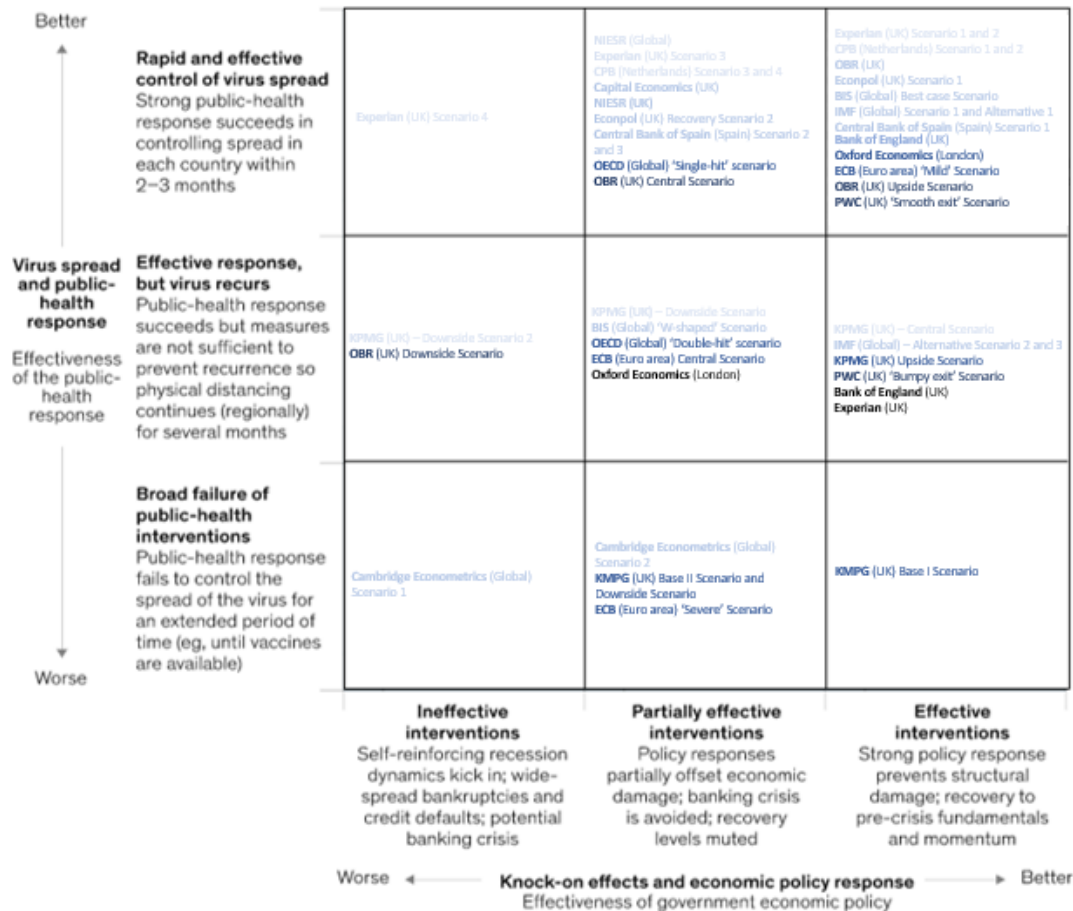
Source: ONS weekly deaths by Local Authority and Care Home deaths reported to the CQC
Graphic by GLA City Intelligence

After reaching historic low levels between March and April, economic indicators began to recover in May. Some indicators such as PMI Business Activity and PMI New Business reached pre-crisis levels in July



International economic forecasts and scenarios seem to be leaning towards a longer global recession

March
April
May
June
July
August



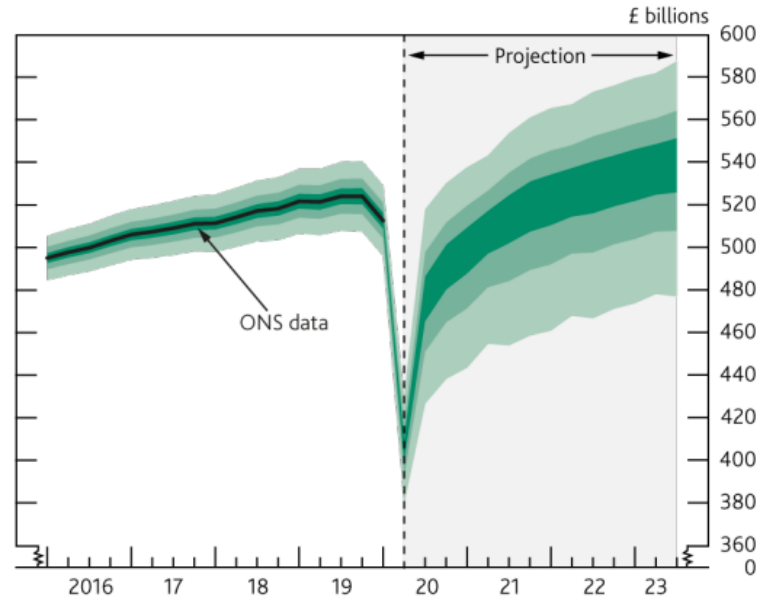
As at August 2020, the balance of economic forecasts and scenarios leaned towards a longer recession. A partial recovery is expected in 2021, with annual GDP growth turning positive.

Risks, however, remains on the downside, with the possibility of a second wave of infections this year or negative impacts resulting from Brexit in January 2021.

Compared to earlier scenarios, assumptions around the control of the virus spread and an effective public-health response have become more pessimistic. Scenarios have generally moved from the top right to the centre right of the matrix. A U-shaped or delayed V-shaped recovery is now seen as more likely than a V-shaped recovery.

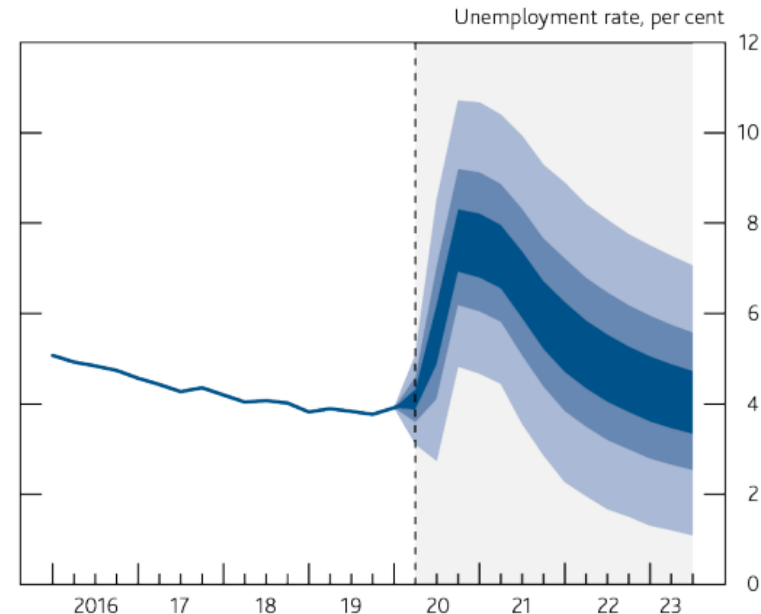
The updated BoE reference scenario assumes a less deep but longer recession in the UK than initially projected, with output and employment not returning to pre-crisis levels before 2023

Chart 1.1 GDP projection based on market interest rate expectations, other policy measures as announced

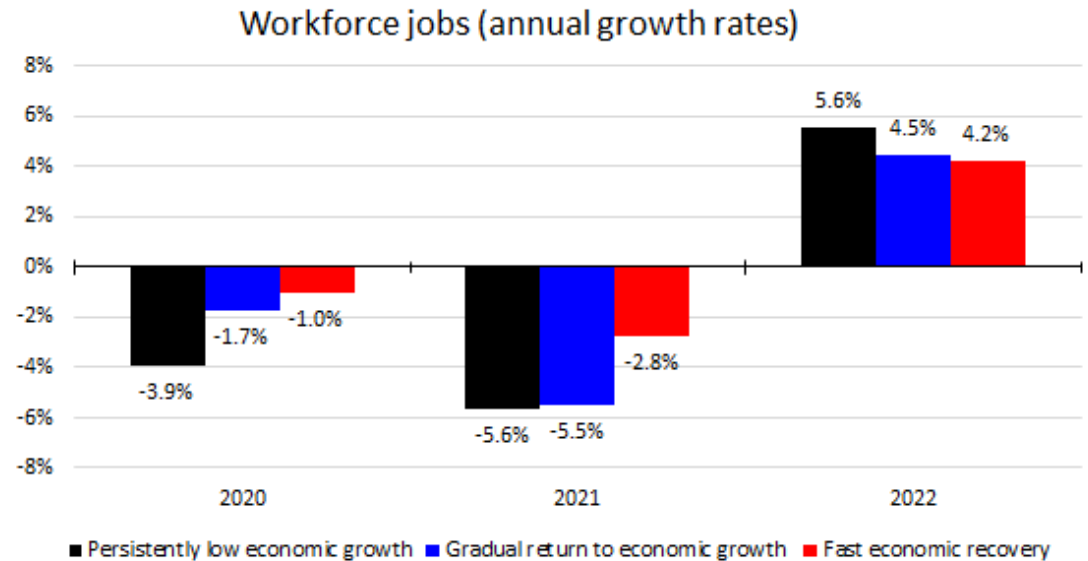
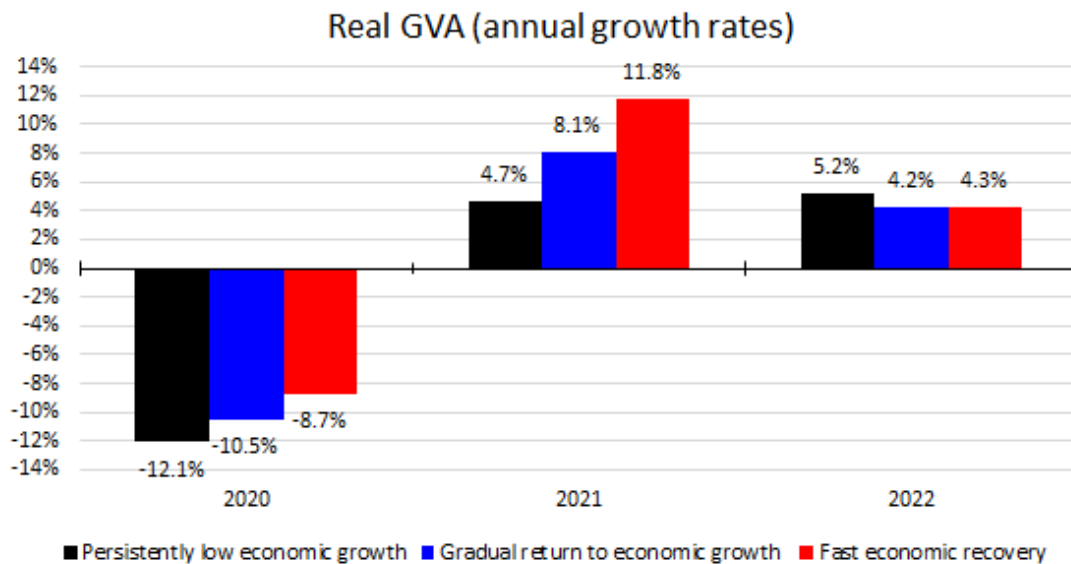


Source: BoE – Monetary Policy Report August 2020

Chart 1.2 Unemployment projection based on market interest rate expectations, other policy measures as announced

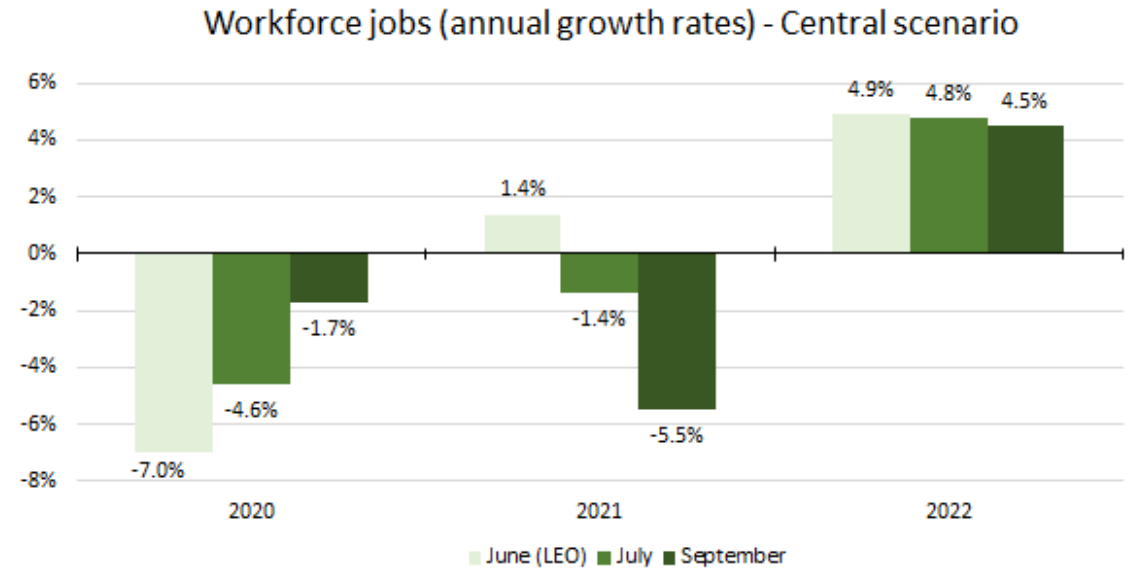
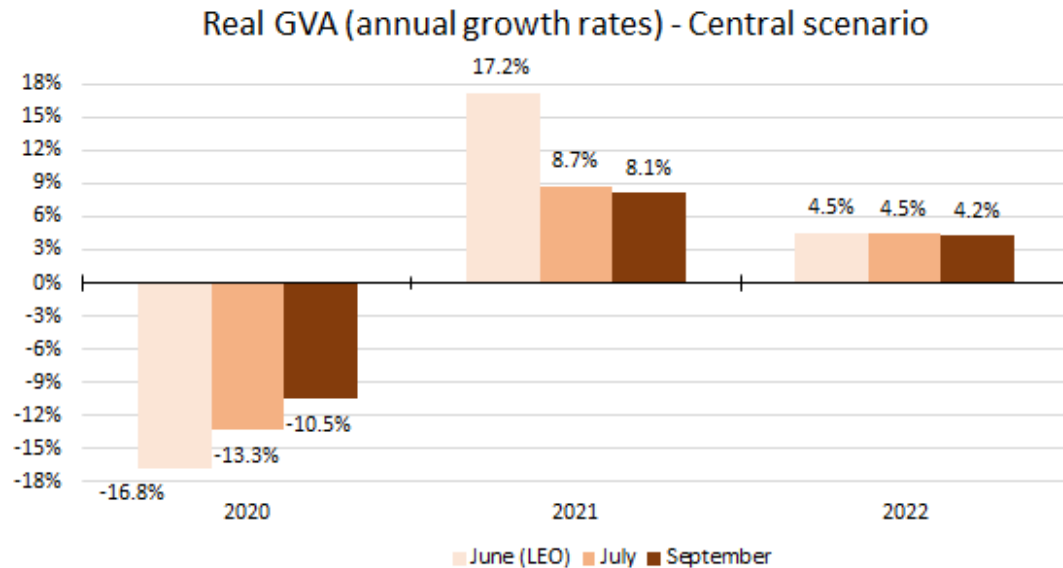


The latest macroeconomic scenarios for London by GLA Economics (September 2020) are in line with recent BoE and OBR projections...



Source: GLA Economics estimates

...they point to a less deep but longer recession for London compared to earlier projections, with government support (especially CJRS) pushing most of the employment impacts into 2021



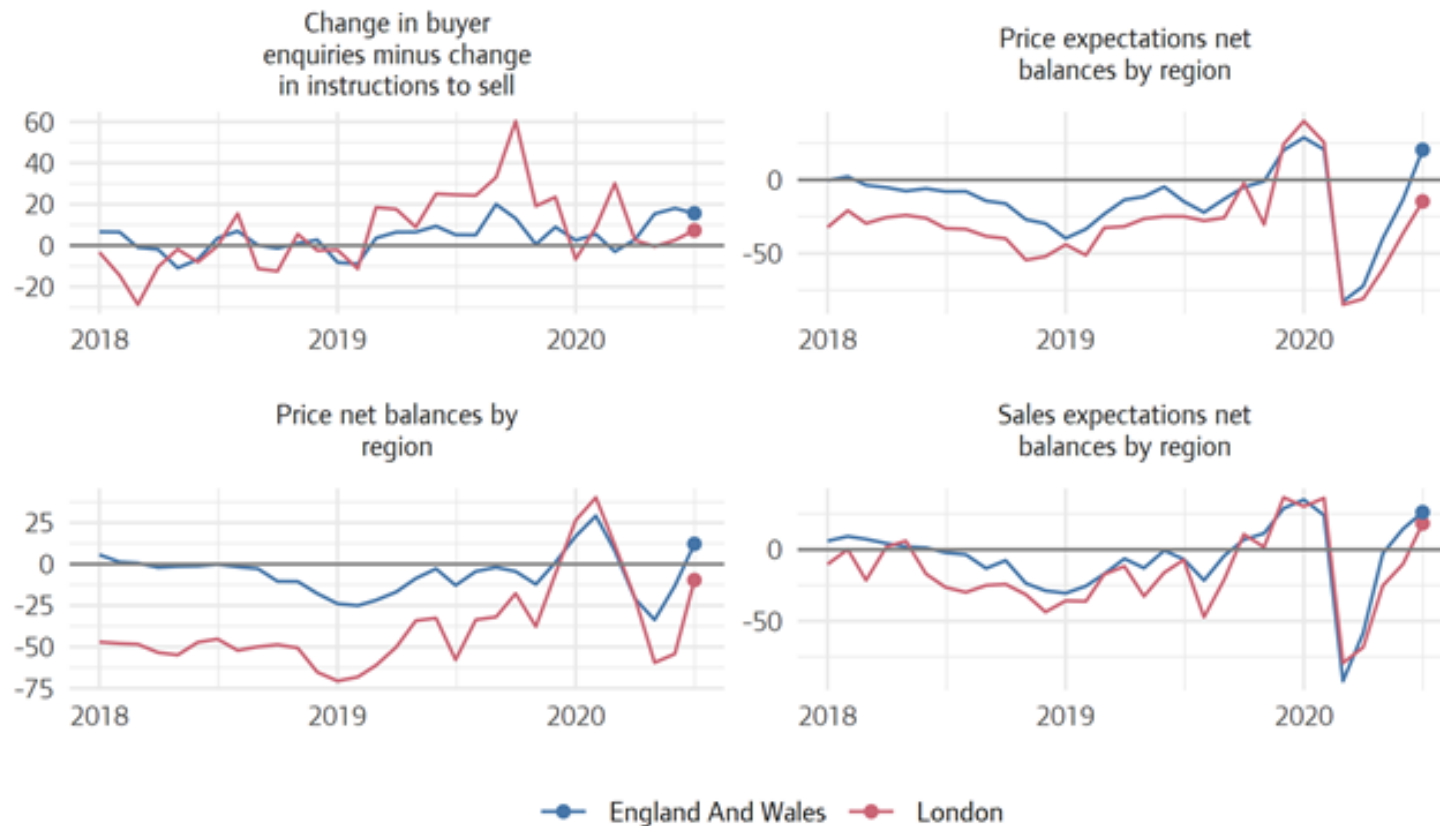
Source: GLA Economics estimates

Based on GLA Economics estimates, most London sectors will experience historic downturns, especially Accommodation and Food; Arts, Entertainment & Recreation; Education and Construction

Real GVA annual growth rate in 2020		Workforce jobs annual growth rate in 2021	
Sector	%	Sector	%
Agriculture, forestry and fishing	-2.8%	Agriculture, forestry and fishing	-3.5%
Mining and quarrying	-2.9%	Mining and quarrying	-4.3%
Manufacturing	-16.6%	Manufacturing	-7.5%
Electricity, gas, steam and air-conditioning supply	-2.4%	Electricity, gas, steam and air-conditioning supply	-4.9%
Water supply; sewerage and waste management	-0.5%	Water supply; sewerage and waste management	-5.4%
Construction	-19.0%	Construction	-6.8%
Wholesale and retail trade; repair of motor vehicles	-14.0%	Wholesale and retail trade; repair of motor vehicles	-7.8%
Transportation and storage	-14.2%	Transportation and storage	-7.5%
Accommodation and food service activities	-30.1%	Accommodation and food service activities	-10.5%
Information and communication	-7.8%	Information and communication	-5.3%
Financial and insurance activities	-6.6%	Financial and insurance activities	-2.0%
Real estate activities	-8.5%	Real estate activities	-4.8%
Professional, scientific and technical activities	-10.5%	Professional, scientific and technical activities	-4.1%
Administrative and support service activities	-9.6%	Administrative and support service activities	-5.8%
Public administration and defence; compulsory social security	-10.1%	Public administration and defence; compulsory social security	-3.0%
Education	-24.7%	Education	-8.5%
Human health and social work activities	13.2%	Human health and social work activities	0.5%
Arts, entertainment and recreation	-25.3%	Arts, entertainment and recreation	-9.3%
Other service activities	-7.5%	Other service activities	-4.3%
Activities of households	-9.1%	Activities of households	-3.8%

Source: GLA Economics estimates – 'Gradual return to economic growth' Scenario (September 2020)

Surveys continue to indicate a slower housing market recovery in London than in the rest of the country, but despite falling rents many renters are still struggling



Data from RICS

- RICS report that surveyors expect prices to recover more slowly in London than in the rest of the country
- The number of sale and rental listings added to property portals has however rebounded strongly after lockdown
- This has led to falling rents for new tenancies, as reported by Homelet, Rightmove and Zoopla
- Despite falling rents, a quarter of private renters in London say they have either fallen behind on their rent since the outbreak started or expect to fall behind soon.

Housebuilding has recovered but we have yet to make up for 'lost' completions, while the emergency rough sleeping response is focused on moving people from hotels into sustainable accommodation

New supply

- New data shows that the number of new homes completed in London fell from around 3,000 a month before lockdown to around 1,000 a month during April and May, before recovering to its previous level in July. Compared to the pre-lockdown trend there was a loss of around 5,000 completions in London between late March and mid-June.
- Around 3,300 new homes were started on large (20+ homes) market-led schemes in London in Q2 2020, which is below trend but not by as much as expected under the circumstances.

Rough sleeping

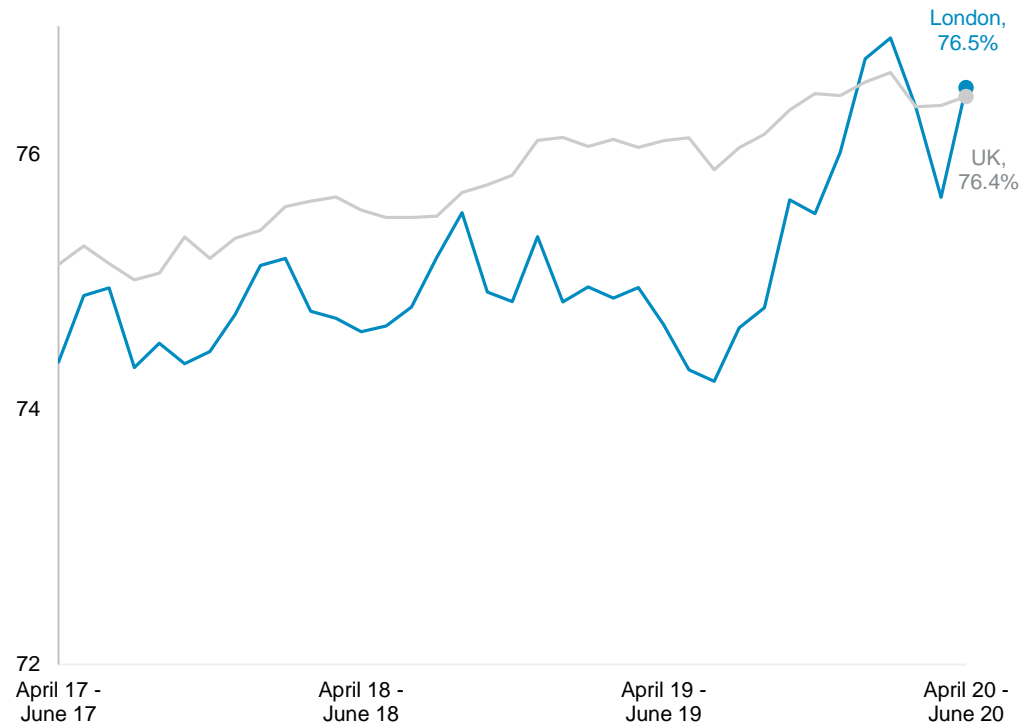
- Between April and June 2020 outreach teams recorded 2,680 people sleeping rough in London for the first time, a 77% increase from the same period in 2019. Of these, 2,158 (81%) spent just one night sleeping rough, while 39 were subsequently seen enough to be considered living on the streets.
- By contrast, the number of people considered to be living on the streets fell by a third between 2019 and 2020, largely as a result of efforts to get people into Covid-19 emergency accommodation.
- The number of homeless people in emergency hotel accommodation procured by the GLA is now falling as the focus moves to finding them appropriate and sustainable accommodation. As of mid-August there were around 750 people accommodated in hotels, down from a peak of around 1,350 in mid-May.

Employment rate in London continues to be high by historical standards

Employment rate (% of working age population)

London Sampling variability $\pm 1.2\%$

UK Sampling variability $\pm 0.5\%$



Source: ONS Labour Force Survey 2020

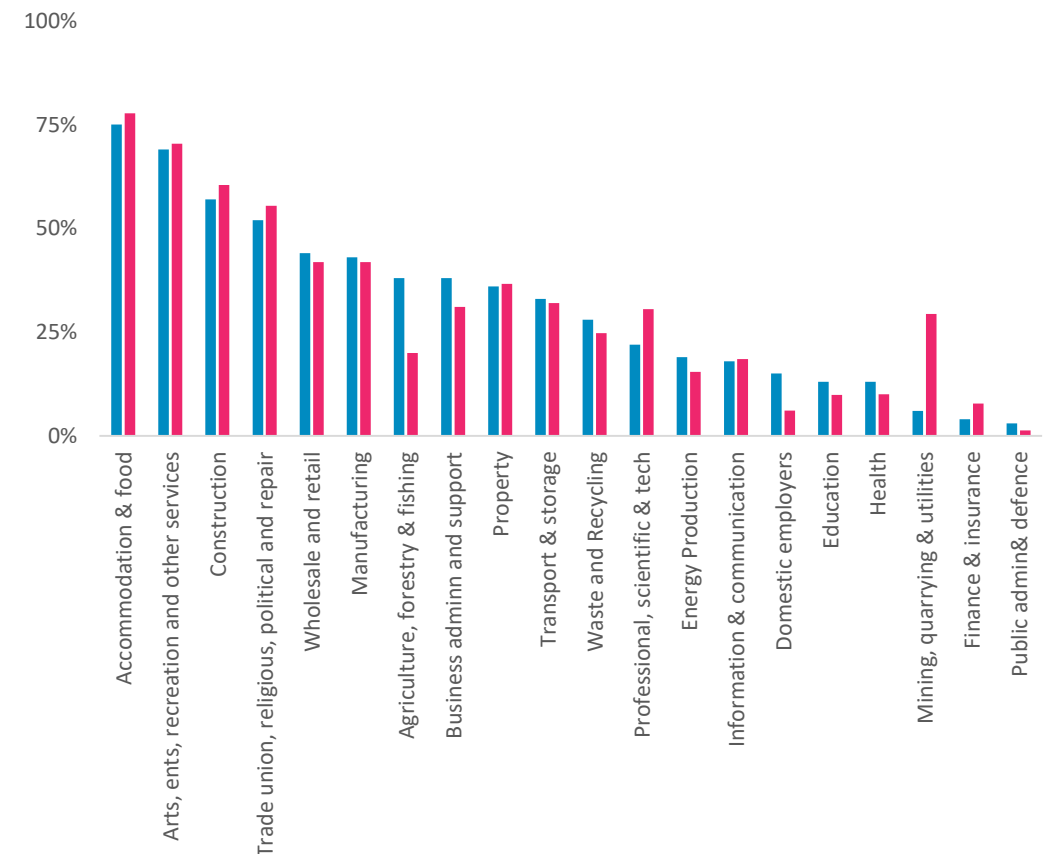
Headline labour market indicators still do not show the full impact of the crisis:

- In the three months to June 2020, London's 16-64 **employment rate** was estimated at 76.5%. This was down by 0.4pp on the previous quarter but up 1.9pp on the year.
- Women made up 41% of the quarterly fall, down 23,600 for women, and 33,500 for men.)
- The **unemployment rate** in the capital was 4.6% in the three months to June 2020, unchanged on the quarter and on the year. The **UK** unemployment rate was estimated at 3.9%, also unchanged compared against the previous quarter and the previous year.
- The number of people unemployed in London fell by 4,100, with 8,500 fewer men unemployed but 4,400 more women unemployed

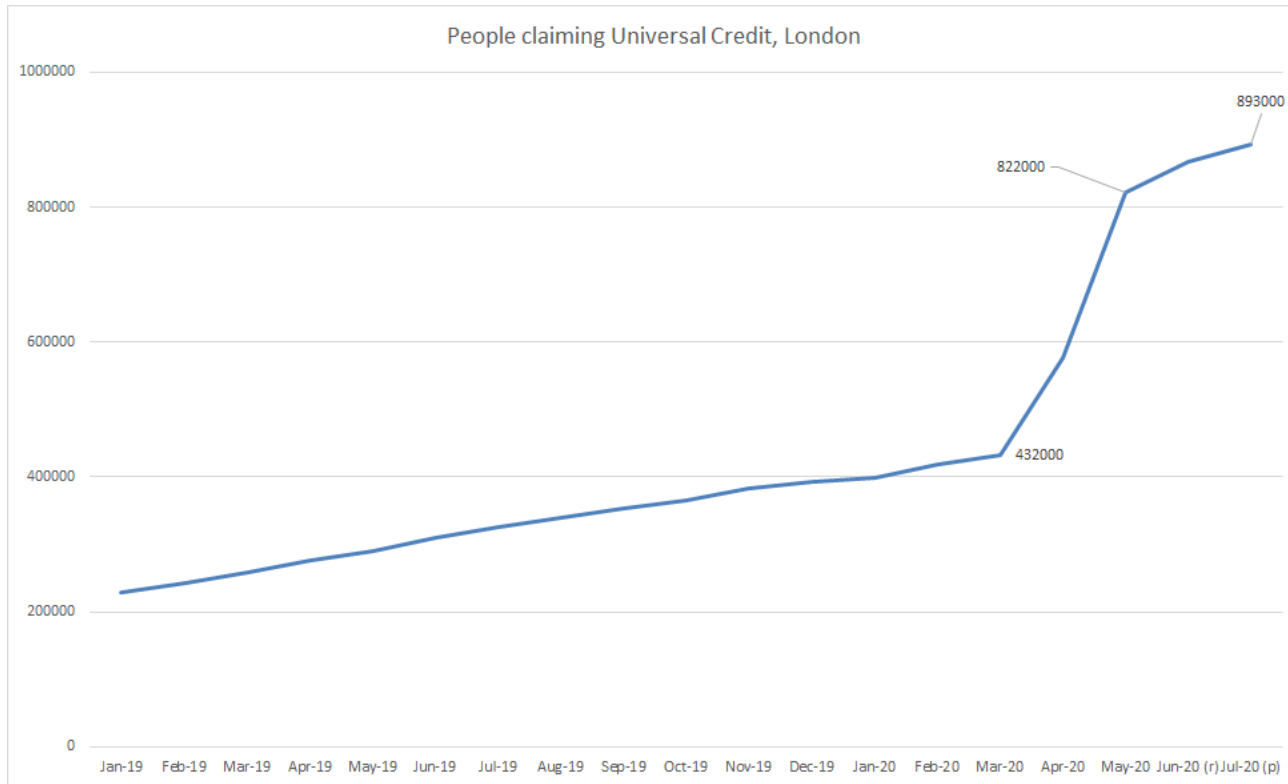
The employment rate is supported by the furlough scheme - London had a total of 1.39 million furlough employments in August, a 7% increase on July

- For the Coronavirus Job Retention Scheme (CJRS) London had total of 1.39 million furloughed employments and 9.6 million across the UK. Both London and UK had a take up of 32%.
- For London, accommodation and food has the highest take up rate (75%), followed by Arts and entertainment (69%) and Construction (57%).
- There were also a total of 498,000 Londoners on the Self-Employed Income Support Scheme (SEISS) claims in London and 2.5 million for the UK as a whole. Transport and Storage (89%) and Construction (82%) were the sectors with the highest SEISS take up rate for London
- The number of CJRS claims in the capital, rose by 7% (94,000 furloughed employments) over the course of July. Whereas SEISS claims rose by 12%(14,000) over July.

CJRS Take up rates by sector for London and rest of UK



The number of Londoners claiming Universal Credit rose a further 25,000 between June and July 2020, though the pace of growth has slowed



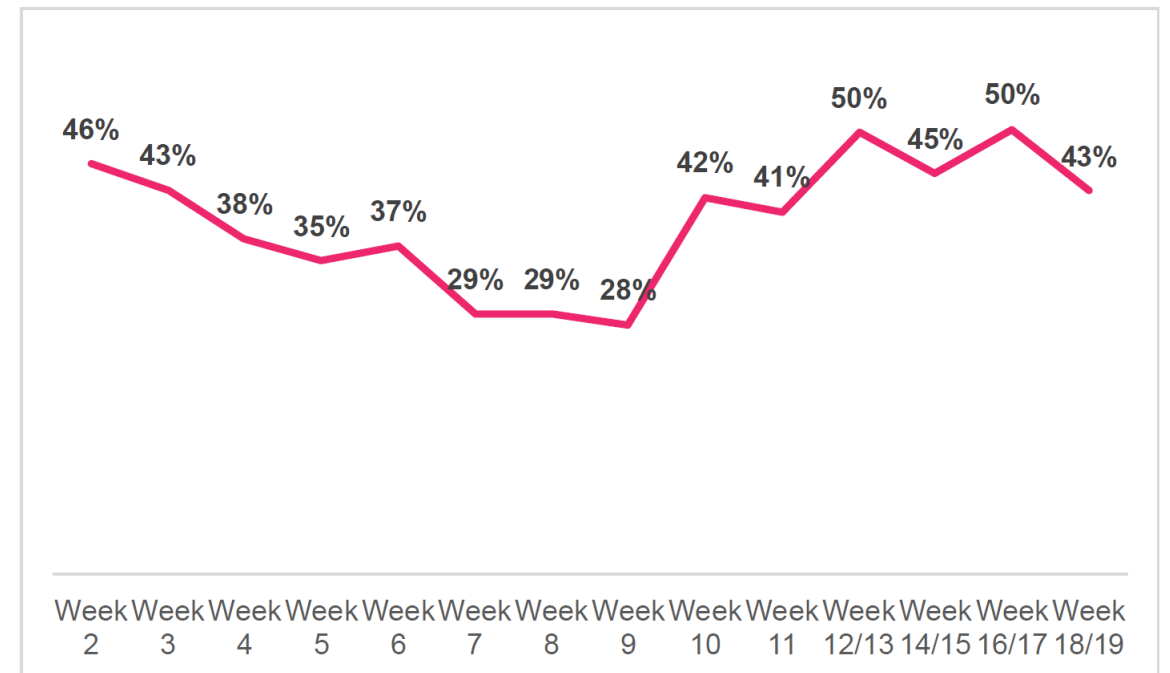
- 890,000 Londoners were claiming Universal Credit in July 2020, an increase of 461,000 since March 2020, and 25,000 since the previous month.
- The numbers of claimants from every age group under 55 have doubled since March, but tripled among men aged 25-29
- Most new claimants were searching for work – 330,000 of the 461,000 were searching for work/more work, but 90,000 were new claims for those working but on low earnings**

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

Civil society organisations are providing more support around job loss, employment and low income

- The proportion of civil society organisations reporting an increase in the number of people seeking support increased in July and August.
- Organisations are reporting more clients seeking support on the loss of jobs, lack of employment opportunities and low income.
- The biggest issue facing **civil society organisations themselves** continues to be sustainable funding. Other pertinent issues are planning and delivering services as lockdown is eased.

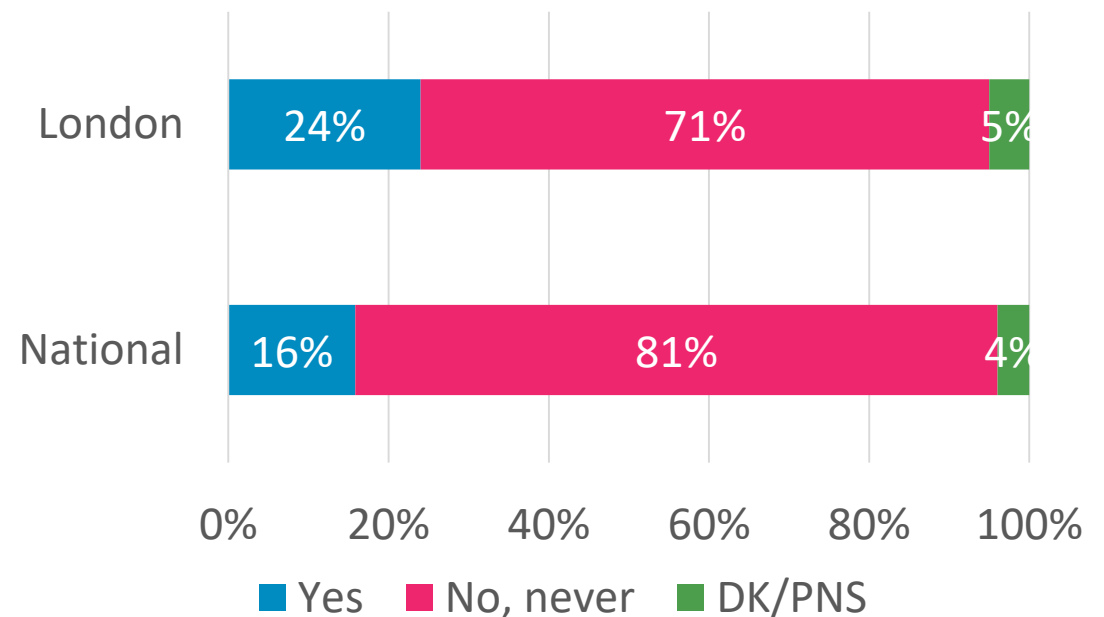
Proportion of organisations reporting an increase in number of people seeking support (w/c 20th April – w/c 17th August)



16 per cent of Londoners received a charity food delivery in July and 24 per cent cut down/skipped meals. Delayed benefit payments are the main reason for food deliveries

- 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, and 31 per cent because someone in the household had lost their job
- In July, around a quarter (24 per cent) of Londoners aged 16-75 reported they had cut down on the size of meals or skipped meals in the last month because they did not have enough money to buy food vs. 16 per cent nationally

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



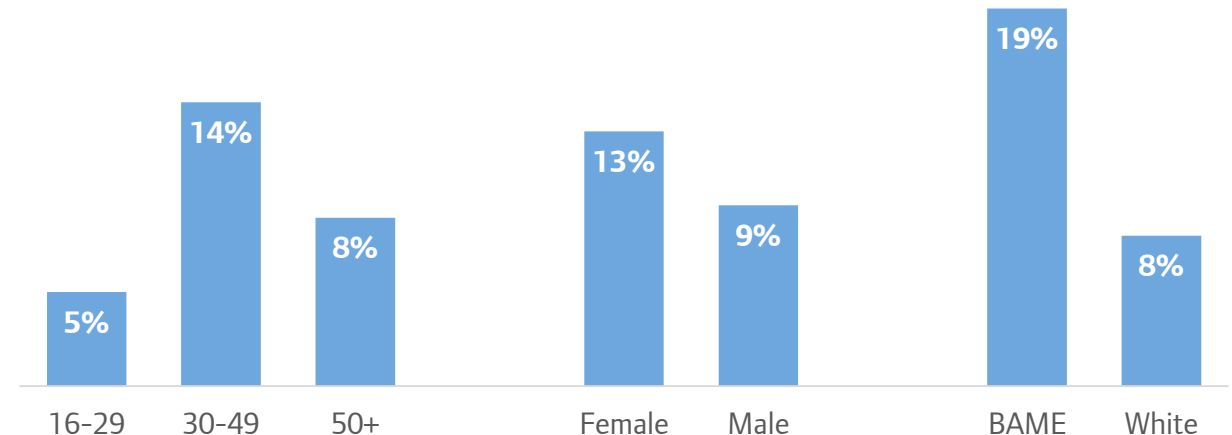
Base: All adults aged 16-75 in England, Wales and Northern Ireland: 2,068; London: 305

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

The proportion of Londoners who have fallen behind with their household bills has increased during Covid-19

- Eleven per cent of 16+ Londoners were behind with some or all of their other household bills in May 2020 (compared to around 7 per cent in 2017-19)
- Eight per cent of 16+ Londoners were not up to date with their rent or mortgage in May 2020
- Ten per cent of 16+ Londoners living in rented accommodation had a rent holiday during May 2020
- Ten per cent of 16+ Londoners with a mortgage applied for a mortgage holiday since the onset of the Covid-19 pandemic
- Five per cent of 16+ Londoners had applied for a credit holiday on consumer credit between March and May 2020

Proportion behind with some/all household bills (16+ Londoners, May 2020)

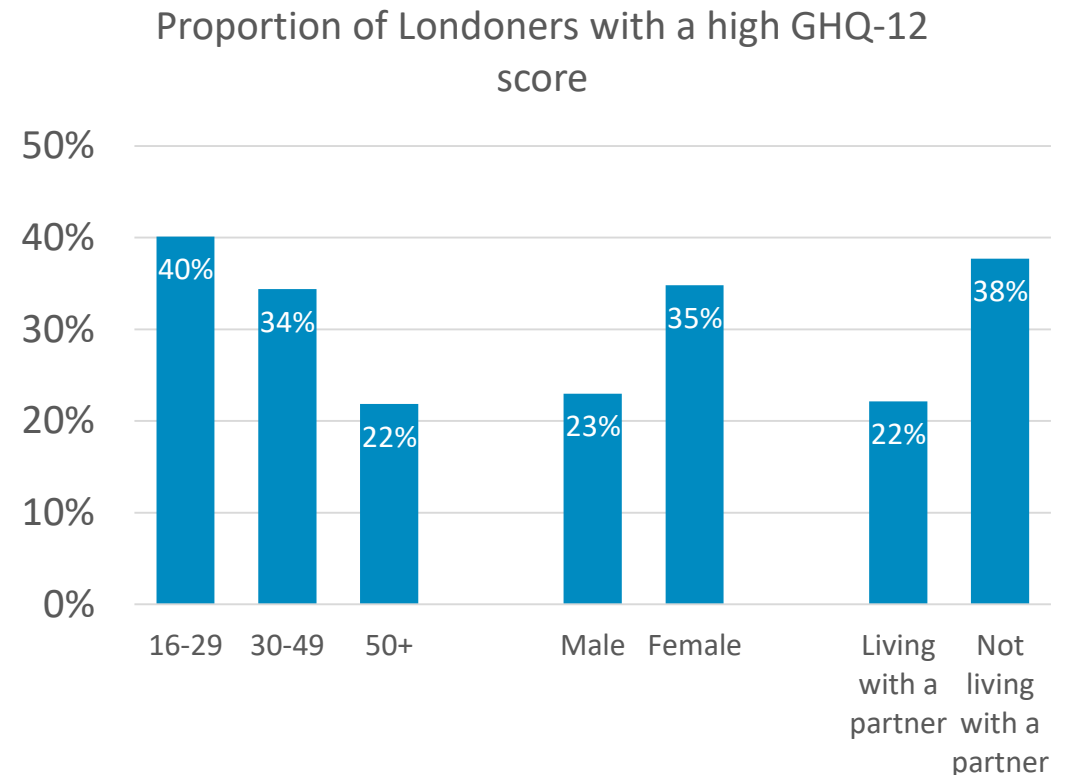


Base: May-20 16-29: 325; 30-49: 520; 50+: 305; Male: 624; Female: 692; BAME: 403; White: 909

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

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.
- In June 2020, around three in ten (30 per cent) 16+ Londoners reported a GHQ-12 score of 4 or more, indicative of poorer mental health, an increase of 11 percentage points compared with the pre-pandemic estimate in 2017-19 of 19 per cent.
- Younger Londoners aged 16-29 were more likely to report a high GHQ-12 score, compared with older age groups
- Londoners not living with a partner were more likely than those living with a partner to report a high score
- Female Londoners were more likely than male Londoners to report a high score



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

London has seen a slight increase in the population with full 'Essential Digital Skills for Life'* , but 18% lack these and 4% are offline

- In London the proportion of people with full Essential Digital Skills (EDS) for Life has increased from 78 per cent in 2019 to 82 per cent in 2020
- The proportion of people who are offline has fallen to 4%
- Londoners are more likely to be online and have full digital skills than the UK average

	London (2019)	London (2020)	UK average (2020)
Proportion of people who are offline	5%	4%	8%
Proportion of people who have the Foundation Skill	82%	89%	84%
Proportion of people with full Essential Digital Skills for Life	78%	82%	78%

Source: Lloyds Bank. (2020). [UK Consumer Digital Index 2020](#).

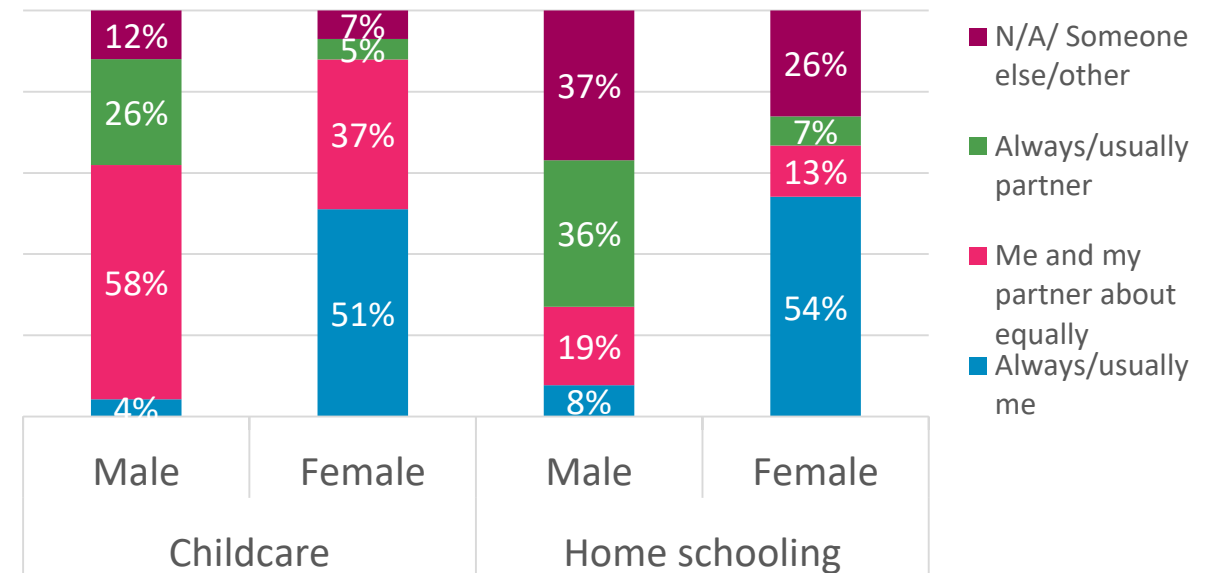
Note: fieldwork was conducted in January 2019 and 2020 and included those aged 15+ years in Great Britain and Northern Ireland.

* Measured by the annual Lloyds Bank 'UK Consumer Digital Index'

Female Londoners within couples with children have taken on the majority of domestic tasks compared with male Londoners within couples

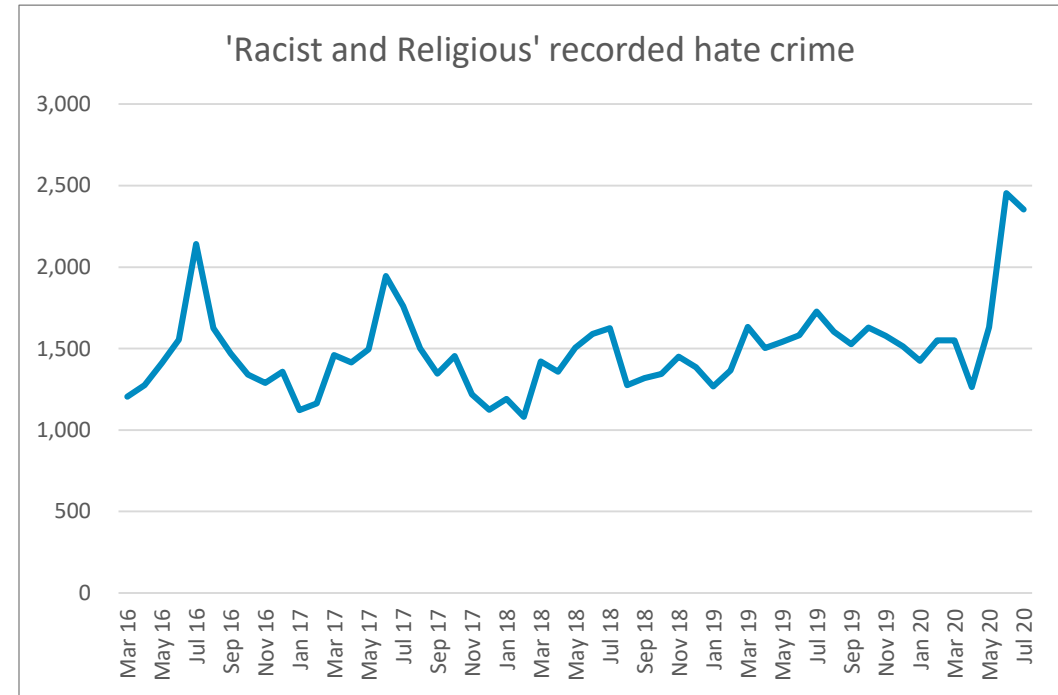
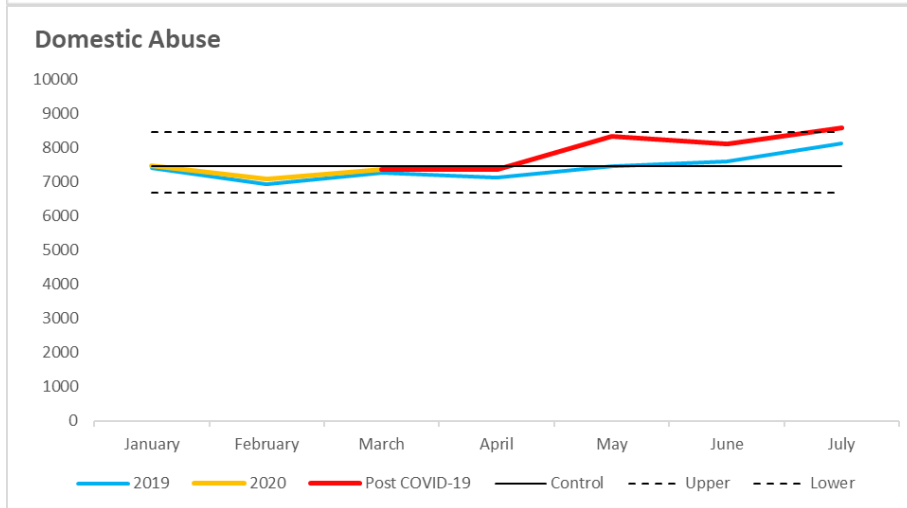
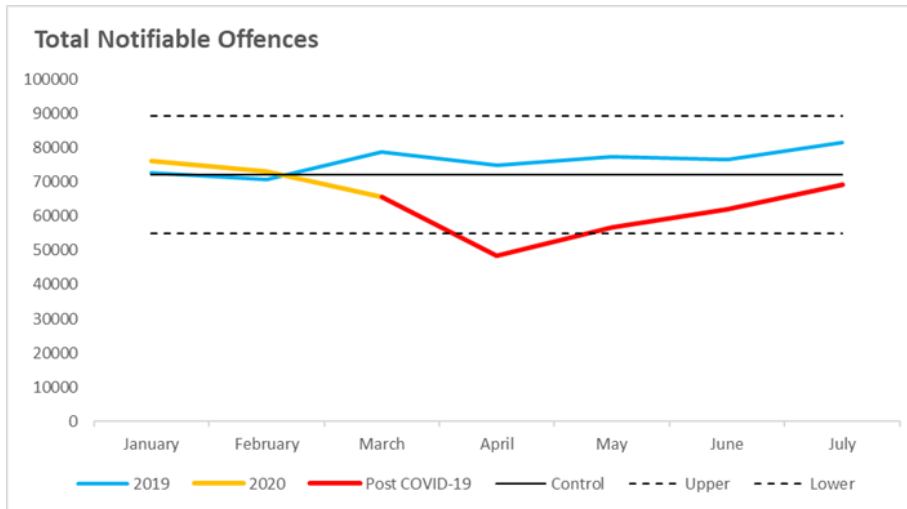
- In June 2020, around half (51 per cent) of 16+ female Londoners in a couple with children reported that they are mainly responsible for looking after their children. This compares with four per cent of male Londoners.
- Around half (54 per cent) of 16+ female Londoners in a couple with children reported that they are mainly responsible for home schooling their children. 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



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

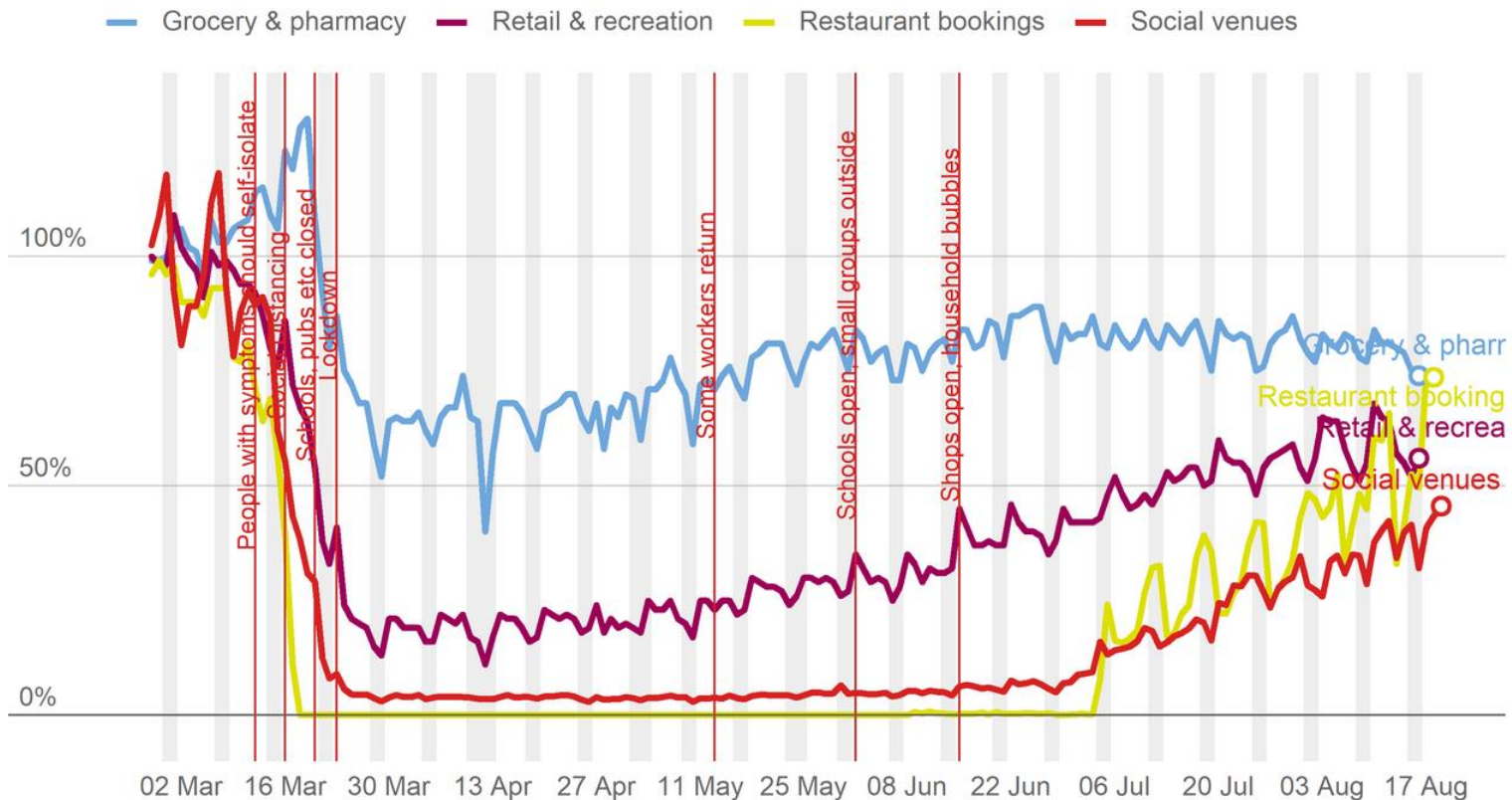
Total crime has returned to pre-Covid-19 levels, but domestic abuse, and hate crime are still higher. Racist and Religious hate crime reached record levels in June 2020



Source: MOPAC from MPS Crime and Hate Crime or Special Crime dashboards

Overall mobility is increasing, with a marked increase in visits to restaurants and social venues in August (Eat Out to Help Out)

Retail and recreational activity in London

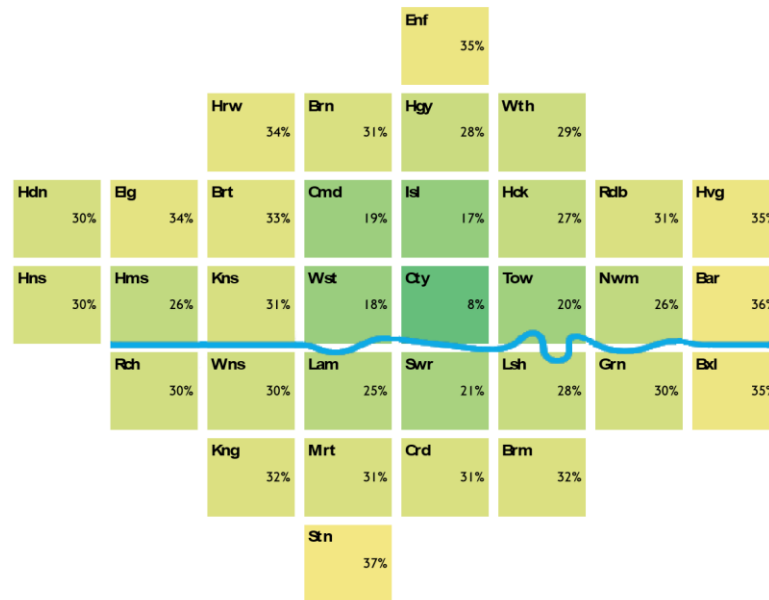


Grocery and retail metrics from Google Mobility, social venues (bars, event spaces etc) from Purple public Wifi and restaurant bookings from OpenTable
Vertical red lines show changes in social distancing rules
Vertical grey bands show weekends and public holidays

The 'donut effect' of reduced travel to central London is evident, and intention to visit is low

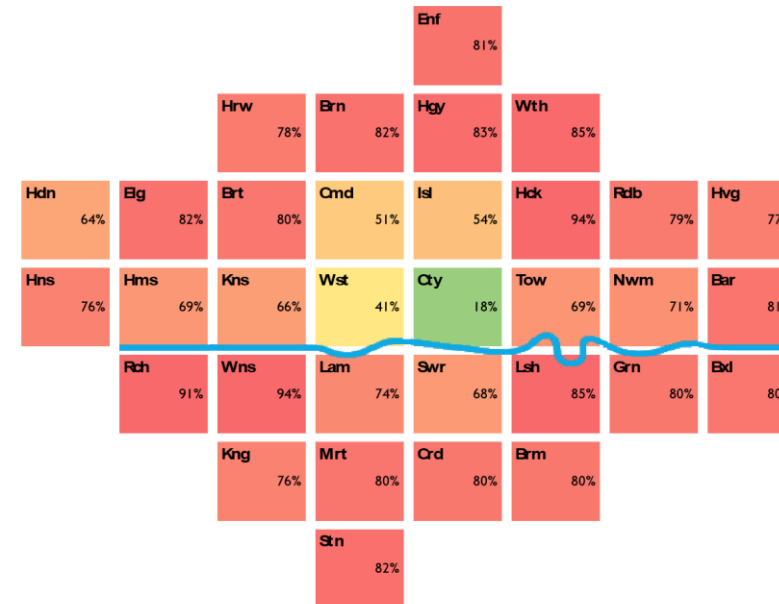
- Just a quarter of Londoners say they are likely to go to central London in the next week (24%) (GLA/YouGov survey)

Figure 5 Commute trips, latest week (w/e 28 June) vs February average.



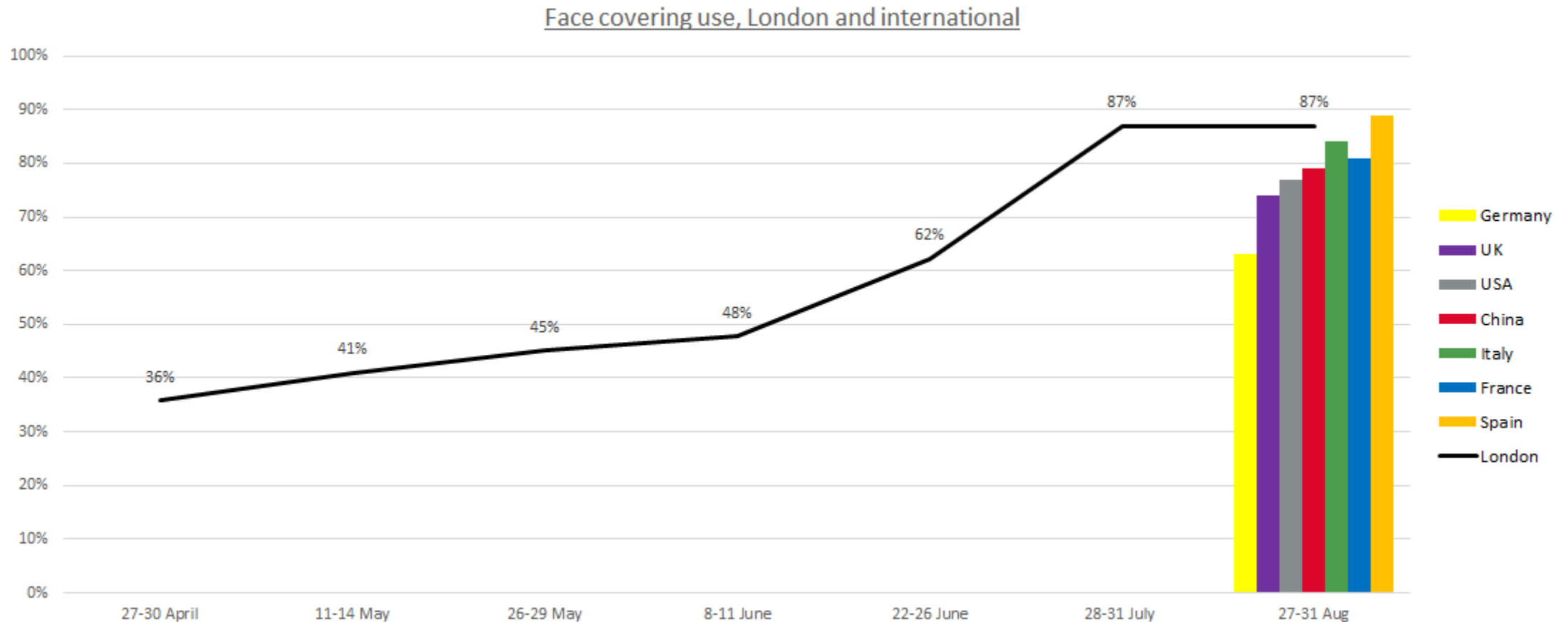
Source: Strategic Analysis.

Figure 6 Non-commute trips, latest week (w/e 28 June) vs February average.



Source: Strategic Analysis.

Face covering usage has plateaued at 87% after a steady increase over the last month. This takes the London's facemask usage rate to near the top of the international comparison. Usage in the UK generally has increased significantly since the start of July, doubling from around 36% - but has also plateaued in August.



Source: GLA/GovGov surveys, multiple dates for London results. [YouGov International COVID-19 tracker](#) for international results. Note question wording slightly different, results show % who say they are wearing a face mask when in public places