



Impacts of Covid-19

Briefing for London Recovery Board

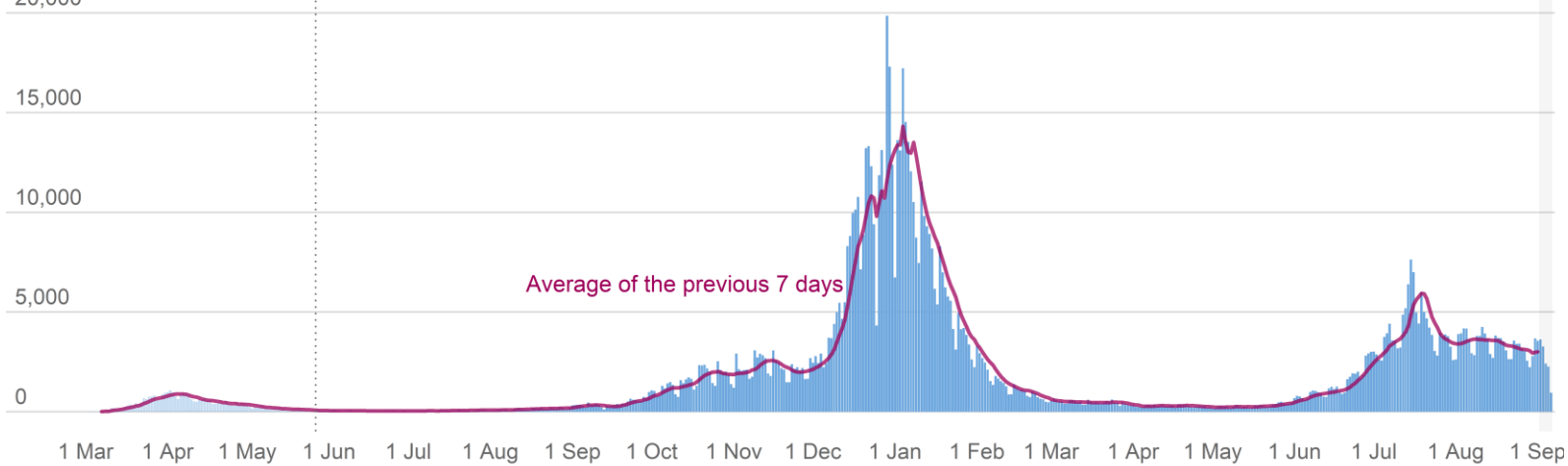
21 September 2021

London case numbers have been elevated since July, with an estimated 1-in-80* infected with COVID-19

- In the most recent week of complete data, 2 to 8 September 2021, **22,653** people tested positive in London, a rate of **252 cases per 100,000** population.
- On 13 September 2021 there were **1,253** COVID-19 patients in London hospitals. This compares with **1,177 patients** on 6 September.
- By 3 September, recorded Covid-19 deaths in London stood at 19,989, with 15,600 occurring in hospitals

Daily Cases by date of specimen

London
20,000



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 for week ending 3 September

4/5th of London's population age 16+ have received a first dose of the Covid-19 vaccine. Vaccine hesitancy has decreased to 7% of the adult population

- Over 85% of people aged 50 and over have received both doses of a vaccine
- By 6 September, 81% of London's population age 16+ have received a first dose and 72% have received two doses – a total of 5,809,937 and 5,134,264 second doses. This equates to around 300,000 doses given each week since the start of the year.
- Hesitancy towards a vaccine has decreased to 7% of Londoners saying they would be unlikely to take a vaccine (as of late-August). This continues to vary by age and ethnicity.

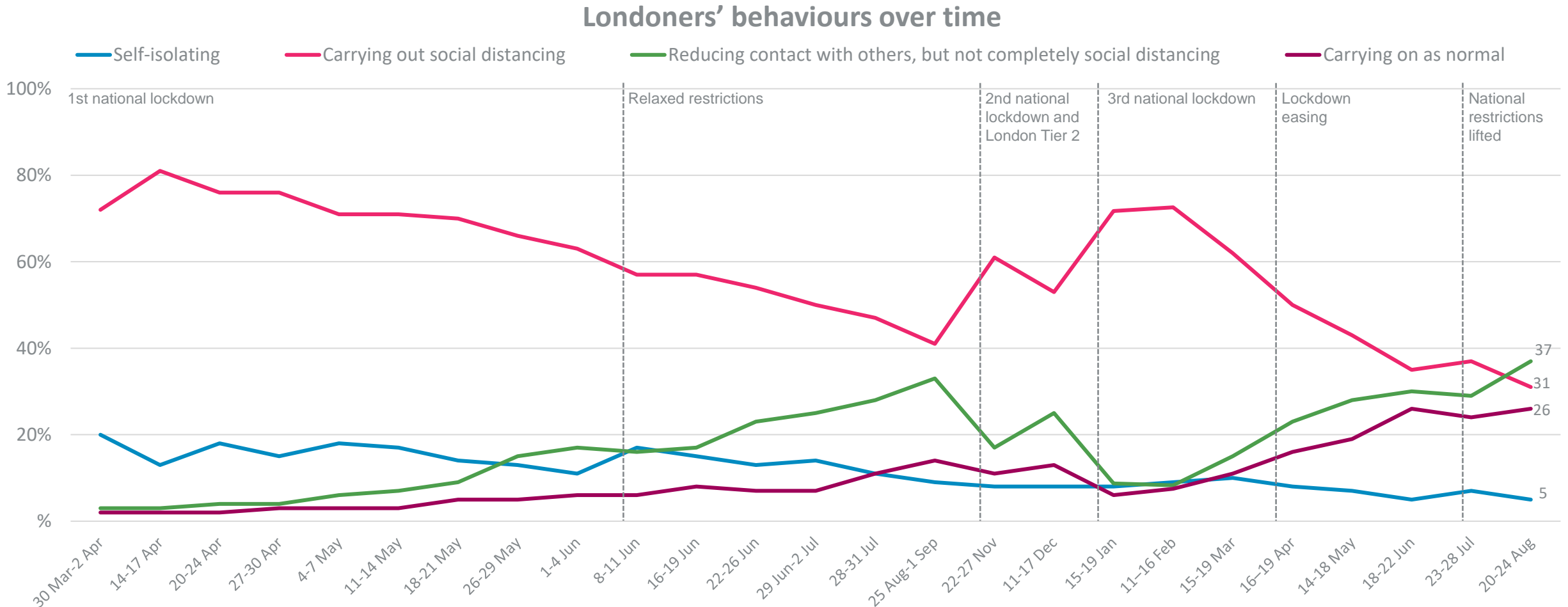
London residents who have received vaccinations

Total London population over the age of 18: 7,149,281



Source: PHE COVID-19 Dashboard
Graphic by GLA City Intelligence

For the first time during the pandemic, Londoners are more likely to be partially social distancing than fully social distancing

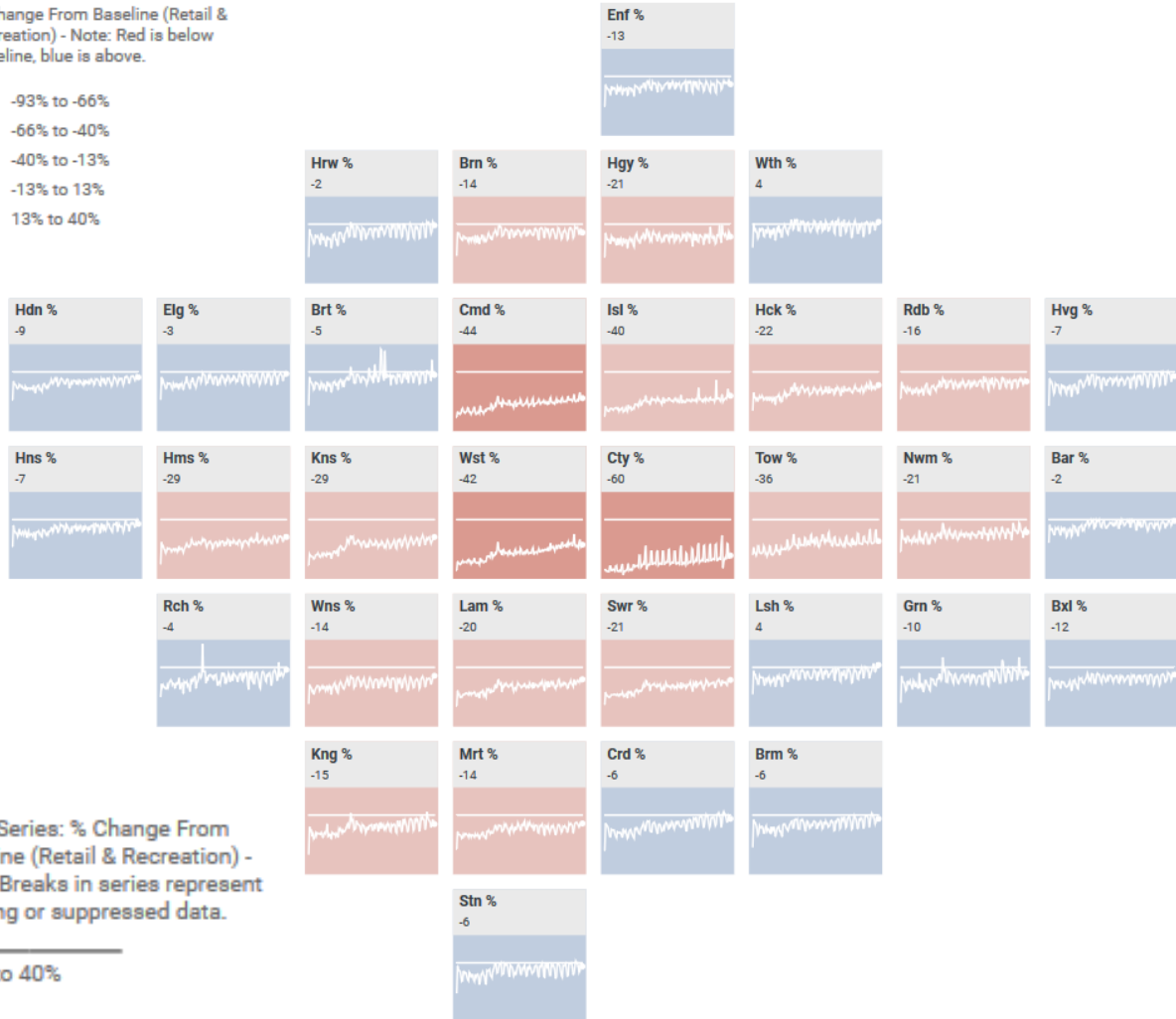


Source: GLA polling (Aug 21)

Mobility data shows the effects of recent lockdowns on movement - a slump followed by a gradual increase. Central and Inner London continue to be affected most

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

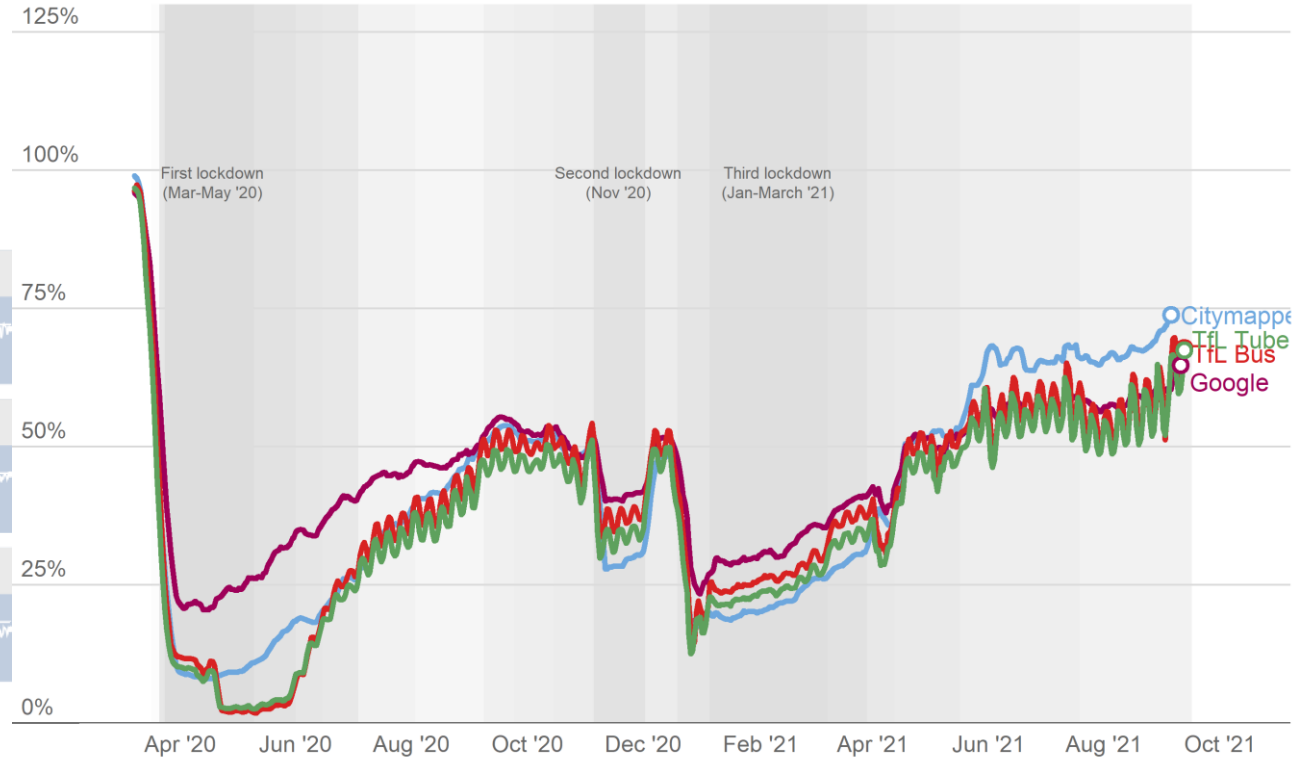
- -93% to -66%
- -66% to -40%
- -40% to -13%
- -13% to 13%
- 13% to 40%



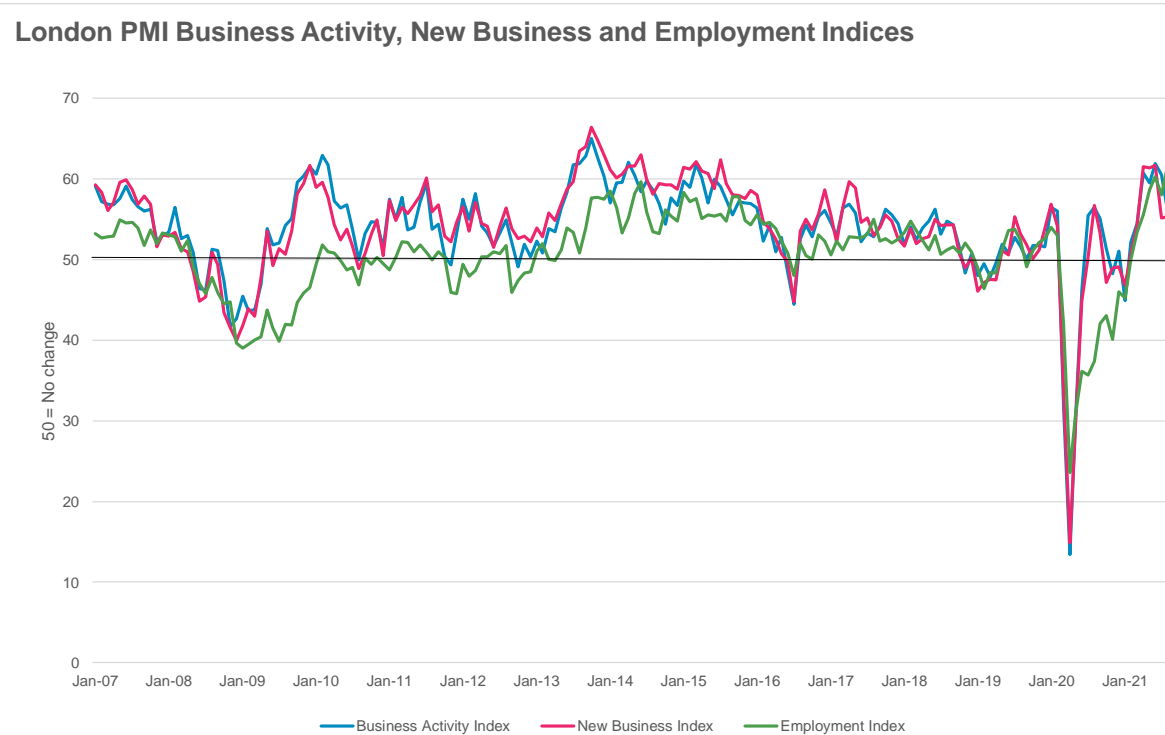
Time Series: % Change From Baseline (Retail & Recreation) - Note: Breaks in series represent missing or suppressed data.

-96% to 40%

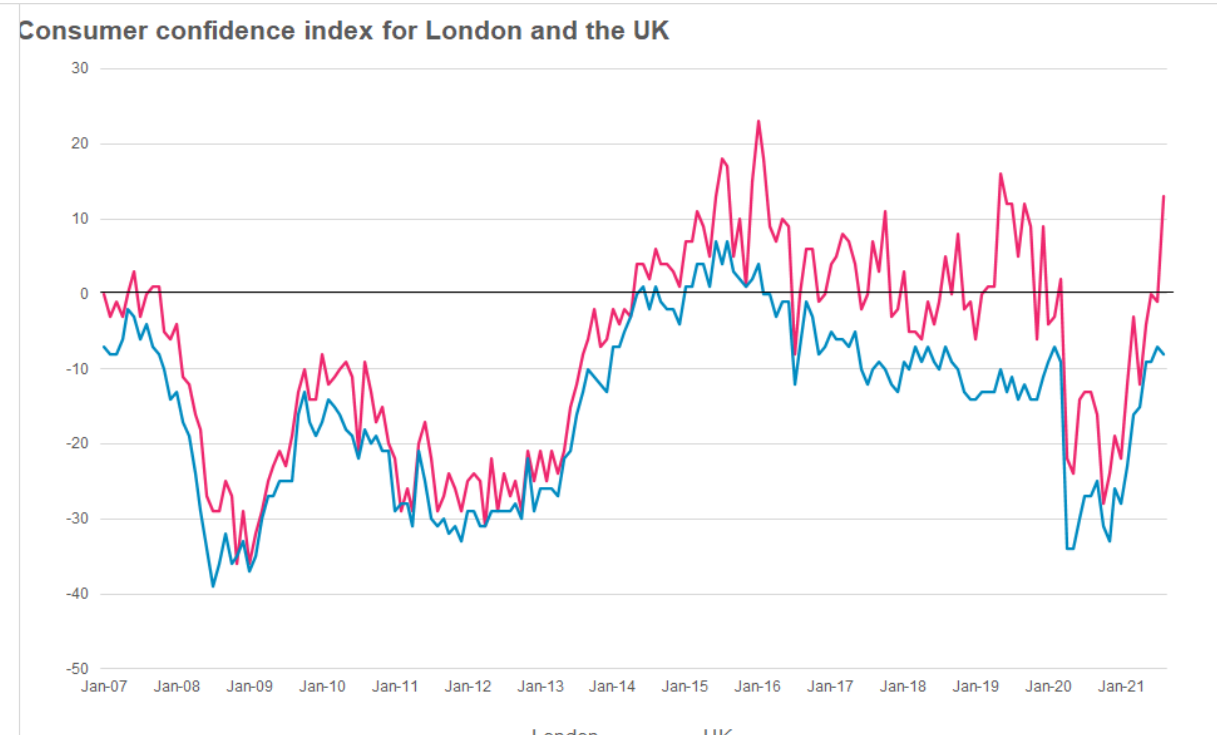
Indicators of public transport usage in London



Consumer activity has recovered strongly as the latest lockdown eased. London consumer confidence is ahead of the UK's and has improved markedly in the August data



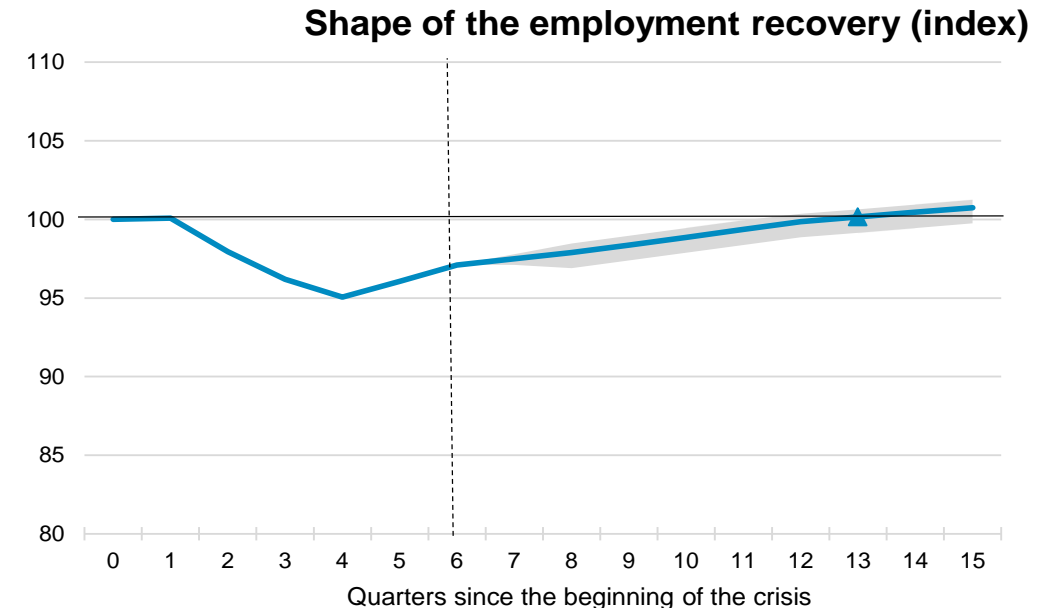
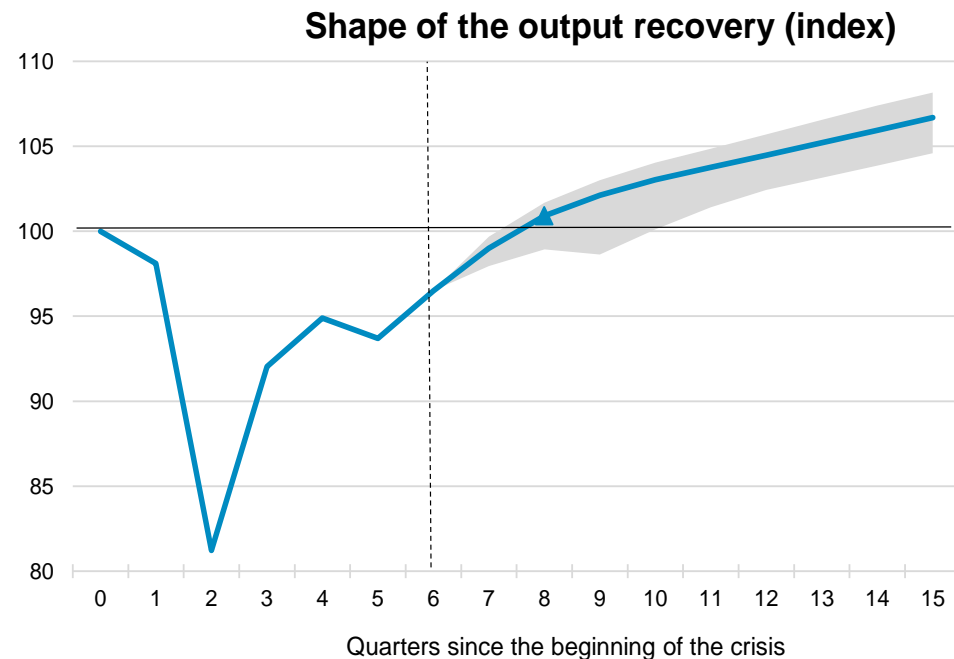
Source: GLA Economics based on IHS Markit data. Last data point is August 2021



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

Output is not expected to recover to 2019 levels until late this year, but the jobs recovery is expected to be slower

- Output is estimated to have fallen by 7.1% in 2020, which is less than originally feared
- Workforce jobs in Q2 2021 were 2.8% lower than in Q4 2019



Asking rents fell sharply in London in 2020 but are now recovering. Sales volumes were very high over the last year. Rough sleeping was down by 39% in April-June 2021

Private rents

- Rightmove report that average asking rents in London were down 3.1% in Q2 2021 compared to a year ago, compared to a national increase (excluding Greater London) of 6.2%.
- The London average masks a sharp divergence between Inner London, where rents were down 6.8%, and Outer London where they were up 0.8%.
- More recent weekly data indicates that average asking rents have risen strongly in London since the start of the year, although they remain below pre-pandemic levels.

House prices

- Rightmove also report that average asking prices in London were 1.0% higher in August 2021 than they were in August 2020, but were rising much more strongly in every other region.
- The sales market was extremely active in mid-2021 ahead of the tapering of Stamp Duty relief, and in total there were more new mortgage loans in the last year than at any time since the financial crisis.

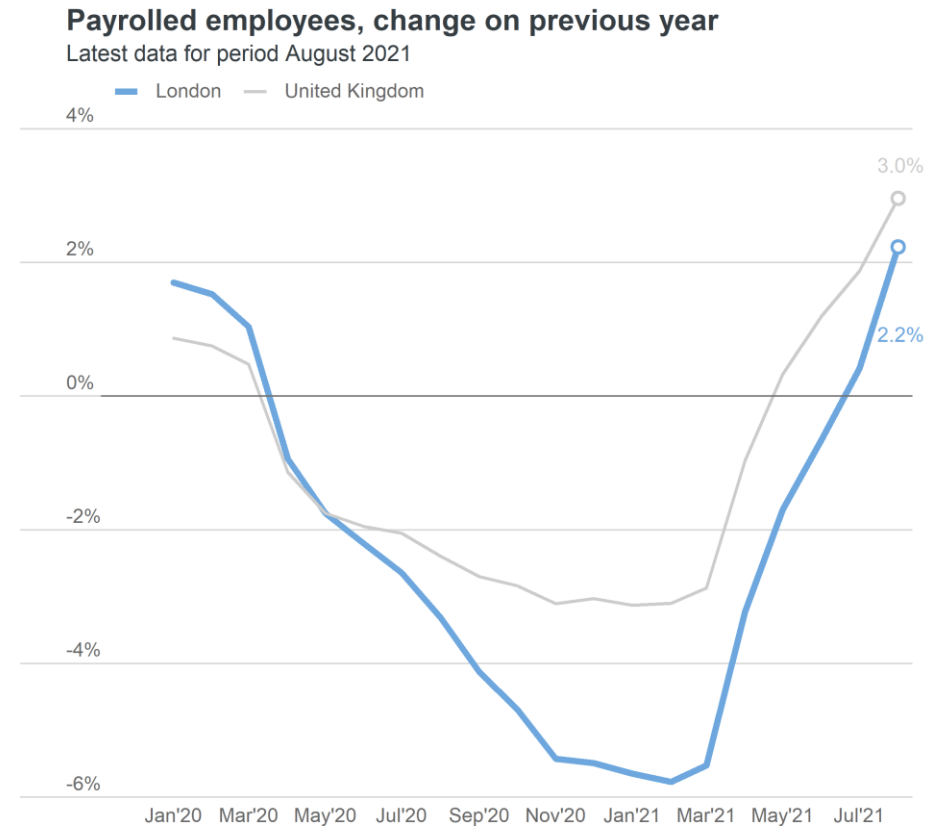
Rough sleeping

- Between April and June 2021 there were 2,589 people seen sleeping rough in London, down 39% from the same period in 2020.

The number of payrolled employees increased for the sixth consecutive month – but London still lags the rest of the UK

There were around 4.08 million people in payrolled employment living in London in August 2021. This was:

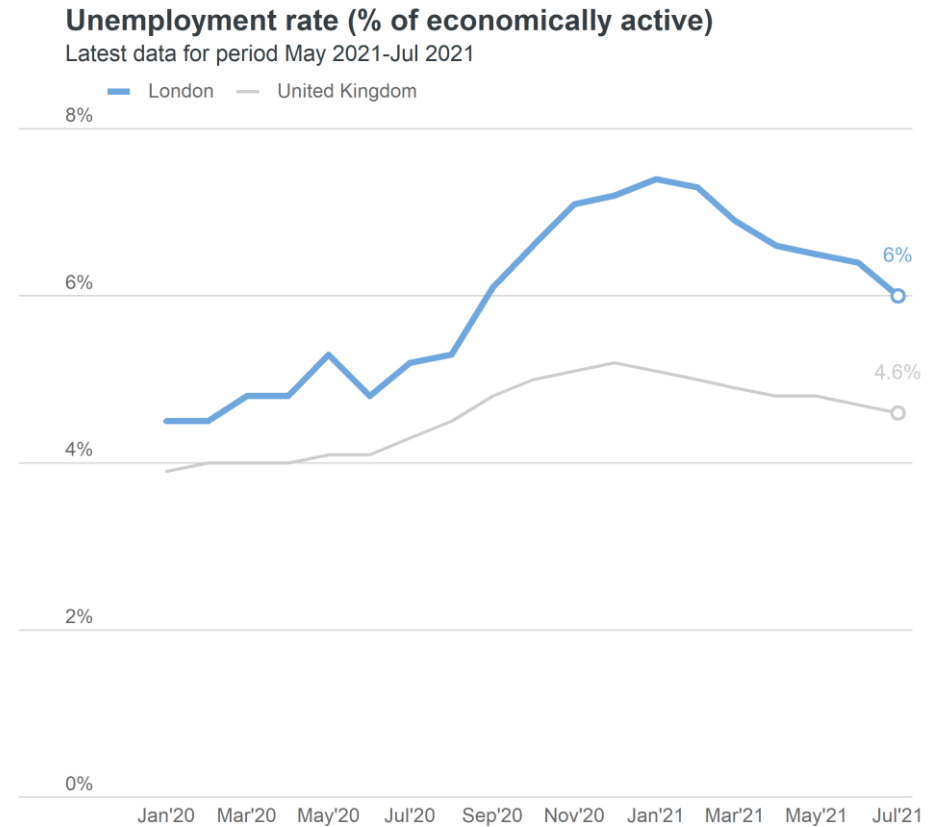
- Around 51,000 or 1.3% higher than in July 2021 – the sixth consecutive month of growth in London.
- 89,000 or 2.2% higher than in August 2020, compared to 3.0% annual growth across the UK (see chart).
- Still 73,500 or 1.8% lower than in February 2020, whereas in most other UK regions numbers of payrolled employees are now above pre-pandemic levels.



London's unemployment rate fell on the previous quarter but remains higher than for the UK

For May to July 2021:

- The unemployment rate for London was 6.0% – down 0.5 percentage points (pp) on the quarter and up 0.8pp from a year earlier.
- The UK unemployment rate was lower at 4.6% – down 0.3pp from the previous quarter and up 0.3pp on the year.



Source: ONS Labour Force Survey. Note: the margin of error for unemployment rate estimates is +/- 1% for London and +/- 0.2% for the UK.

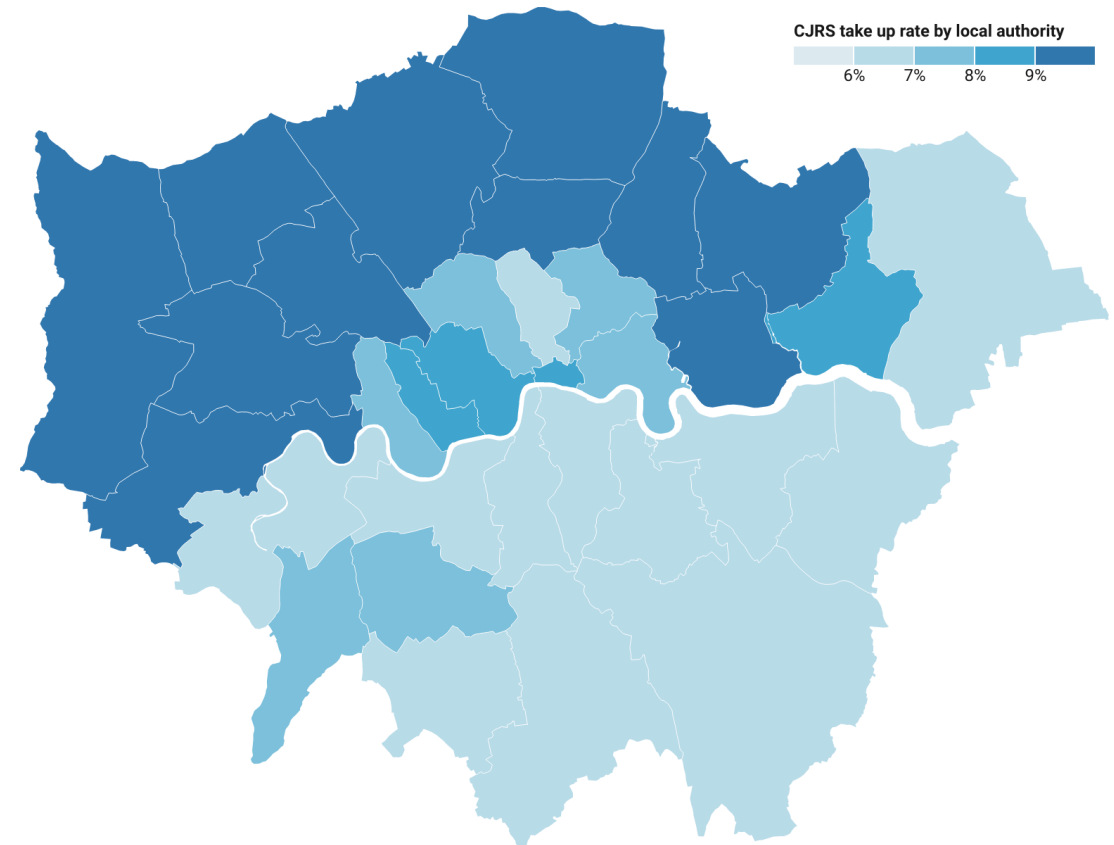
Furlough levels in London fell again in July, but take-up remains higher than in other parts of the UK. The highest take up rates were in North and North-West Outer London

Provisional data indicates there were around 297,000 furloughed employments in London at the end of July 2021. This was:

- 15% lower than at the end of June 2021 compared to 18% lower across the UK.
- Still around a third (33%) of levels at the start of July 2020 compared to almost a quarter (27%) across the UK as a whole.

At 31 July 2021:

- Eight of the ten UK local authorities with the highest take-up rates were in London.
- Barnet, Brent, Hounslow, Newham and Redbridge recorded the highest take-up rates in London – all at 10% of eligible staff.

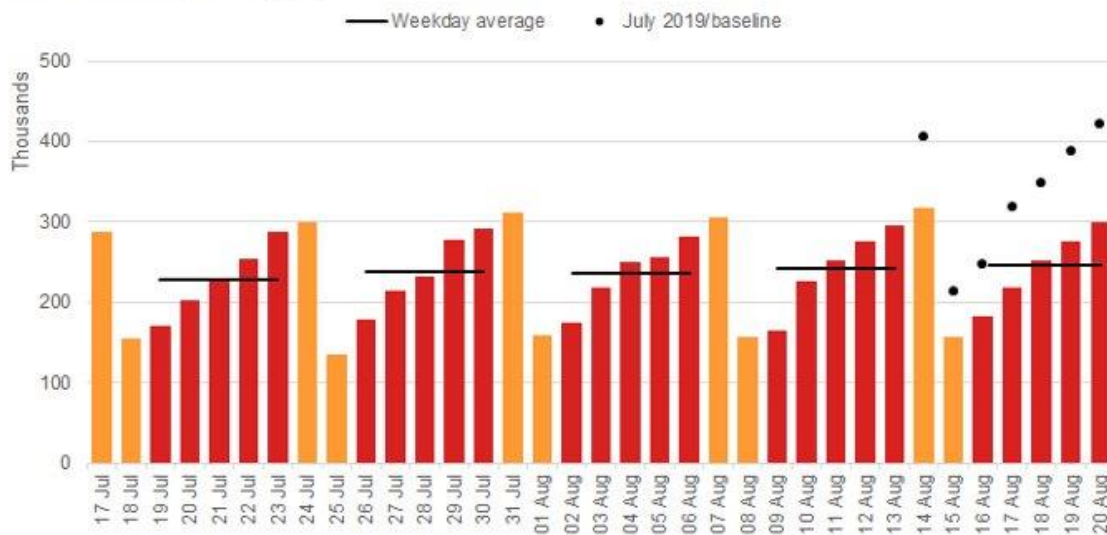


Map data: © Crown copyright and database right 2018 • Created with Datawrapper

Source: HMRC CJRS data and PAYE Real Time Information. Note: City of London and Westminster rates not separated in HMRC data.

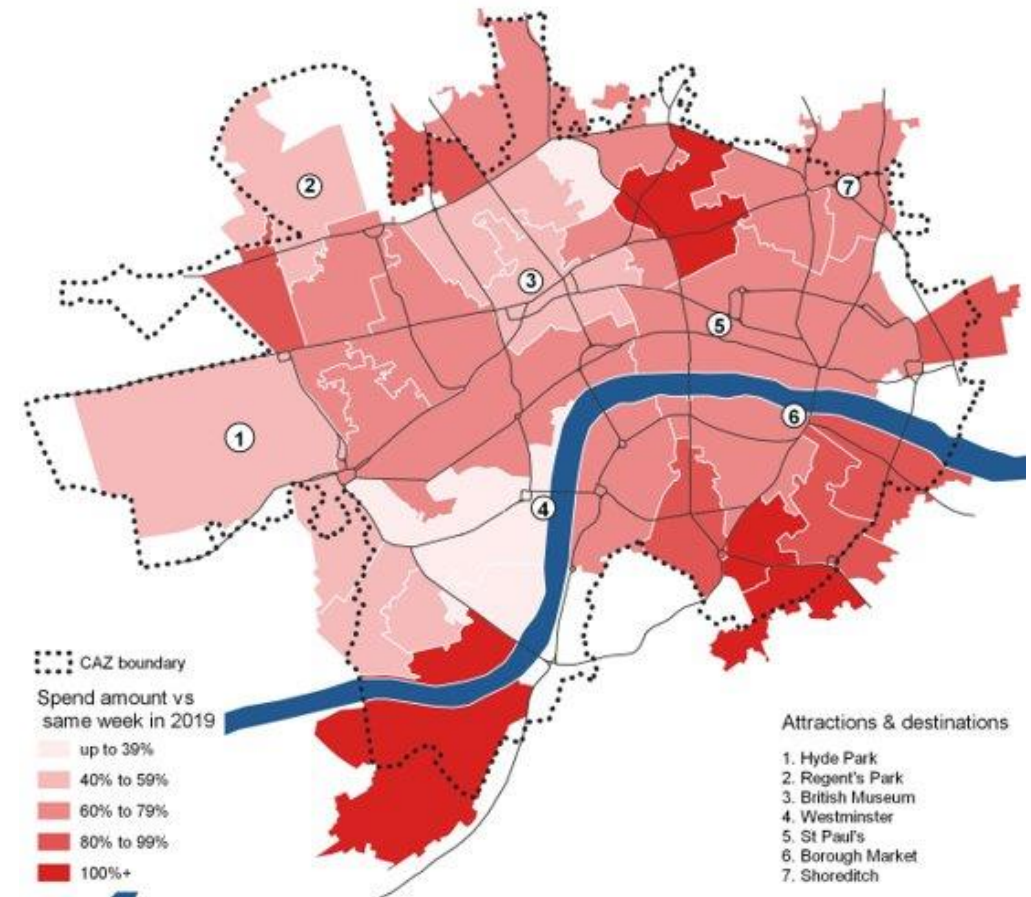
Spend and visitor numbers in Central London increased after 17th May (and are higher than 2020), but have then stayed fairly steady and recovery is unevenly distributed

Visitor counts comparison (8 pm)



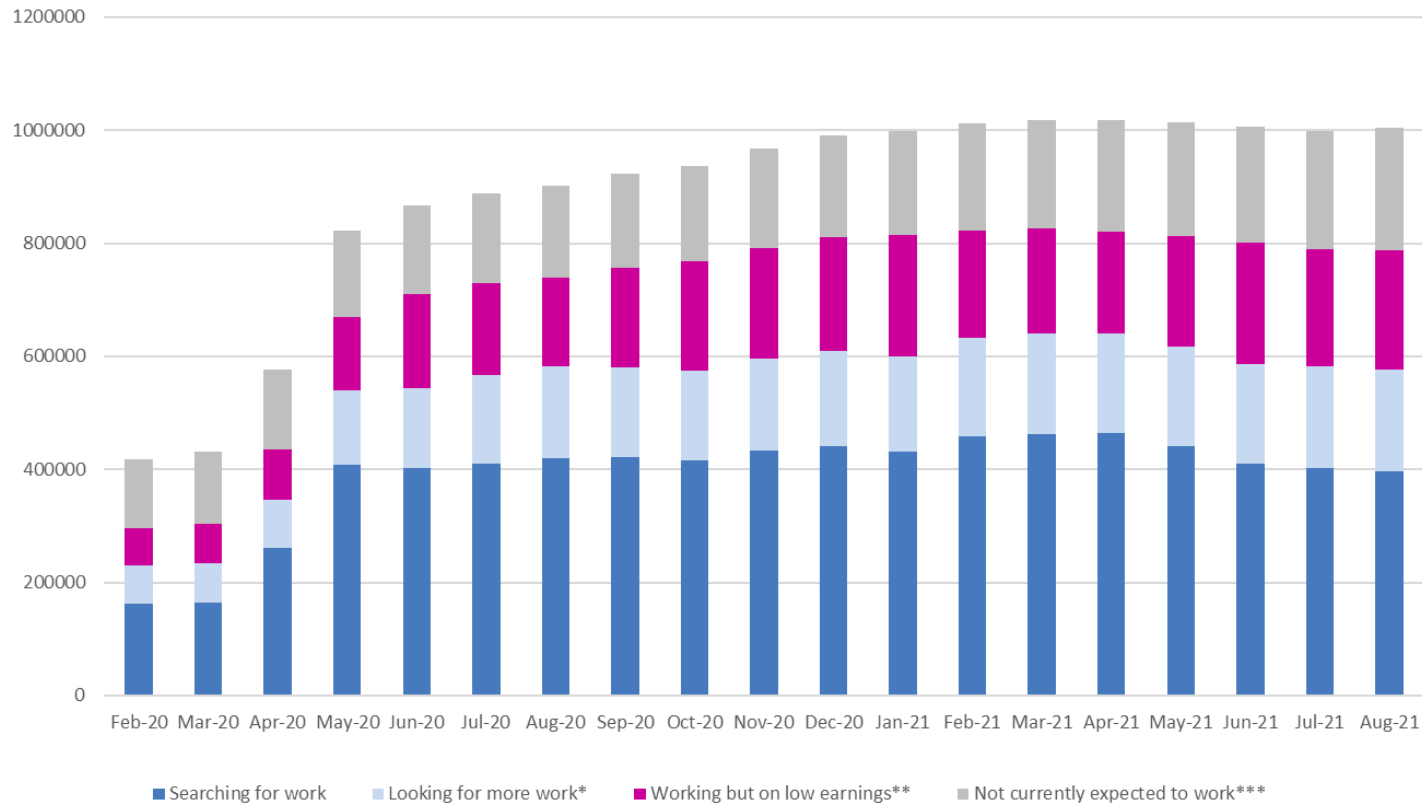
On top of the strong weekly pattern:

- **Evening** visits have been fairly level in recent weeks, remaining at around 70% of usual on weekdays and 76% on weekends
- **Daytime** weekday visits have recovered more slowly to 62% of 2019, but are increasing week on week
- **Daytime** weekends have recovered best at 86%



The number of Londoners claiming Universal Credit fell below one million in July

Work status and conditionality of UC claimants in London



- The percentage of London's claimants in employment at least some of the time increased from around 35% through most of the pandemic to 39% in June and July.
- The number searching for work fell below 400,000 for the first time since May 2020. However, the numbers in low paid work needing support have increased in the last few months.
- There was a corresponding fall in the number of households receiving help with housing costs which fell to 820,000.

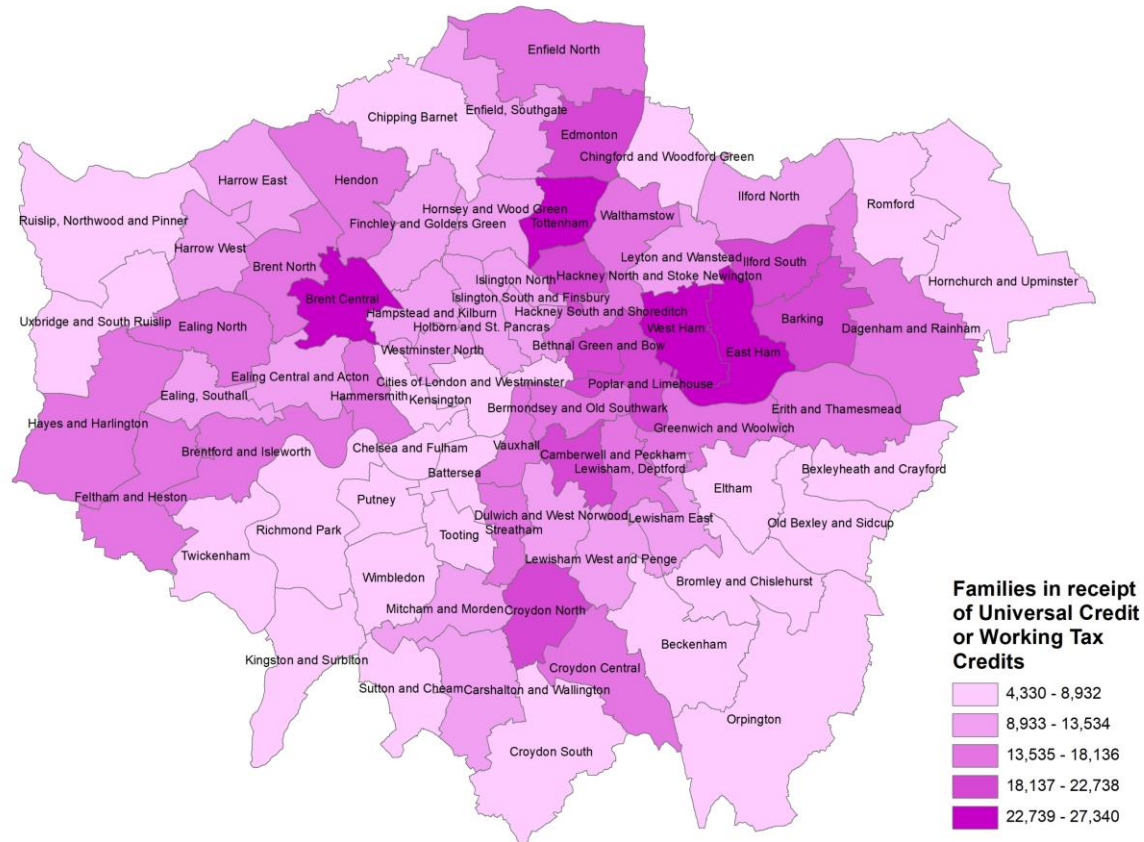
Source: DWP

Notes: * Looking for more work means in work but could earn more or partner has low earnings

** Working but on low earnings means no requirement to look for further work

*** Not currently expected to work because of health or caring responsibilities, though this may change in future

East London parliamentary constituencies will see the greatest number of families impacted by the planned ending of the uplift to Universal Credit and Working Tax Credit in October

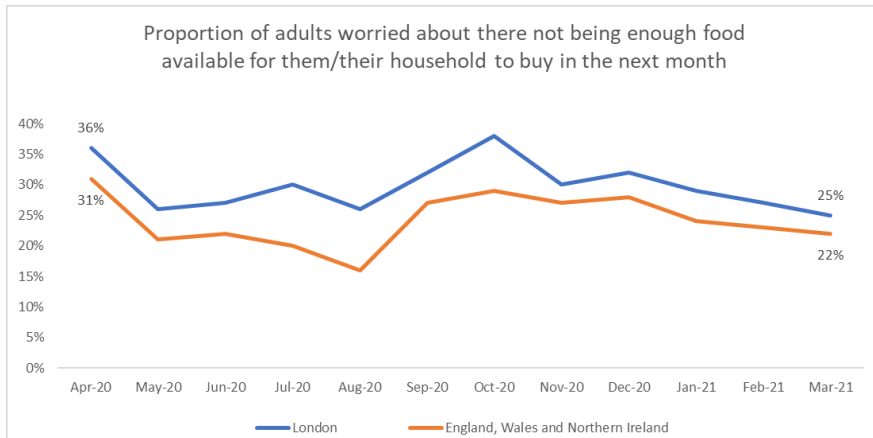
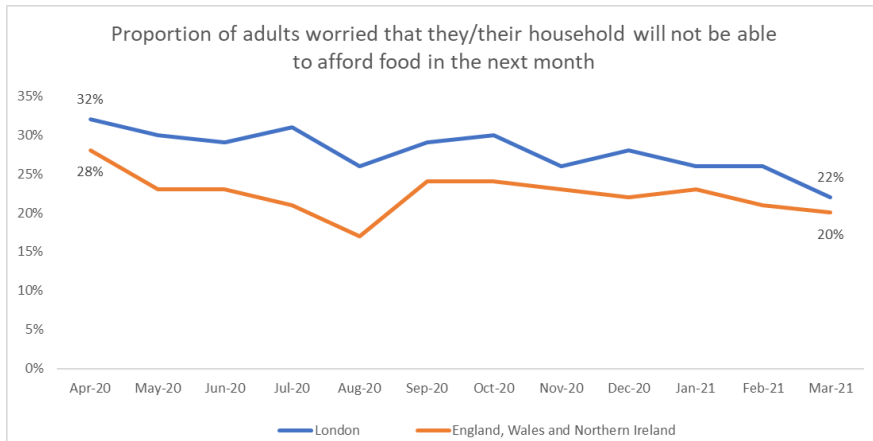


- According to recent analysis from the Joseph Rowntree Foundation (JRF), the parliamentary constituencies of West Ham, Tottenham, East Ham and Brent Central will each see over 23,000 families impacted by the £20-a-week reduction in Universal Credit from October or no further uplift to Working Tax Credit.
- Across London as a whole, the JRF expect over 900,000 families to be impacted, with around half of these families including children.

Source: Joseph Rowntree Foundation. (2021). [Universal credit cut - impact by constituency.](#)

Note: Based on latest available data (February 2021), more than 40,000 families in London in receipt of Universal Credit are included in these estimates that will not be impacted by the reduction as their payment is capped by more than £25 per week. A further 20,000 families' Universal Credit payments are capped by less than £25 per week, so the extent of impact is unclear.

Londoners have consistently been more affected by food insecurity than adults nationally (on some measures). In March 2021 one fifth were worried about affording food in the next month

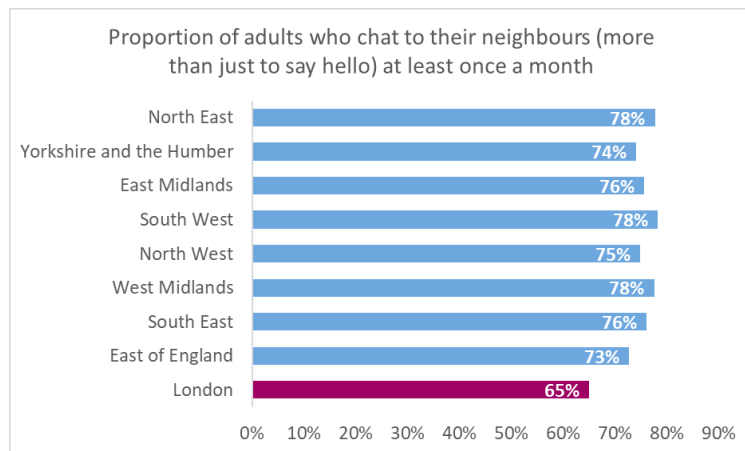
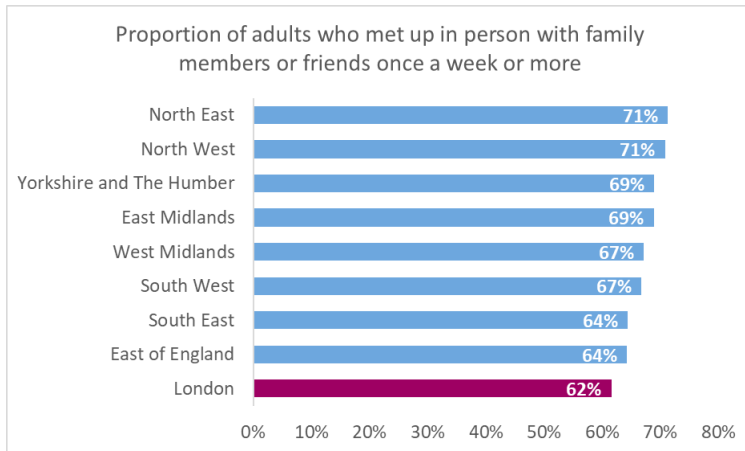


- In April 2020, 32% of Londoners aged 16-75 were concerned about food affordability and 36% reported concern about food availability (nationally it was lower at 28 per cent and 31 per cent respectively).
- Affordability concerns have gradually decreased over the course of the pandemic, though by March 2021 around one in five (22 per cent) Londoners aged 16-75 are still worried about affording food in the next month.
- In March 2021, 18 per cent of Londoners aged 16-75 reported skipping meals in the last month because they did not have enough money to buy food. This has fallen slightly from 23 per cent in April 2020.

Base: All adults aged 16-75 in England, Wales and Northern Ireland

Source: Food Standards Agency. (2021). [Covid-19 Consumer Tracker Waves 1-12.](#)

Between April 2020 to March 2021 Londoners were less likely than other regions to have met up in person with friends or family at least once a week or to have chatted with their neighbours

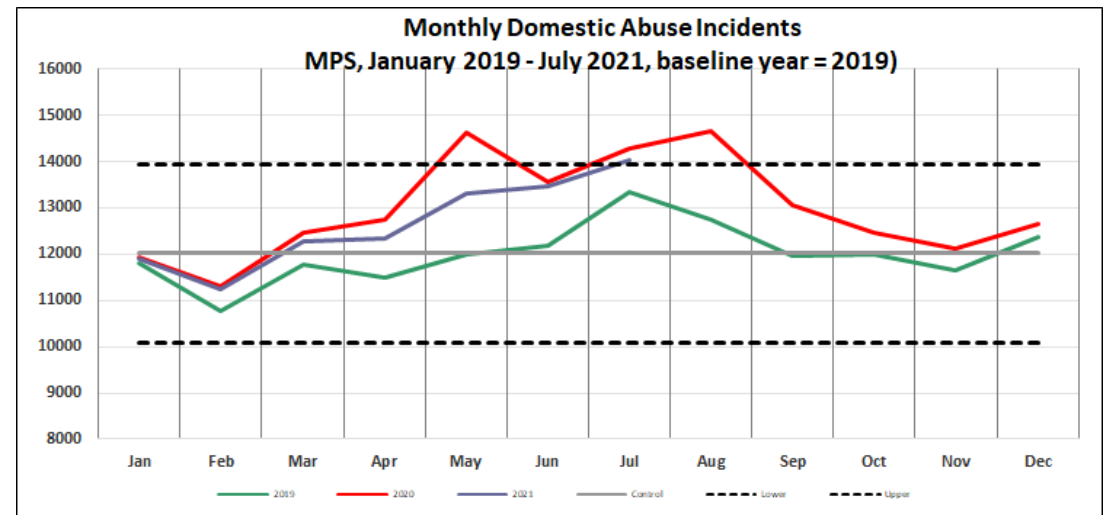
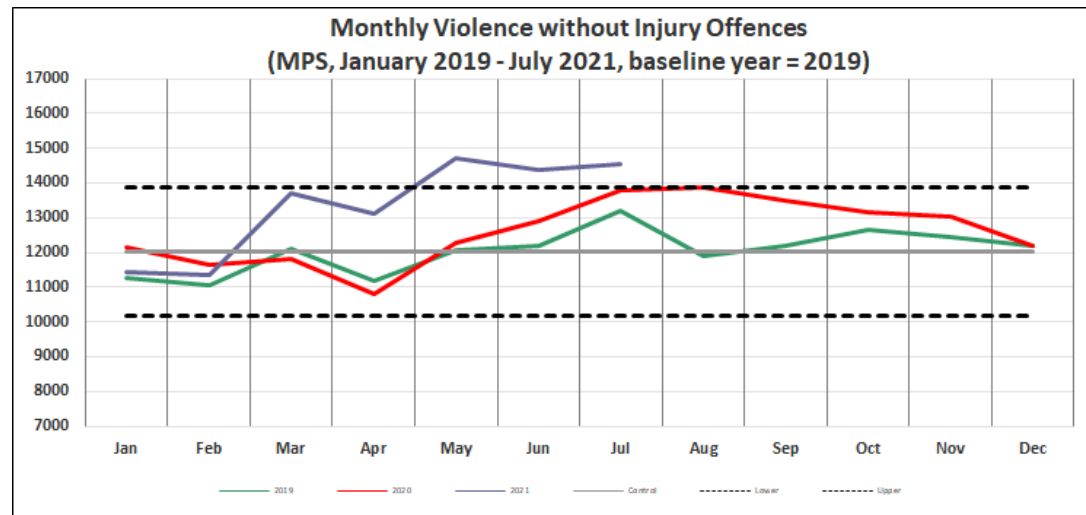


- 62% of Londoners met up in person with friends or family at least once a week, compared with 66% of those in all regions, and a significant decrease from 2019/20 (74 per cent).
- In contrast, Londoners were the most likely of all the regions to have emailed or wrote to friends or family at least once a week during 2020/21 (43 per cent).
- Londoners were also the least likely compared with respondents from all other regions to have chatted to their neighbours at least once a month during 2020/21 (65 per cent). At least 73 per cent of respondents in every other region of England reported doing this during 2020/21.

Base: All adults aged 16+ in England

Source: Department for Digital, Culture, Media & Sport. (2021). [Community Life Survey 2020/21](#).

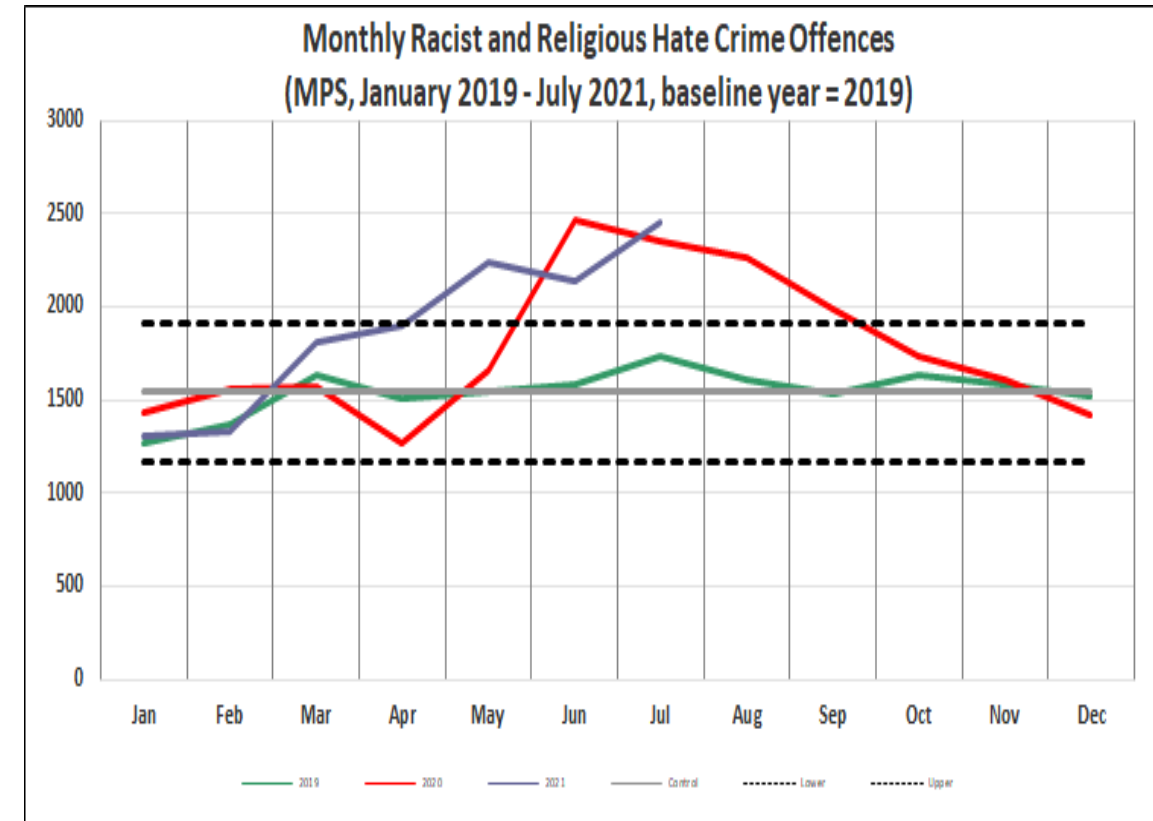
Violence has increased over the current year, driven by increases in low-level violence. Domestic abuse incidents have increased since the start of the year



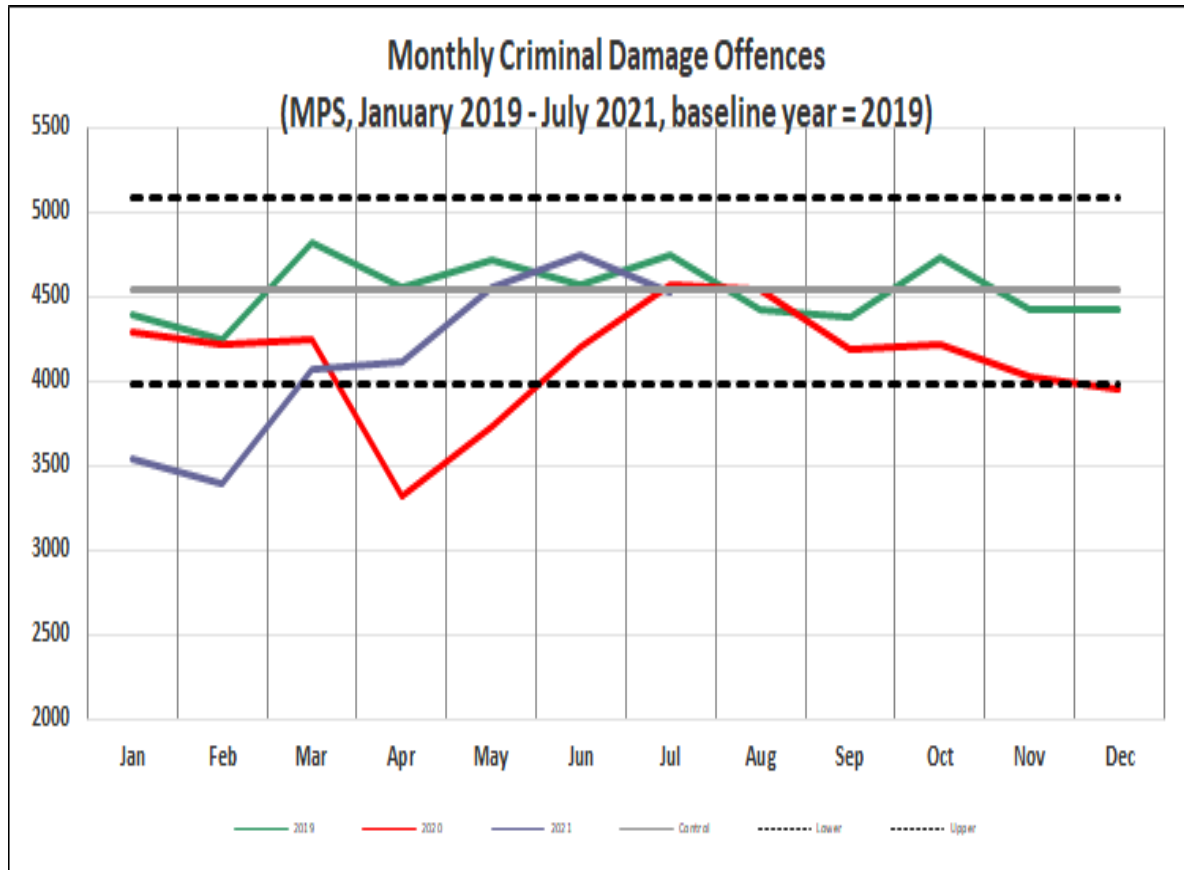
- While both violence *with* and *without* injury have increased considerably across the course of this year, lower-level violence (that without injury) displays a much steeper increase – far exceeding the monthly levels shown in both 2019 and 2020 over the last six months.
- While the Domestic Abuse Incident levels have been marginally lower in 2021 compared to 2020, the monthly levels remain significantly higher than in 2019; with a noticeable increase from February through until the most recent month.
- The proposed reduction in Universal Credit is likely to further impact upon domestic abuse; with low income, economic strain, and benefit receipt all shown to increase one's vulnerability to Domestic Abuse.

Racist and Religious Hate Crime offences continue to increase, with the most recent month's offending comparable to the notable peak shown in June 2020 after the death of George Floyd

- The significant increases in Racist and Religious Hate Crime shown since the beginning of the year have continued – this is despite under-reporting still being a major issue.
- The offending recorded in July of this year is now at the same level of that in June last year.
- The most recent peak in offending is likely to have been influenced by both the sentencing of Derek Chauvin for the murder of George Floyd and the incidents surrounding England's penalty loss against Italy in the Euros 2020.
- While some increases in police-recorded Hate Crime can be seen positively (improved recording practices, greater victim willingness to report), it is highly unlikely that this fully explains the sustained increases.



Criminal Damage offending has increased sharply during the most recent year; with offending levels now reflecting those shown in 2019



- Levels of criminal damage have been greatly impacted upon by the pandemic and associated restrictions; with reduced footfall and the closures of hospitality venues having contributed to the significant reductions seen since April 2020.
- However, since the beginning of the year, criminal damage offending has shown significant increases.
- While recent offending levels have been in excess of those recorded in 2020; of more concern, is that the last few months have been comparable to pre-pandemic levels.
- This is despite several mobility data sources continuing to show large reductions in the number of people travelling into and around London, compared to before the pandemic.



Summary

- The end of restrictions has seen cases and hospital admissions rise, but progress with vaccinations has limited the number of deaths
- Mobility within the city is now back to over 50% of pre-Covid-19 levels.
- We are seeing an improvement in the economy and consumer confidence has recovered strongly
- But London's employment recovery lags the rest of the UK, and furlough rates remain higher than the rest of the UK
- The number of people receiving Universal Credit has fallen but the end of furlough and the removal of the Universal Credit uplift will increase poverty
- Latest survey data show Londoners were more likely to struggle with affordability and availability of food than other regions, and also less likely to have regularly seen family and friends over the last year
- Crime is increasing with particular concerns about domestic abuse and hate crime, and criminal damage returning to pre-Covid levels