

London's Changing Population

Summary

- The, recently released, ONS mid-2007 estimate of the resident population of London is **7.56 million**
- London's population **grew by 44 thousand in 2006-07**
- The population has **grown every year since mid-1988**
- **Inner London's population (3.00 million)** is only two-thirds that of **outer London (4.56 million)**
- **Inner London has grown absolutely faster** than outer London in each of the last ten years
- London, with 12 percent of the UK population, provides **38 per cent of the natural population growth (births less deaths)**
- **London has had net migration losses in five of the last six years but gains significantly from overseas while losing to adjacent regions in the UK**
- **London is the demographic engine of the UK** due to the huge migration flows passing through it, the young age profile of immigrants from both the rest of the UK and overseas and the associated large contribution it makes to UK population growth due to the excess of births over deaths
- There are estimated to be an additional **50-60 thousand short-term residents** in London who are not included in official estimates
- GLA projections show the population growing to **7.97-8.14 million in 2016** and **8.27-8.61 million in 2026**. ONS projections are similar to the high end of the GLA range
- The projected increase in population is accompanied by a **continuing growth in one-person households of 428 thousand** between 2006 and 2026, and a **decline in the average household size to 2.20** in 2026

Background

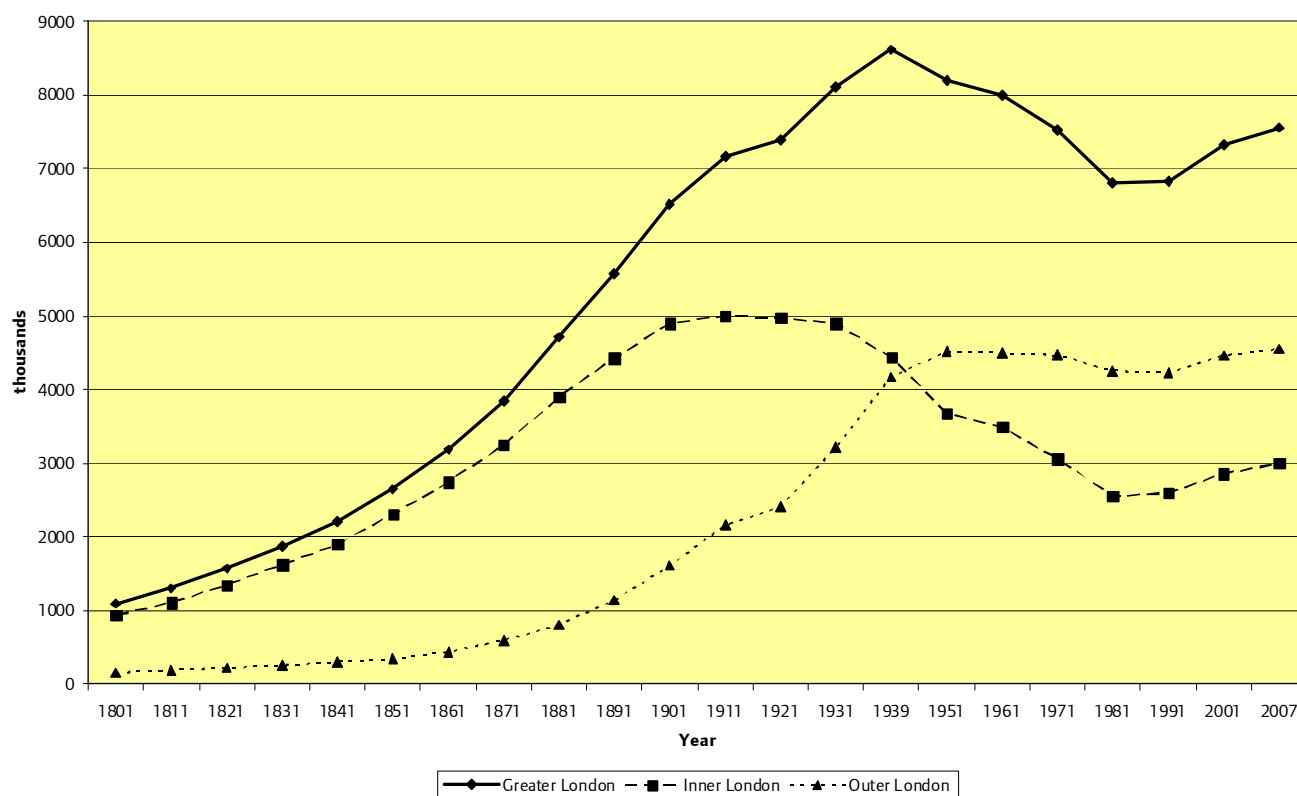
London's maximum population was recorded as 8.6 million in the 1939 National Registration, after which there was decline to the recent low point of 6.73 million in 1988 – see Chart 1. However, the population of London has now grown continuously for nineteen years, increasing by 0.83 million (over 12 per cent) in that time to 7.56 million at mid-2007. The increase between mid-2001 and mid-2007 was 0.23 million and for mid-2006 to mid-2007 was 44 thousand. London's population is currently about the same size as it was in the decade around the First World War and is growing at about the same rate, however the balance between inner London and outer London is quite different. Inner London's population peaked around 1911 and, in purely net change terms, it has lost about 2 million residents to outer London over the intervening 90 years.

Growth is now occurring in both inner and outer London, although inner London had a peak population of 5.00 million in 1911 and reached a recent low of 2.52 million in 1983. Its population is now 3.00 million. Outer London is now at an all-time high (4.56 million) having increased from its recent low of 4.20 million in 1988.

Since 1997 inner London's population has increased faster than outer London every year - overall by 0.33 million compared to 0.21 million in outer London.

This *Update* concentrates on the period since 2001 and describes the sources of these changes and some of the consequences.

Chart 1: London's Population: 1801-2007: National Censuses, National Registration (1939) and ONS mid-year estimates (1971 –2007): thousands

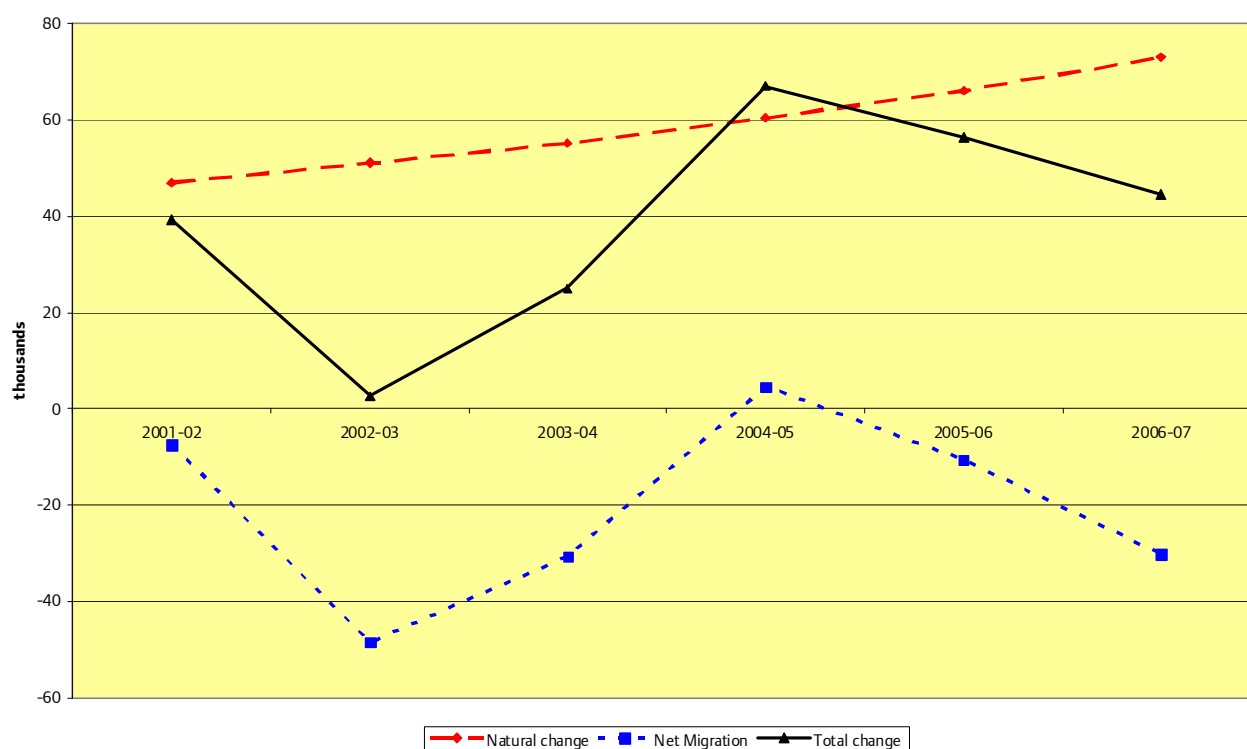


Overall Change

Chart 2 shows that since mid-2001 it is high natural growth (births less deaths) that has driven the growth in population. Net migration has been a loss to London in five of the last six years while natural growth has increased steadily from 47 thousand in 2001-02 to 73 thousand in 2006-07.

The GLA projections behind the *London Plan* and the Office for National Statistics (ONS) subnational projections for London both show continued net migration losses to 2031.

Chart 2: Main Annual Components of Change: London: 2001-2007: ONS mid-year estimates: thousands

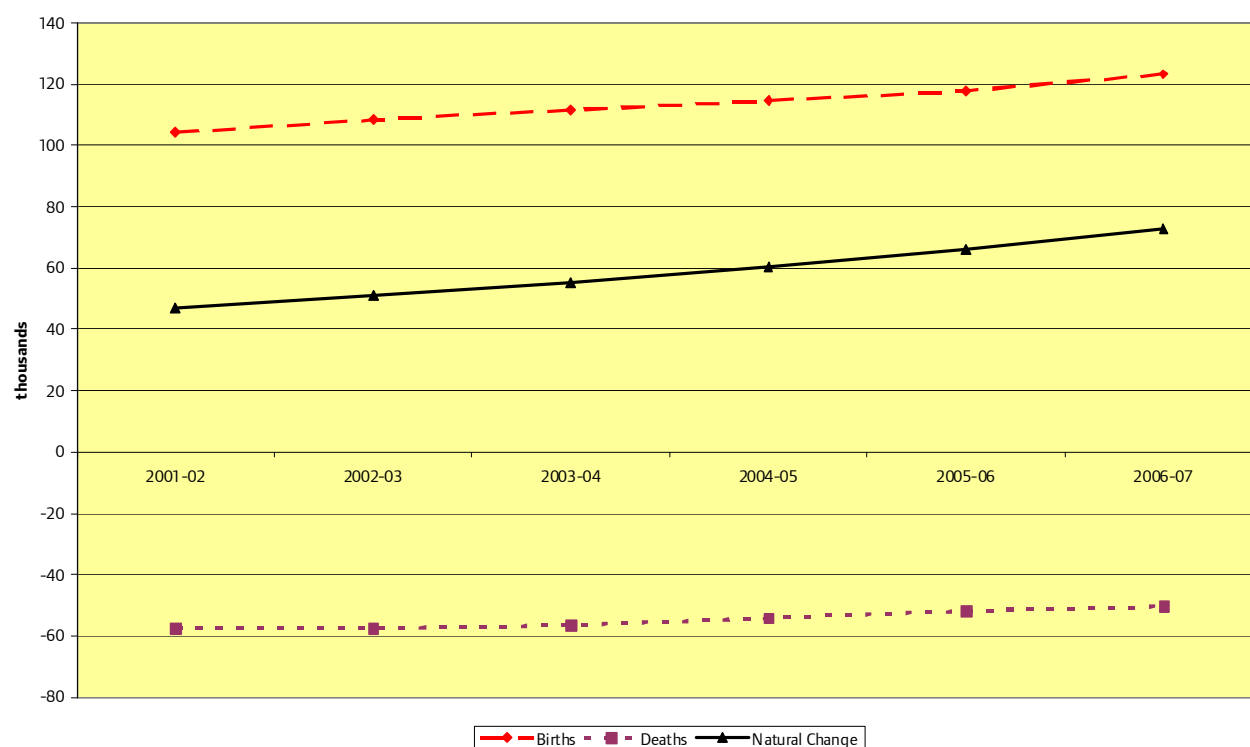


Natural Change

London's high natural growth is a direct consequence of its young age-structure. This leads to a low crude death rate and a high crude birth rate, even though average family size is about the same in London as in the rest of the country at about 1.9 children per woman. Chart 3 shows recent levels of annual births and deaths. Births have increased across the UK since 2001 and in London that increase has been from 104 thousand in 2001-02 to 123 thousand in 2006-07. Deaths have generally fallen throughout the country and in London the decline has been from 57 thousand in 2001-02 to 50 thousand in 2006-07. This means that natural growth in London has grown to 73 thousand in 2006-07, which is 38 per cent of all natural growth in the UK compared to London's 12 per cent share of the UK population.

Births have increased for a number of reasons, some more pertinent to London. Birth rates have increased at most ages and most rapidly for women in their thirties and forties. More than half the births in London are to women over age thirty. Part of this change is caused by delayed fertility as women establish careers and independence. London has a higher proportion of its population in the thirties and early forties than the country as a whole. The proportion of births to women born outside the UK has also increased and now accounts for more than half of London births reflecting the cosmopolitan nature of the capital.

Chart 3: Annual Births and Deaths: London: 2001-07: ONS mid-year estimates: thousands



Apart from the age structure of London, which means that there are relatively few older residents to die in London, male and female life expectancy and other health measures are better in London than the national average and therefore also contribute to relatively fewer deaths in the capital.

Migration

Chart 4 shows net migration split into internal (UK) and international flows. While London gains significantly from overseas – 450 thousand in the six years 2001-07 – it loses population to the rest of the UK – nearly 580 thousand in 2001-07. However, London gains persons in their twenties from the rest of the UK – see Chart 5. The international inflow is also biased to persons in the young working ages. Hence migration – although negative overall – has a significant impact on the population by enhancing the young age-structure. Detailed annual data on the age structure of international migrants to London are not published but Chart 6 shows the transitions in the mid-year estimate populations from mid-2006 to mid-2007. The transition is the difference between, say, 24 year olds in 2006 and 25 year olds in 2007. At younger ages most of this transition is due to net migration, but beyond age 70 it is mainly reflecting deaths. London is estimated to have gained nearly 70 thousand persons in their twenties in 2006-07, even though the population only grew by 44 thousand. There are significant losses of pre-school age children (11 thousand) and adults in their thirties (30 thousand).

Chart 7 shows the gross flows into and out of London that lie behind the net flows. London gains almost equal numbers of immigrants from the rest of the UK and overseas. Together the inflow is of the order of 340 thousand a year. The outflows from London amount to around 360 thousand a year but are dominated by the flow out to the rest of the UK, which averages around 250 thousand a year.

Chart 4: Annual International and Internal (UK) Net Migration: London: 2001-07: ONS mid-year estimates: thousands

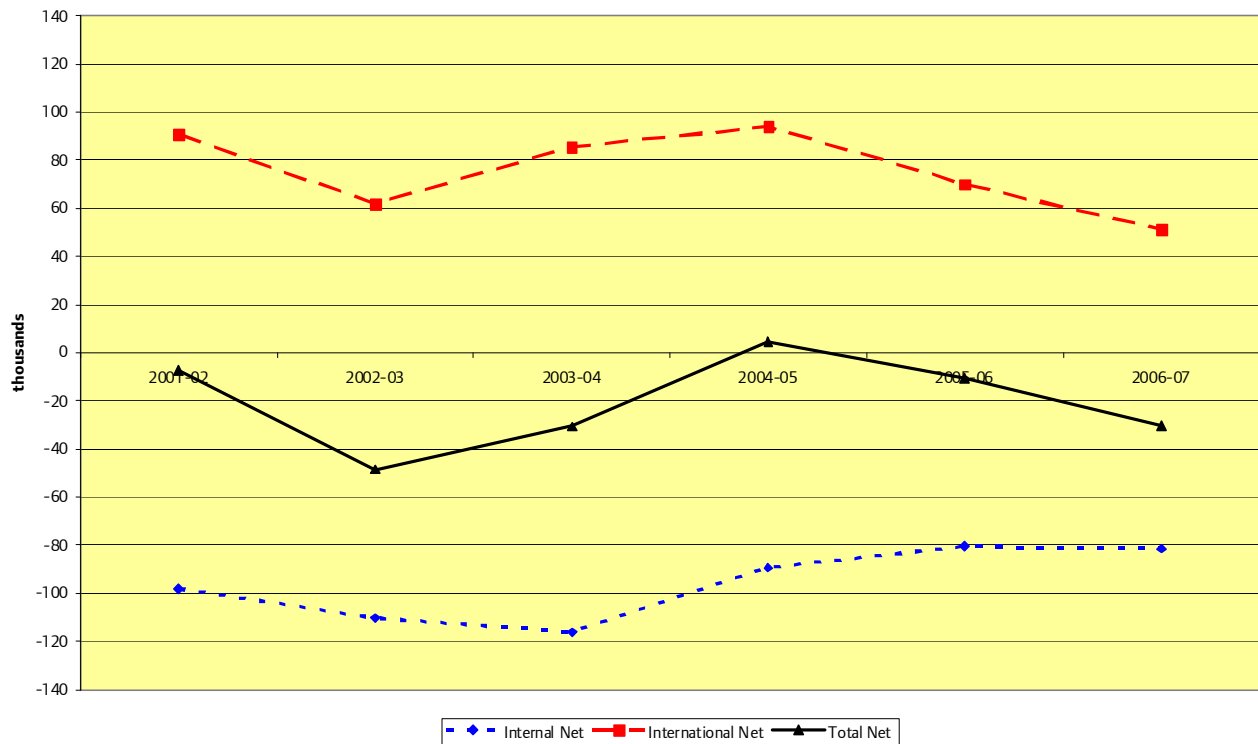


Chart 5: Age Structure of UK migration flows to and from London: 2006-07: National Health Service Patient Register Data System (via ONS): thousands

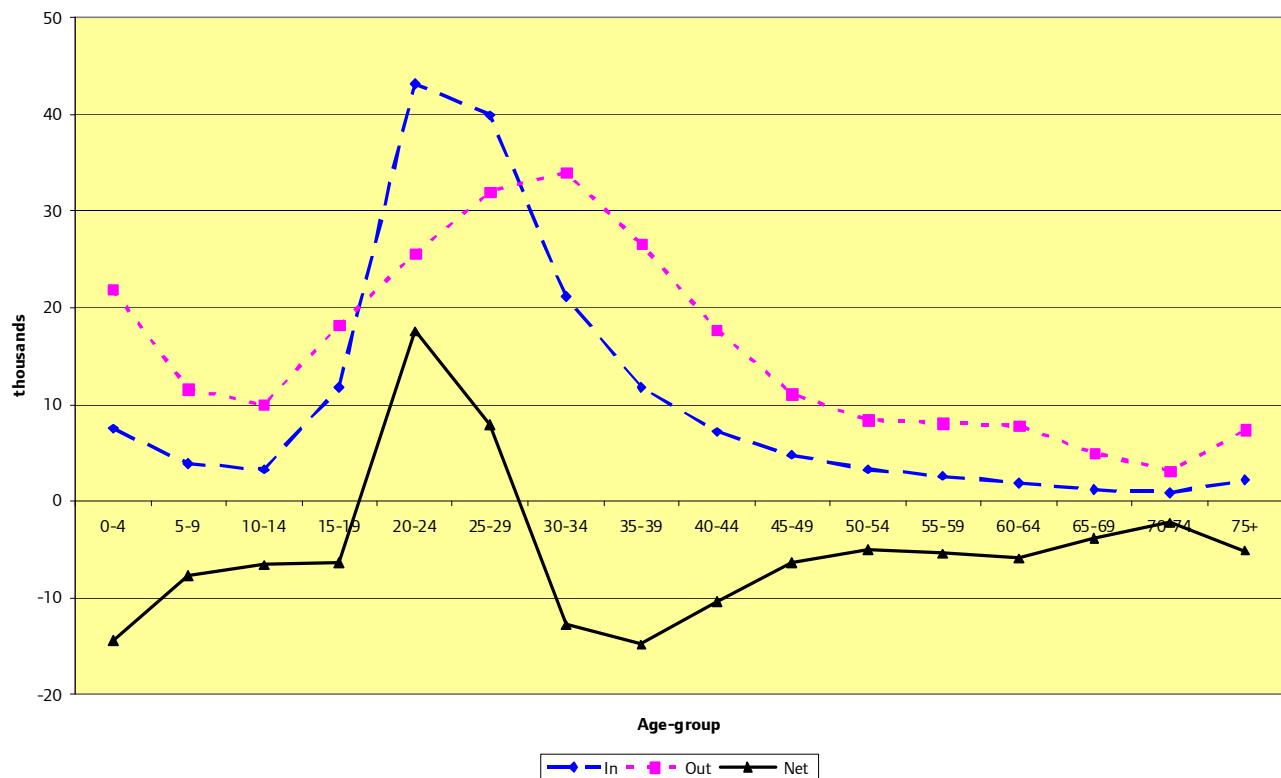


Chart 6: Age-transitions: London: 2006-07: based on ONS mid-year estimates: thousands

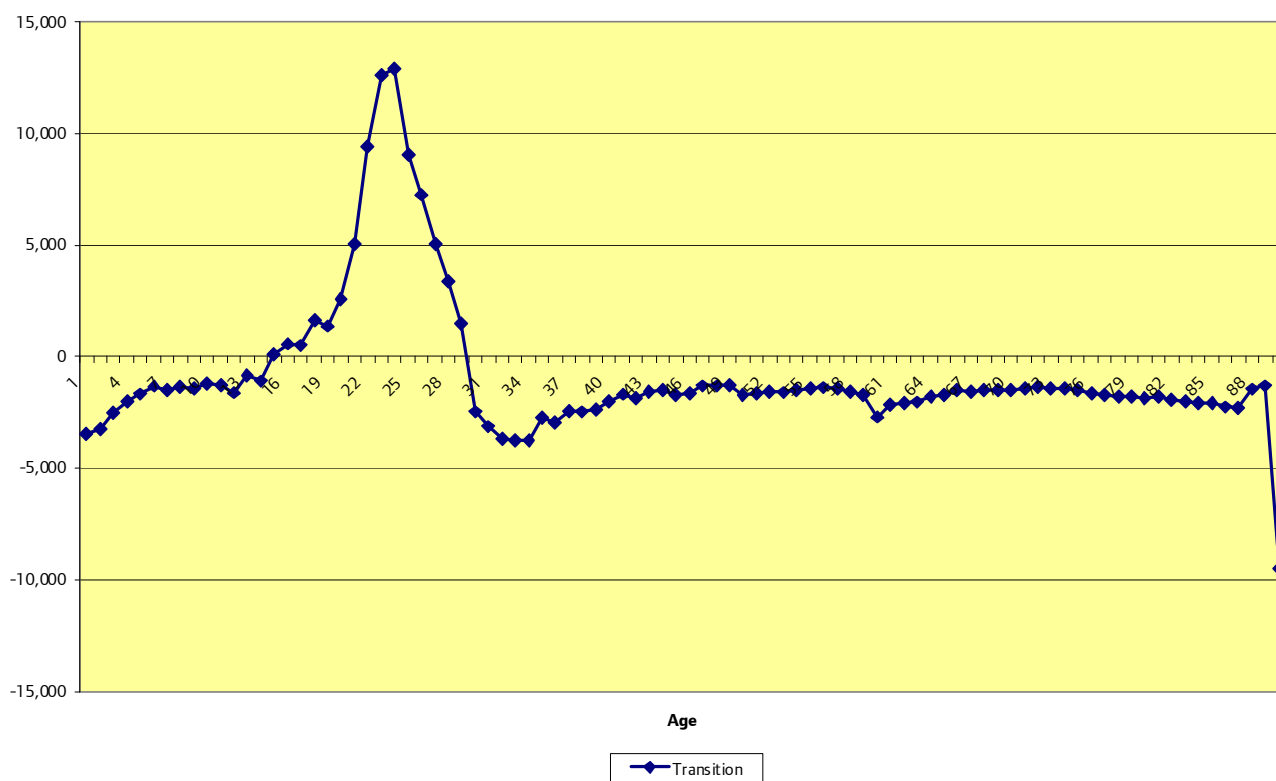
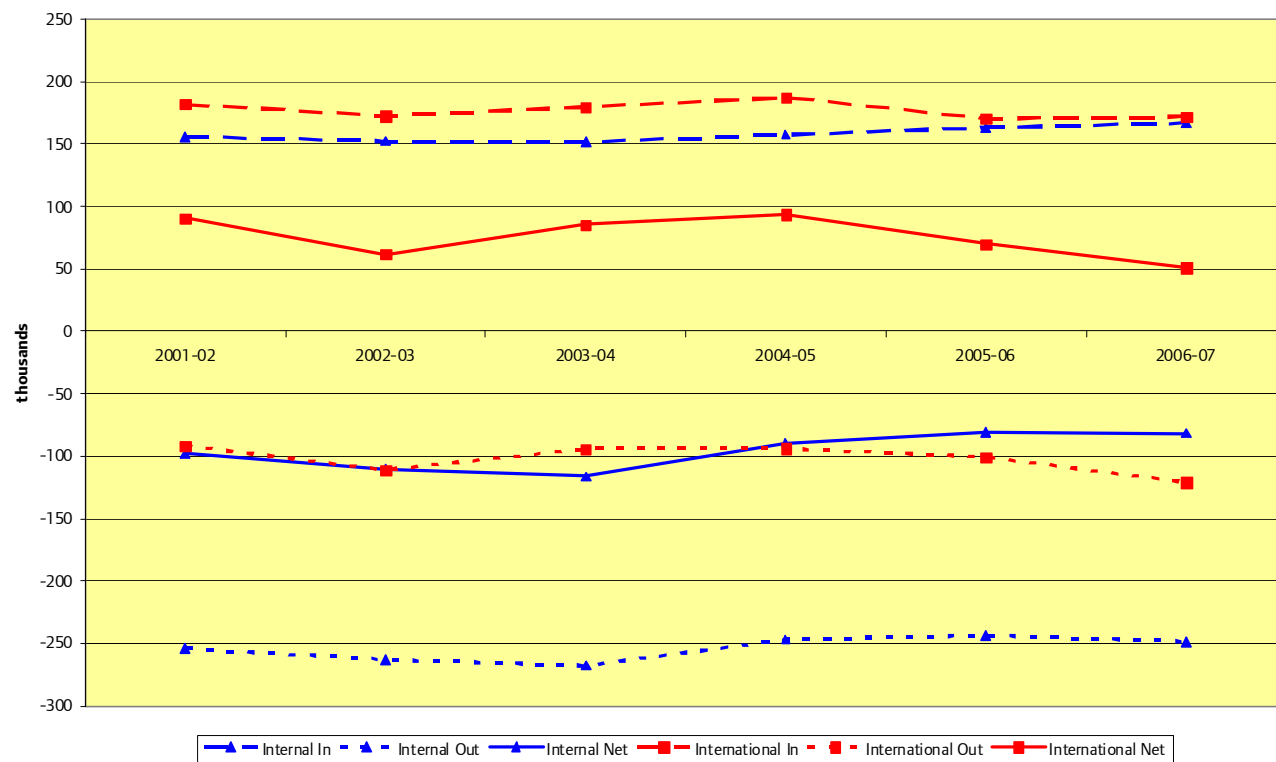


Chart 7: Gross Migration Flows to and from London: 2001-07: ONS mid-year estimates: thousands



Looking at flows within the UK, London tends to have a small net gain from regions in the north and west but loses quite heavily to the regions of the 'greater' South East, that is the East, East Midlands, South East and South West. In most years 80-90% of London's net loss to the rest of the UK goes to the adjacent East and South East regions. In 2006-07 over 160 thousand Londoners migrated just over the boundary into these two regions.

Even though London is a net migration loser, the footprint of the huge population turnover caused by migration is seen in the enhancement of the young age structure and the impact that has on births, deaths and hence the very high natural growth. London can be seen as the demographic engine of the UK due to the sizes of the migration flows passing through it and the associated large contribution it makes to the national population growth due to the excess of births over deaths.

Short-term Migration

International migration is very hard to count and track. The ONS standard measures (Total International Migration or TIM) are based on the International Passenger Survey that is carried out at airports, seaports and the Channel Tunnel. Official population estimates only count those who arrive in the UK – or leave the UK – with the intention of remaining in or out of the UK for at least a year. Since 2004 there has been a surge in short-term migrants, people who state an intention to stay for less than a year. Much of this growth is due to citizens of the eight EU accession states in Eastern Europe: the A8. One means of estimating their impact on the population is to look at new registrations for National Insurance by overseas nationals.

Chart 8: Measures of International Inflows to London: 2001-2 to 2007-08: ONS Total International Migration, NHS 'Flag 4' and DWP National Insurance records: thousands

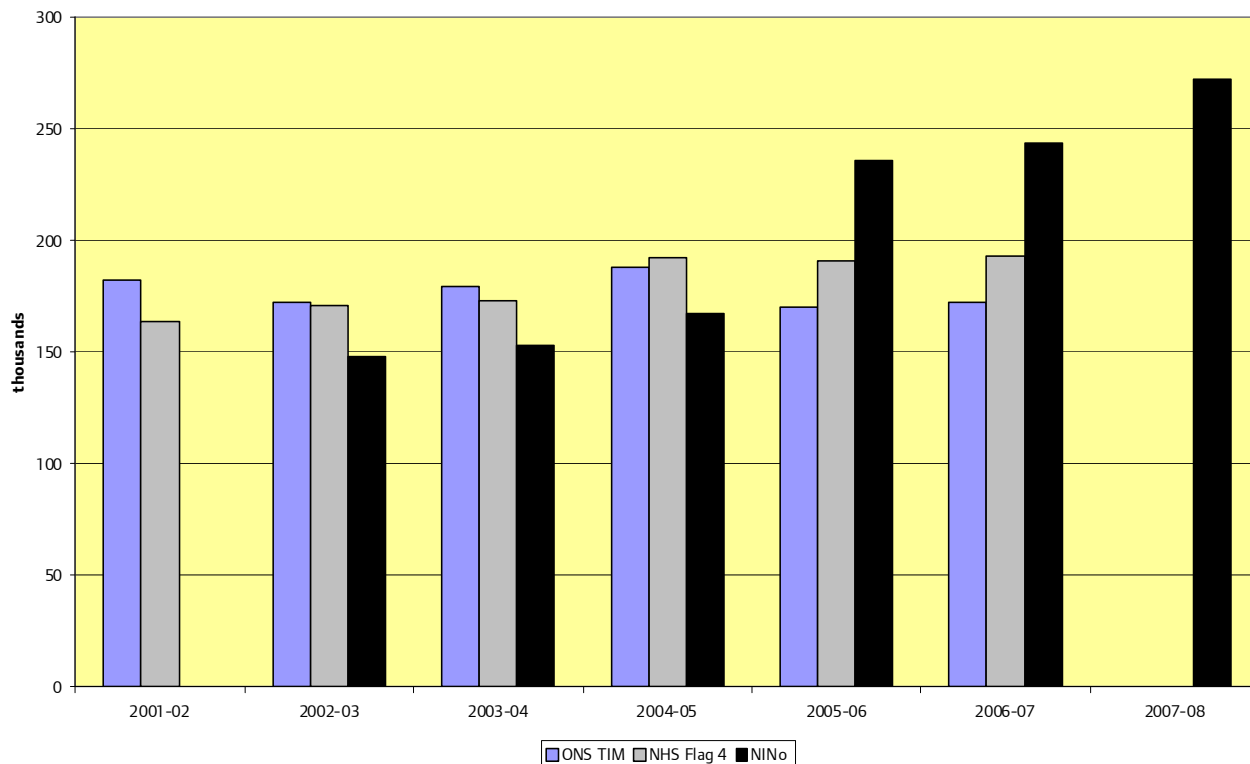


Chart 8 shows three measures of international migration to London. The first is the standard ONS TIM measure, the second is new registrations with the National Health Service from overseas (Flag 4) and the third is National Insurance numbers issued to overseas citizens (NINO). For London the

number of NINo registrants has grown from around 150 thousand per year in 2002-03 and 2003-04 to over 270 thousand in 2007-08. These are only a subset of migrants as the measure only counts persons of working age requiring a National Insurance number. The self-employed and non-working students do not need to register and there is no account of dependents. Registration may not occur in the first year after arrival in the UK in cases where, for instance, dependents reach working age or students wish to seek employment. However, it is reasonable to speculate that much of the increase of 120 thousand persons is made up of short-term migrants who, if present for education or employment, are estimated by ONS to spend 5-6 months in the UK on average. It is, therefore, quite possible that London's population is swollen by 50-60 thousand additional short-term residents at any given time. The NHS Flag 4 measure appears to track the ONS TIM measure, with a lag of a year, but may indicate some undercount of migrants to London in the last two years. Not all migrants will register with the NHS shortly after arrival and some may take many years before needing NHS services.

Projections

The GLA prepares an annual set of demographic projections for London, including the boroughs and the wards. ONS prepares projections every other year.

Chart 9: Population Projections: London: 2006 to 2031: GLA 2007 Round PLP Low and PLP High and ONS 2006-based projections: thousands

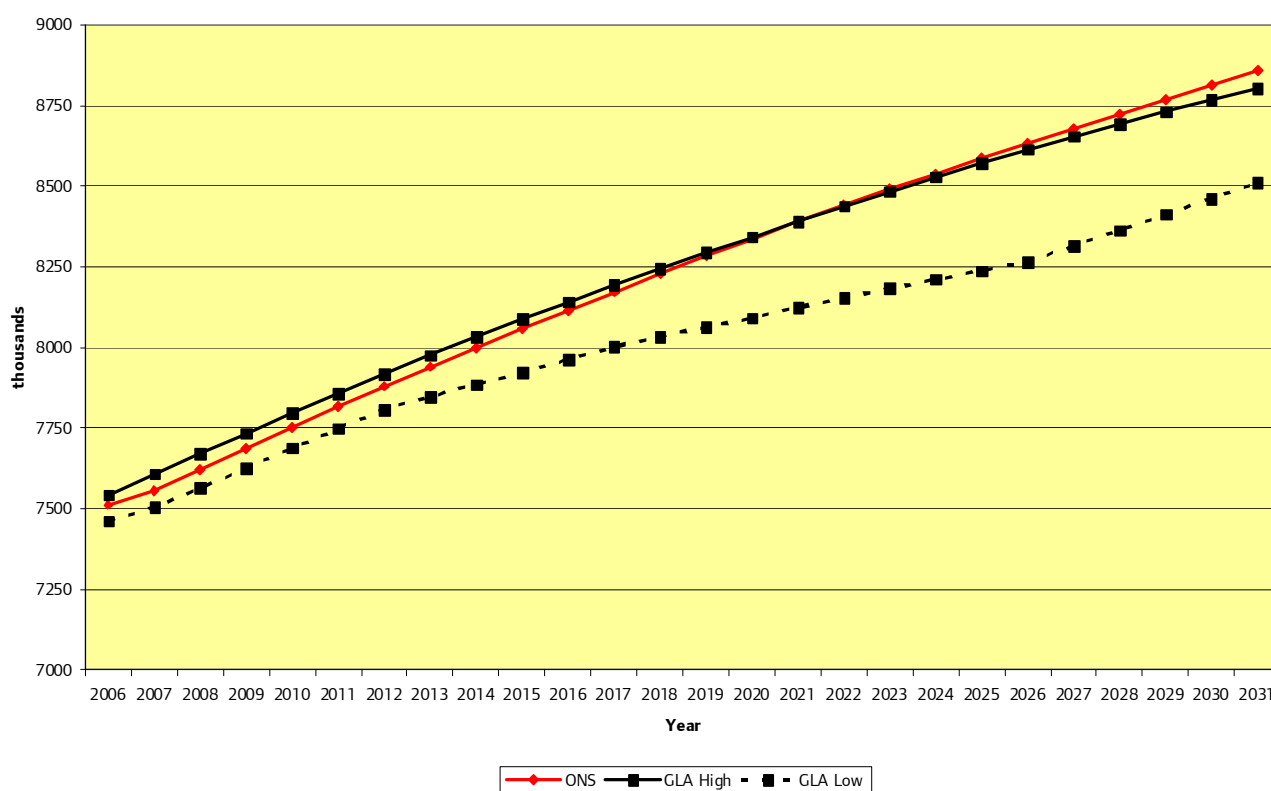


Chart 9 shows the pair of projections prepared as part of the GLA 2007 Round and the ONS 2006-based projection. The high GLA projection is very similar to the ONS projection as both were based on migration levels occurring in 2001-06. The low GLA projection was based on the assumed capacity of London's housing stock. This relied on data on future housing developments from the 2004 *London Housing Capacity Study*, as amended in 2006, with augmenting information from the boroughs.

GLA projections show the population growing to 7.96-8.14 million in 2016 and 8.27-8.61 million in 2026 and 8.51-8.80 million in 2031. All three projections show growth in London in spite of net migration losses throughout the period.

Household Projections

Chart 10: Households by Type: London: 2006 and 2026: GLA 2007 Round PLP Low projection: thousands

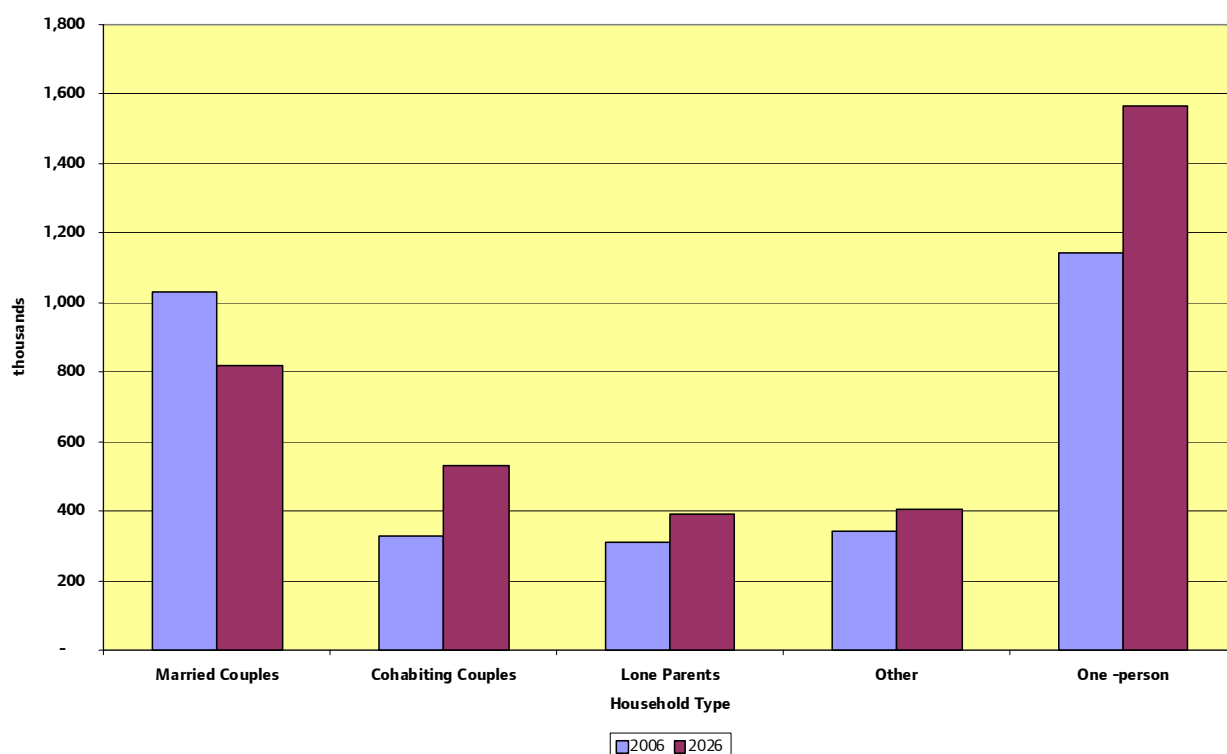


Chart 10 shows the conversion of the GLA 2007 Round PLP Low projection to households. The process involves allowing for the relatively small part of the population (90-100 thousand) who are resident in communal establishments, assigning marital status to the private household population in each five-year age group and then applying household representative rates by household type to the resulting private household population by age, gender and marital status. One-person households already form the largest proportion of all households and are also expected to account for the major share of the net growth in households between 2006 and 2006, 428 thousand out of 566 thousand. The decline in married couples is almost compensated by the rise in cohabiting couples and there are modest rises in lone parent households (81 thousand) and 'other' households, those formed by 2 or more adults with no families, (64 thousand). The shift in households by type towards more one-person households helps to lower the average household size in London from 2.34 in 2006 to 2.20 in 2026.

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