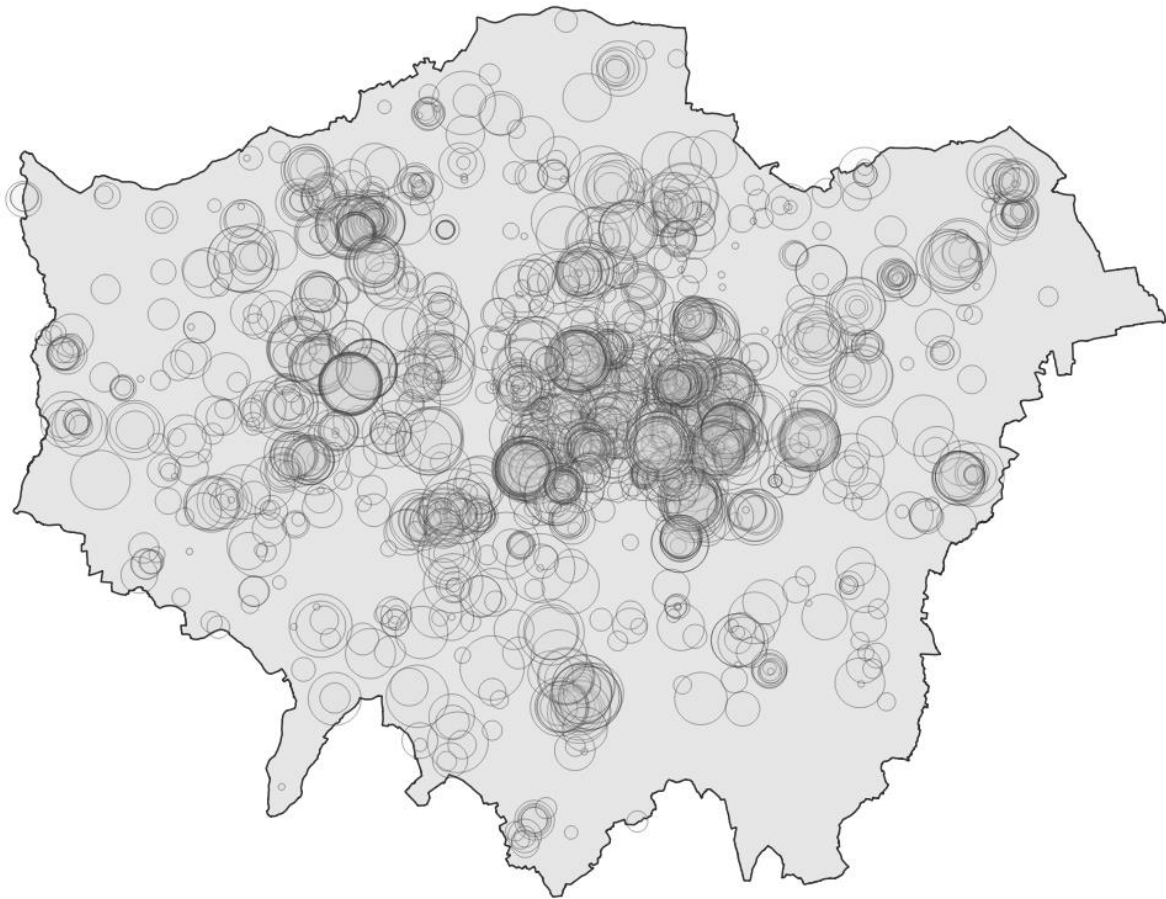

HOUSING IN LONDON: 2018

The evidence base for the Mayor's Housing Strategy



MAYOR OF LONDON

Housing in London 2018

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Cover image produced using Ordnance Survey CodePoint data on the new housing stock in London between January 2015 and January 2017. See Chart 3.8 in this document for more details. Each circle represents a new postcode with at least 5 new residential addresses.

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Introduction

Housing in London is the evidence base for the Mayor's London Housing Strategy, summarising key patterns and trends across a range of topics relevant to housing in the capital.

Housing in London 2018 is divided into nine sections, including six core thematic chapters:

Key statistics for London boroughs

1. Historical background
2. Demographic, economic and social context
3. Housing supply and empty homes
4. Housing costs and affordability
5. Housing need
6. Mobility and decent homes

Discontinued charts

Appendices

This document sits alongside a range of other Greater London Authority publications (all available on www.london.gov.uk or data.london.gov.uk) that provide evidence or statistics on housing. These include (click to follow links):

- [GLA Affordable Housing programme statistics](#)
- [The London Plan Annual Monitoring Reports](#)
- [The 2017 London Strategic Housing Market Assessment](#)
- [The 2017 London Strategic Housing Land Availability Assessment](#)
- [The 2016 Economic Evidence Base](#)
- [The 2018 London Housing Strategy](#)
- [The Mayor's Annual Equalities Reports](#)
- The [London Datastore](#), including statistics on [housing](#) and [demographics](#)

The data used to produce this report has been uploaded to the [London Datastore](#), where you can also find data and reports from previous editions of Housing in London.

Some charts included in previous versions of Housing in London have been discontinued for this edition, usually due to a lack of new data. A list of these charts can be found at the back of this document. The reader is encouraged to search for these charts in previous editions of Housing in London published at <https://data.london.gov.uk/dataset/housing-london>

Comments and suggestions are welcomed and should be sent to housinganalysis@london.gov.uk.

Contents

Housing in London 2018 is structured around six thematic chapters, with tables of key London borough statistics at the beginning of the document. Each thematic chapter starts with a summary page, with links to every chart provided.

The chapter structure in Housing in London 2018 is similar to that of the 2017 edition, and of the [2018 London Housing Strategy](#) published in May 2018. The London Housing Strategy outlines the Mayor's housing policies, drawing on the data sources presented in this document to develop and evaluate these policies.

Housing is a complex matter, however. The reader is therefore encouraged to read across and between chapters to establish a full understanding of topics, with some topics, such as new affordable housing development, covered by charts in all six chapters.

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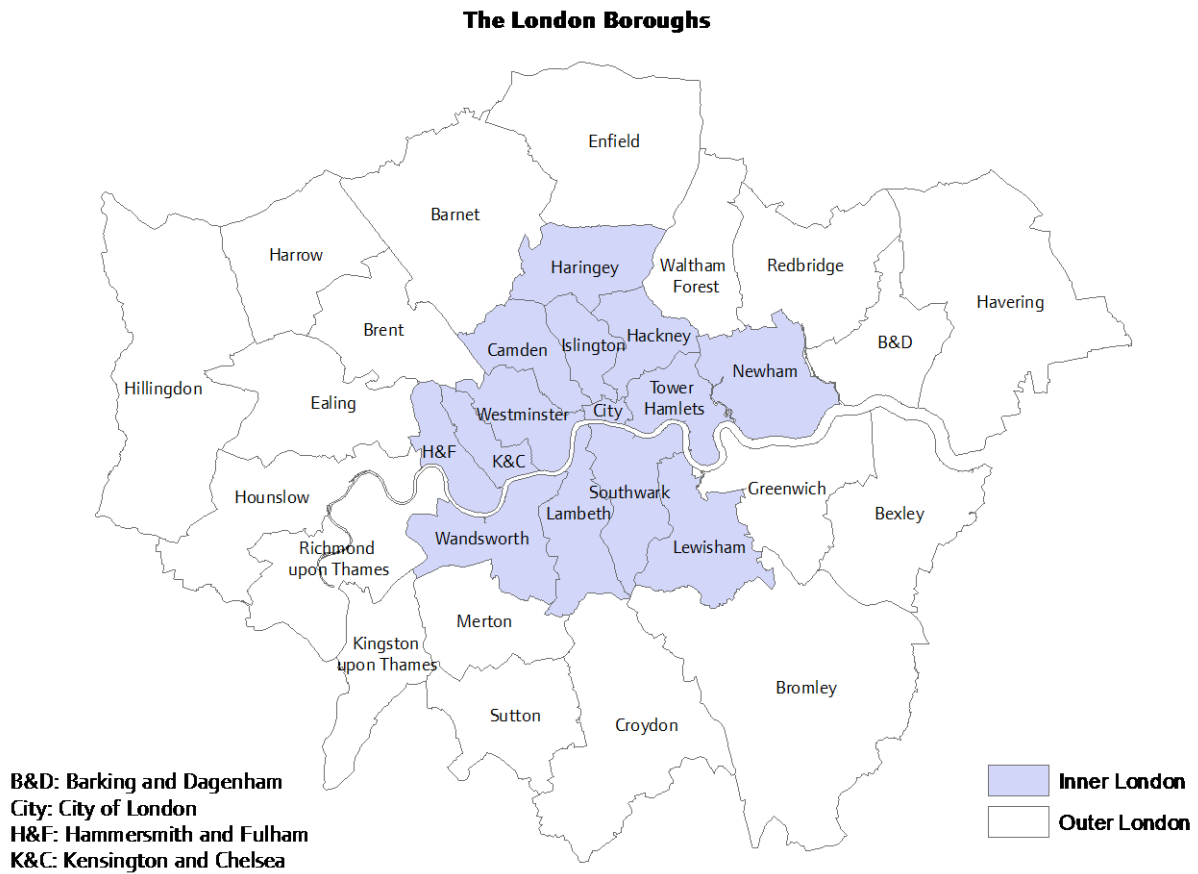


Table 1: Population and households

Borough	Sector	Population (2016)¹	Projected households (2016)²	Dwellings (2016)³	Persons per dwelling (2016)⁴
Barking and Dagenham	Outer	208,182	76,857	73,180	2.84
Barnet	Outer	384,774	150,948	145,270	2.65
Bexley	Outer	245,095	98,151	97,000	2.53
Brent	Outer	326,427	121,097	115,600	2.82
Bromley	Outer	327,580	137,972	136,860	2.39
Camden	Inner	249,162	109,515	101,650	2.45
City of London	Inner	7,246	4,276	6,230	1.16
Croydon	Outer	383,301	156,027	152,520	2.51
Ealing	Outer	344,802	130,659	130,530	2.64
Enfield	Outer	332,127	129,601	123,800	2.68
Greenwich	Outer	279,139	114,105	106,880	2.61
Hackney	Inner	273,239	116,109	106,750	2.56
Hammersmith and Fulham	Inner	181,783	82,261	85,270	2.13
Haringey	Inner	272,078	115,228	106,640	2.55
Harrow	Outer	248,697	90,368	88,410	2.81
Havering	Outer	253,371	102,780	100,260	2.53
Hillingdon	Outer	299,899	111,537	107,460	2.79
Hounslow	Outer	268,270	104,711	98,790	2.72
Islington	Inner	232,055	105,270	100,760	2.30
Kensington and Chelsea	Inner	156,773	79,390	86,540	1.81
Kingston upon Thames	Outer	173,703	70,175	66,410	2.62
Lambeth	Inner	323,063	143,655	136,260	2.37
Lewisham	Inner	298,903	129,977	122,820	2.43
Merton	Outer	206,706	82,392	82,710	2.50
Newham	Inner	344,533	120,133	108,810	3.17
Redbridge	Outer	301,328	108,922	102,650	2.94
Richmond upon Thames	Outer	195,187	83,737	83,780	2.33
Southwark	Inner	311,655	133,618	128,360	2.43
Sutton	Outer	201,945	83,763	81,240	2.49
Tower Hamlets	Inner	300,943	125,850	110,790	2.72
Waltham Forest	Outer	274,222	106,243	100,310	2.73
Wandsworth	Inner	321,497	135,689	138,840	2.32
Westminster	Inner	241,974	120,623	121,120	2.00
London		8,769,659	3,581,640	3,484,880	2.52

¹ ONS, Mid-year population estimates, 2016.² GLA, 2016-based central trend household projection, 2016.³ MHCLG, Live Table 100.⁴ Population (2016) divided by Dwellings (2016).

Table 2: Housing stock and new homes

Borough	Sector	Growth in housing stock (2006-2016) ⁵	Total affordable housing stock (2016) ⁶	Houses as percentage of total stock (2017) ⁷	Net new homes (2016/17) ⁸
Barking and Dagenham	Outer	4.2%	22,850	69%	596
Barnet	Outer	5.9%	18,850	53%	1,799
Bexley	Outer	2.2%	13,490	74%	764
Brent	Outer	4.7%	26,540	42%	1,364
Bromley	Outer	2.4%	18,950	68%	858
Camden	Inner	3.5%	34,460	12%	1,208
City of London	Inner	n/a	670	1%	7
Croydon	Outer	5.0%	26,510	60%	2,835
Ealing	Outer	3.4%	23,950	50%	845
Enfield	Outer	2.7%	18,720	60%	898
Greenwich	Outer	5.8%	36,100	49%	2,380
Hackney	Inner	5.8%	46,150	18%	1,196
Hammersmith and Fulham	Inner	4.6%	25,710	24%	974
Haringey	Inner	3.3%	27,190	38%	741
Harrow	Outer	3.9%	9,200	66%	656
Havering	Outer	2.5%	14,590	76%	443
Hillingdon	Outer	4.5%	18,480	69%	764
Hounslow	Outer	3.5%	26,650	54%	557
Islington	Inner	5.7%	41,480	15%	674
Kensington and Chelsea	Inner	2.5%	19,870	15%	355
Kingston upon Thames	Outer	2.4%	7,420	61%	273
Lambeth	Inner	5.3%	48,110	24%	1,135
Lewisham	Inner	6.6%	37,420	40%	1,604
Merton	Outer	2.8%	11,440	60%	434
Newham	Inner	7.6%	30,320	48%	2,377
Redbridge	Outer	1.8%	9,420	67%	755
Richmond upon Thames	Outer	2.6%	10,010	58%	465
Southwark	Inner	6.9%	55,420	20%	2,412
Sutton	Outer	2.7%	11,840	63%	653
Tower Hamlets	Inner	9.4%	43,330	11%	4,827
Waltham Forest	Outer	3.7%	22,240	55%	1,033
Wandsworth	Inner	5.7%	27,760	30%	2,336
Westminster	Inner	4.6%	27,400	9%	1,342
London		4.5%	812,510	44%	39,560

⁵ GLA analysis of MHCLG, Live tables 100 and 125.⁶ MHCLG, Live table 100.⁷ VOA, Council Tax stock of properties⁸ MHCLG, Live table 122.

Table 3: Rents, house prices and earnings

Borough	Sector	Average Private Rent (2016/17) ⁹	Average House Price (Jan 2018) ¹⁰	Average Earnings (2017) ¹¹	Price to Earnings Ratio (2017) ¹²
Barking and Dagenham	Outer	£1,200	£293,034	£30,167	10.7
Barnet	Outer	£1,350	£532,719	£37,430	15.9
Bexley	Outer	£1,062	£344,415	£33,353	11.0
Brent	Outer	£1,450	£488,970	£30,313	15.9
Bromley	Outer	£1,150	£445,387	£40,490	14.6
Camden	Inner	£1,820	£821,464	£40,115	20.0
City of London	Inner	£1,950	£755,178	n/a	14.8
Croydon	Outer	£1,100	£372,024	£33,821	11.2
Ealing	Outer	£1,400	£481,834	£32,991	16.0
Enfield	Outer	£1,275	£400,010	£30,920	13.9
Greenwich	Outer	£1,325	£393,887	£32,814	12.9
Hackney	Inner	£1,603	£567,005	£34,507	15.9
Hammersmith and Fulham	Inner	£1,625	£744,263	£40,113	20.9
Haringey	Inner	£1,400	£548,513	£33,150	16.8
Harrow	Outer	£1,350	£467,839	£34,243	16.0
Havering	Outer	£1,100	£365,093	£32,972	12.0
Hillingdon	Outer	£1,200	£408,346	£31,714	12.3
Hounslow	Outer	£1,300	£407,680	£31,764	11.1
Islington	Inner	£1,712	£657,474	£37,982	15.7
Kensington and Chelsea	Inner	£2,795	£1,380,000	£44,998	40.7
Kingston upon Thames	Outer	£1,300	£484,965	£37,865	15.5
Lambeth	Inner	£1,550	£526,788	£34,357	14.7
Lewisham	Inner	£1,275	£422,367	£34,266	12.4
Merton	Outer	£1,400	£510,576	£35,625	15.4
Newham	Inner	£1,365	£366,953	£29,002	12.7
Redbridge	Outer	£1,200	£432,415	£33,251	14.4
Richmond upon Thames	Outer	£1,430	£643,714	£40,787	19.9
Southwark	Inner	£1,495	£513,991	£35,009	14.3
Sutton	Outer	£1,100	£377,902	£32,394	12.9
Tower Hamlets	Inner	£1,647	£469,550	£37,603	9.7
Waltham Forest	Outer	£1,250	£449,654	£31,365	15.7
Wandsworth	Inner	£1,668	£597,857	£40,123	19.7
Westminster	Inner	£2,265	£1,025,871	£43,203	24.6
London		£1,433	£485,830	£34,752	12.4

⁹ Valuation Office Agency, Private rental market summary statistics, 2016/17.

¹⁰ ONS, House Price Index, January 2018. This figure is adjusted for the mix of dwellings sold.

¹¹ ONS, Annual Survey of Hours and Earnings, 2016/17. Median full-time, residence-based earnings.

¹² ONS, Housing Affordability in England and Wales: 2017. Ratio of median workplace-based earnings to median house price. Unlike the Average House Price figure in the table above, the median is not adjusted for the mix of homes sold. Note this uses a different measure of earnings to the previous column, and therefore is not comparable

1. Historical background

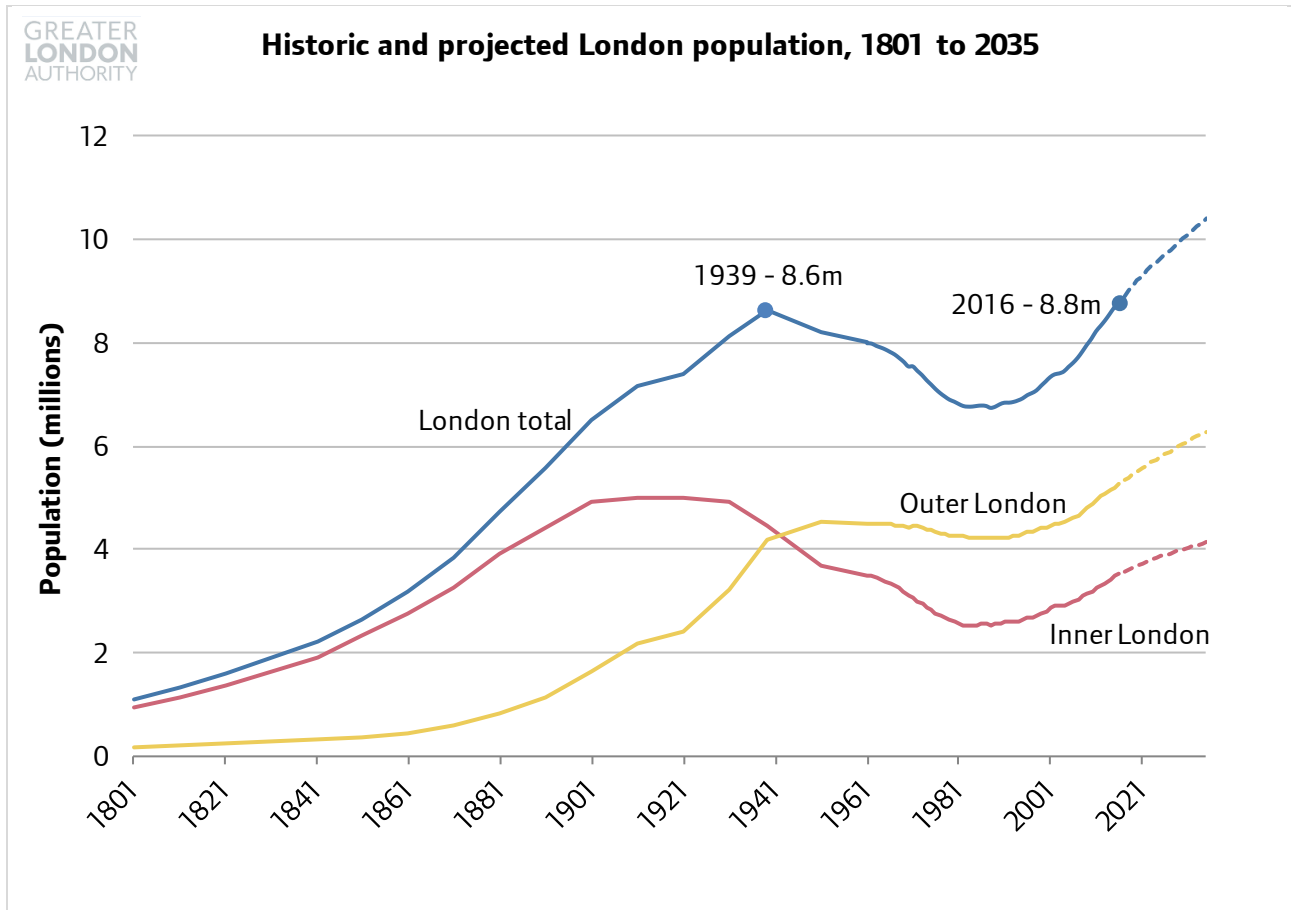
London's population has reached a new peak, after growing by 103,000 between 2015 and 2016 (**1.1**). There are now slightly more homes than households in London, in stark contrast to the first half of the 20th century (**1.2**), but the number of people for every home in London has risen in recent years, while falling across the rest of the country (**1.3**).

The private rented sector, once the largest tenure in London, is expanding rapidly again and is projected to catch up with owner occupation by 2025 (**1.4**). The declining share of mortgagors accounts for the fall in home ownership over the last twenty years (**1.5**), and there has been substantial growth in people living in a shared private rented home over the same period (**1.6**).

The number of homes built in London in 2017 was the highest in a calendar year since 1977 – but still far below historic peaks (**1.7**). That said, since 2001 London's housing stock has grown faster than during the post-war decades due to fewer demolitions and more conversions (**1.8**), and the annual targets for new housing in London have increased with each of the last four London Plans (**1.9**). Compared to other major European cities, however, London has fewer high-density neighbourhoods (**1.10**).

Public concern over housing remains high in London, although has fallen from the peaks of 2016 due to rising concerns over other issues such as the UK's relationship with the EU and the NHS (**1.11**). Two thirds of Londoners now say they would support new homes being built in their area, up from just over one third in 2010 (**1.12**).

1.1. London's population has reached a new peak, after growing by 103,000 between 2015 and 2016

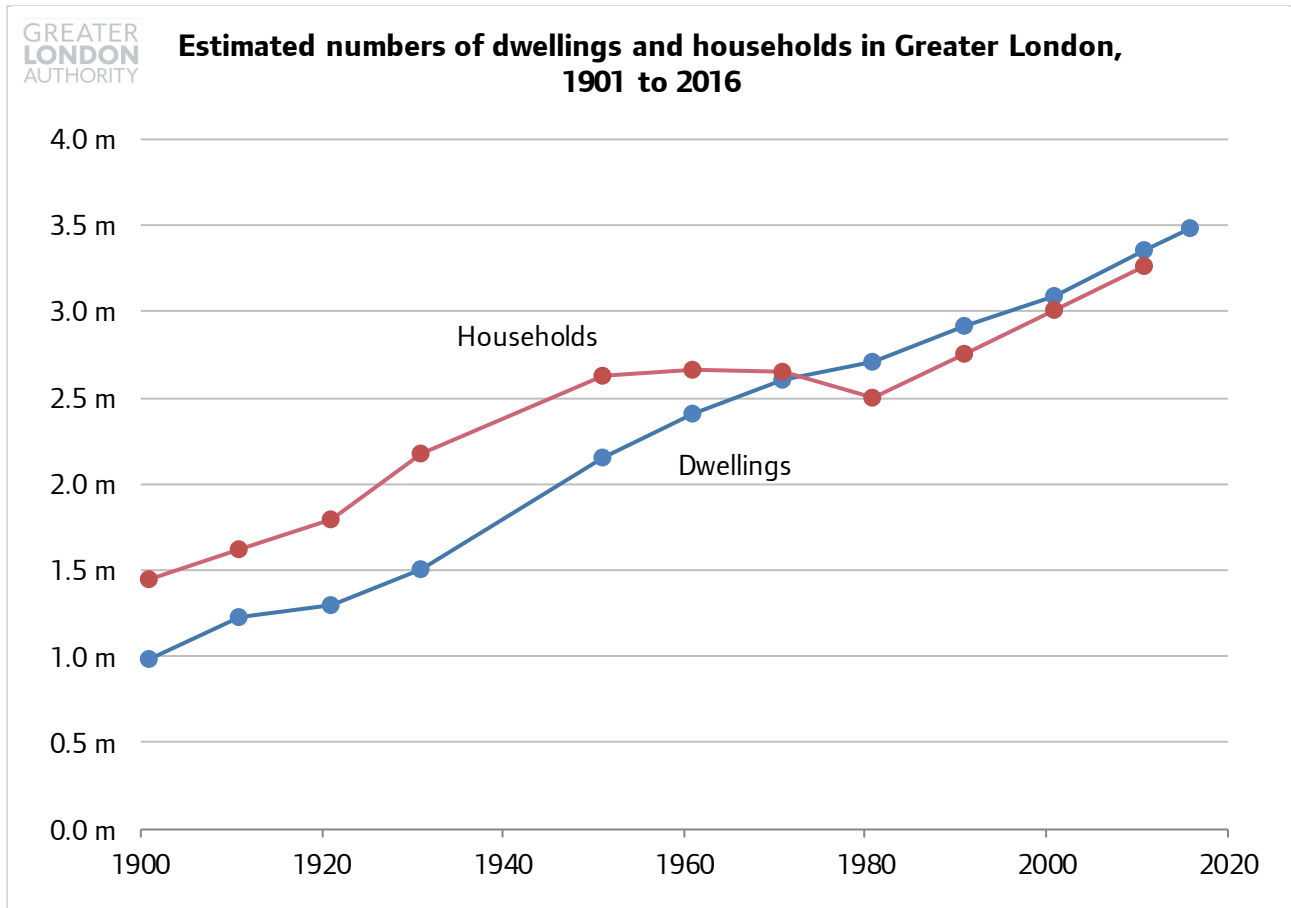


- Just over one million people lived in London in 1801, a number that grew steadily until the Second World War, reaching 8.6 million in 1939. After the war de-industrialisation, suburbanisation and population dispersal policies meant the population fell for several decades, only to return to growth in the 1980s.
- London's population passed its previous peak in 2015, and has grown by more than 100,000 in each of the last nine years, reaching an estimated 8.8 million in 2016.
- GLA projections anticipate population growth of 1.7 million between 2015 and 2035, which would leave London's population at 10.5 million.
- These projected figures are 'unconstrained' by housing supply. If enough new housing is not built, population growth may well be lower.

Sources and notes

Compiled by GLA from:
 - 1801-1961: Persons present on Census day (ONS)
 - 1961-2016: Estimated mid-year resident population (ONS)
 - 2015-2035: GLA 2016 based population projections – central scenario

1.2. There are now slightly more homes than households in London, in stark contrast to the first half of the 20th century



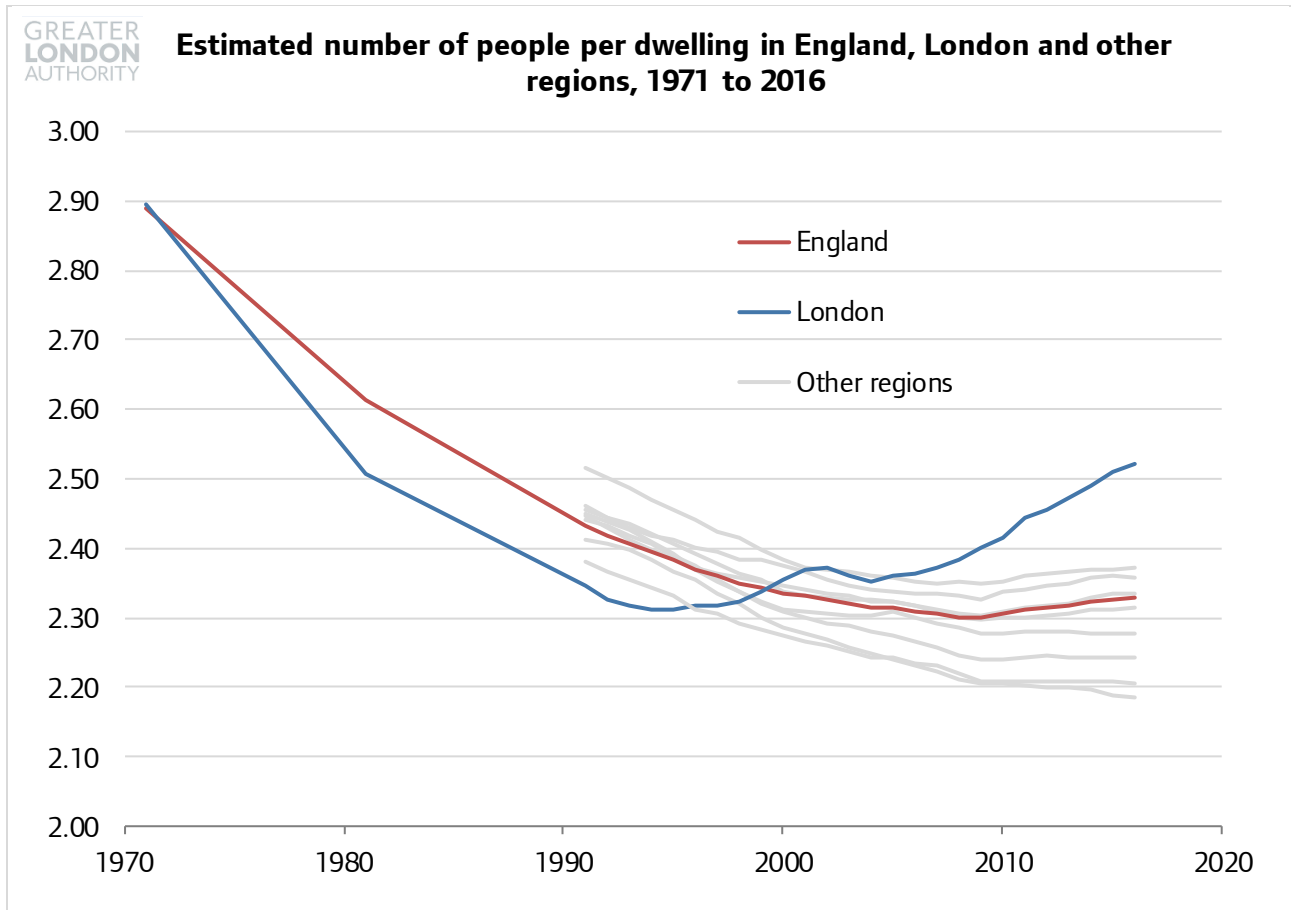
- At the beginning of the 20th century there were around 1.5 million households in London, living in around one million dwellings, indicating very high levels of sharing and overcrowding. The numbers of both households and homes grew over the subsequent decades, and the aggregate deficit was only eliminated when household growth came to a halt after the Second World War.
- By the 1970s there were finally more homes than households in London, but the resumption of growth in the number of households (driven primarily by rapid population growth) has since then seen the 'surplus' narrow to around 90,000 homes by 2011.
- Between 2011 and 2016, the number of homes in London grew by around 127,000, leading to a total of 3.5 million dwellings.
- The change in the number of households will not be known with any precision until the next Census (2021).

Sources and notes

Compiled by GLA from:

- 1901 to 1931 from 'London: The Heartless City' (1977) by David Richards and David Wilcox
- 1951 and 1961 from the Holland Report on Housing in Greater London
- 1971 to 2011 from Census data
- 2011 to 2016 from MHCLG live table 125
- Census definitions of households and dwellings have changed somewhat over time, as has the population base (from 'population present' in early Censuses to 'usual residents' in more recent ones)
- The 'usually resident' population excludes anyone born outside the UK who intends to stay less than a year

1.3. The estimated number of people per home in London has risen rapidly since the 1990s, while falling in the rest of the country



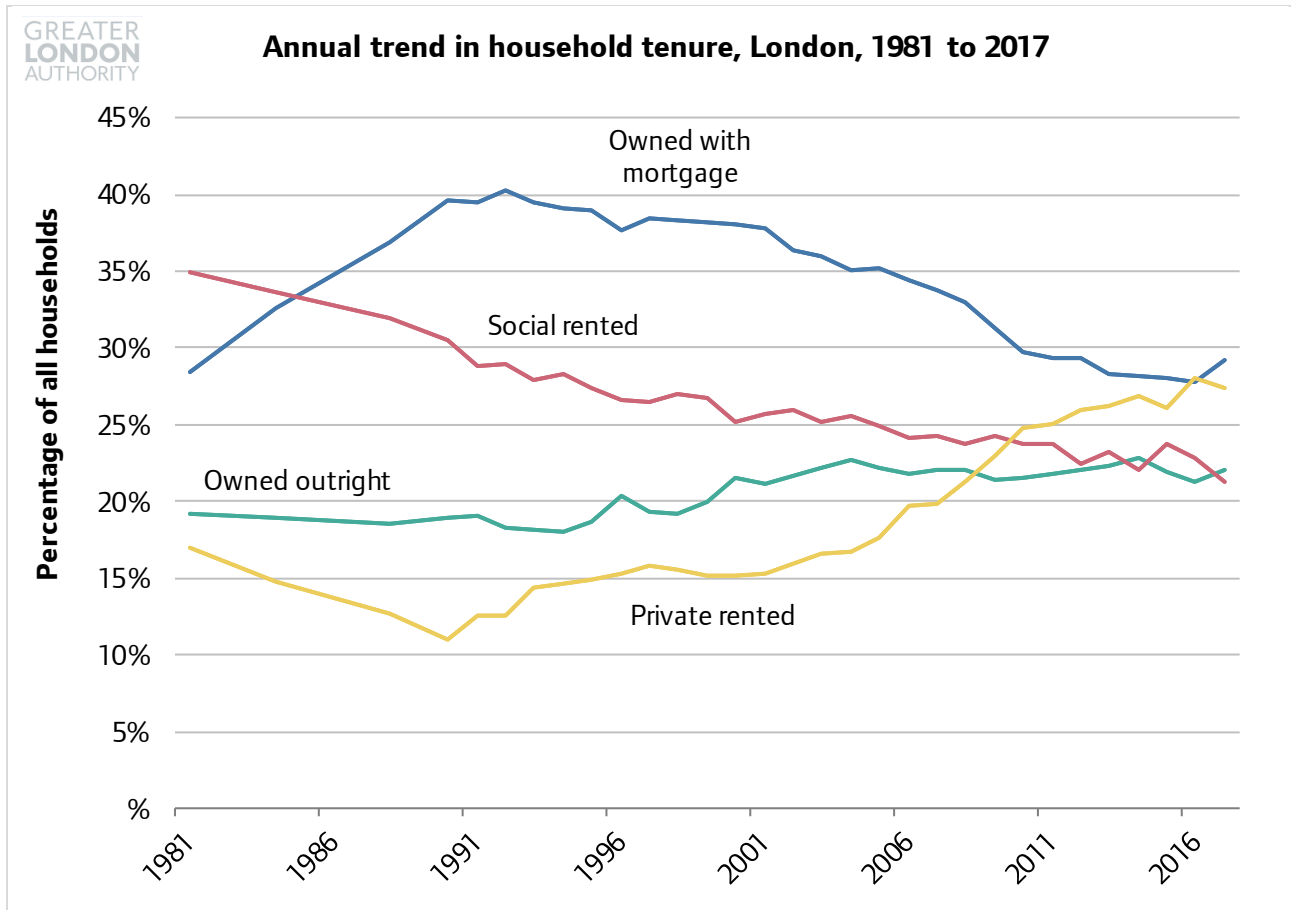
- In 1971 there were 2.9 people for each dwelling in both London and England as a whole. Over the next two decades the number of people per dwelling fell across the country as a whole, but particularly in London, due to a combination of population decline and ongoing house building.
- But since the 1990s new house building in London has not kept up with population growth, and the estimated number of people per dwelling has risen from 2.35 in 1991 to 2.52 in 2016. Over the same period the number of people per dwelling fell in every other region of England.

Sources and notes

Compiled by GLA from:

- ONS mid-year population estimates;
- MHCLG dwelling stock data (tables 104, 109 and 215)
- GLA historical Census tables

1.4. Around 27% of households in London rent their home privately, just below the proportion who own their home with a mortgage

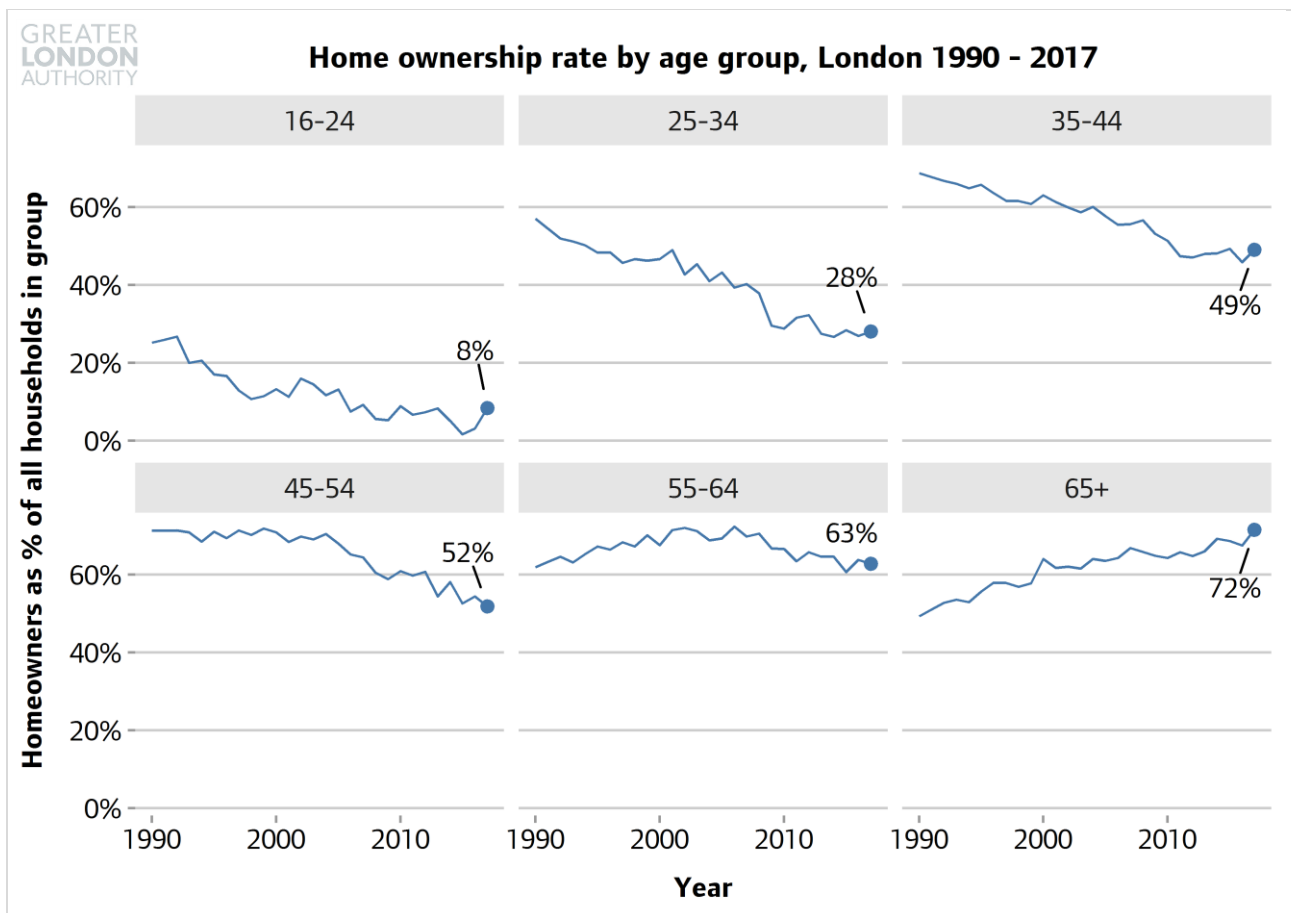


- London's tenure mix underwent a dramatic change in the first decade of the 21st century; the proportion of households that own their home with a mortgage fell from 38% in 2000 to 29% in 2011, while the proportion that rent privately rose from 15% to 25%.
- The proportion of households who own their home with a mortgage or who rent privately have converged at just under 30% each, as have the proportion of households who own their homes outright or live in social housing, around 20% each.
- In 2017, 22% of households in London owned their home outright, 29% had a mortgage, 27% rented privately and 21% were in social housing. This is only the second time since 1981 that social tenants were the smallest tenure group, after being the largest tenure group in the early 1980s.

Sources and notes

Compiled by GLA from:
 - Housing Trailers to the Labour Force Survey (1981, 1984, 1988 and 1991, with intervening years interpolated) -
 - Labour Force Survey data (1990, 1992 to 1996 and 2009 to 2017)
 - MHCLG analysis of the LFS (1997 to 2008)

1.5. Home ownership rates among younger Londoners have fallen sharply in recent decades

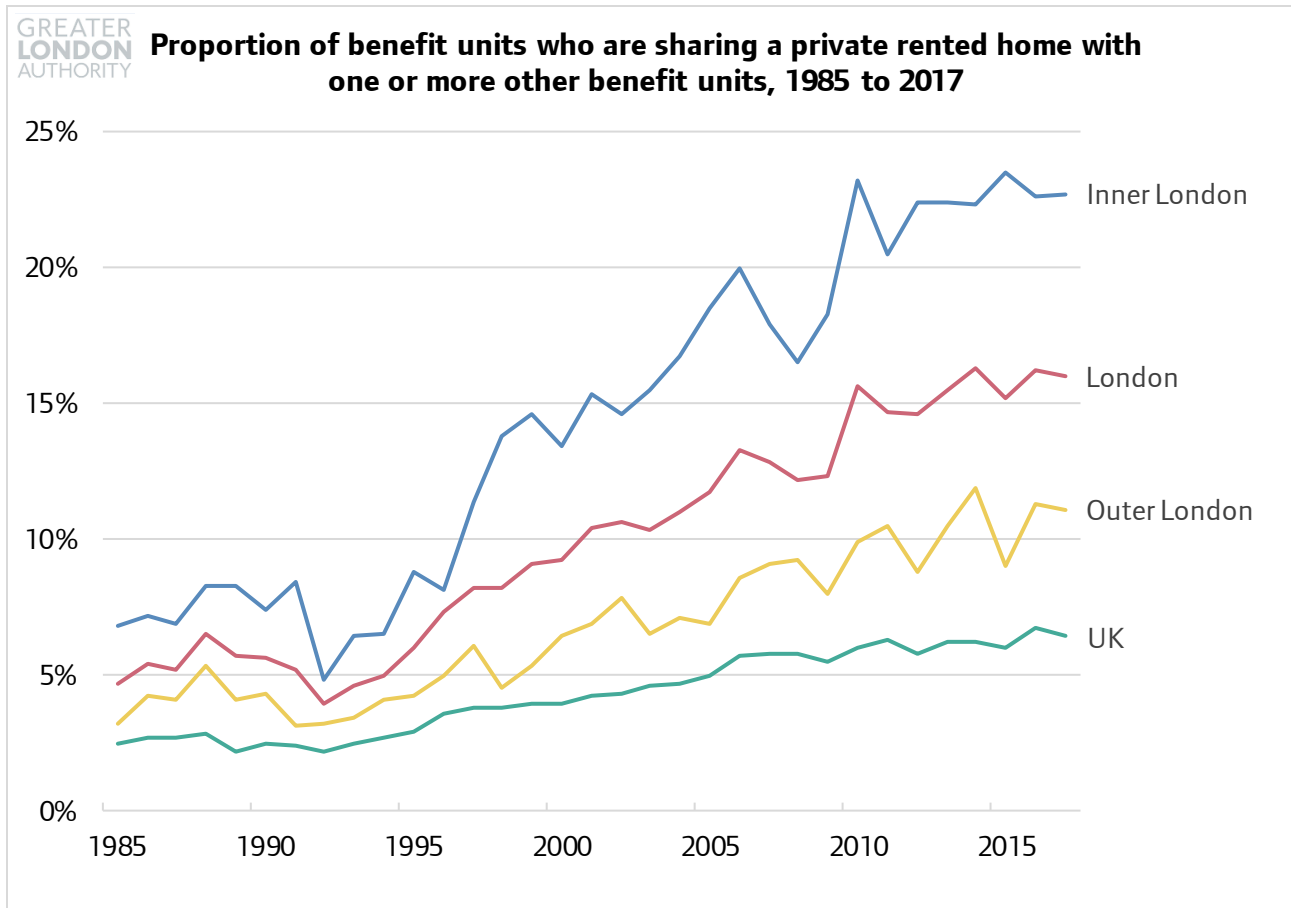


- While London's overall home ownership rate has fallen in recent decades, there are stark differences in the trends for different age groups. In 1990, 25% of households in London headed by someone aged 16-24 and 57% of households headed by someone aged 25-34 owned their home. However, by 2017 these figures had fallen to 8% and 28% respectively.
- Home ownership rates also fell for households headed by someone aged 35-44 (from 69% to 49%) and 45-54 (71% to 52%) over the same period.
- During this period, the ownership rate for households headed by someone aged 55-64 initially rose, but over the last decade has fallen back to its original level at 63%.
- Finally, the proportion of households headed by someone 65 or older that owned their own home rose relatively steadily from 49% in 1990 to 72% in 2017.

Sources and notes

- Labour Force Survey household datasets, 1990 to 2017
- Chart produced using R packages 'readxl', 'ggplot2' and 'ggrepel'

1.6. Since the early 1990s, the number of people in London living in a shared private rented home has increased sharply in London, particularly in inner London

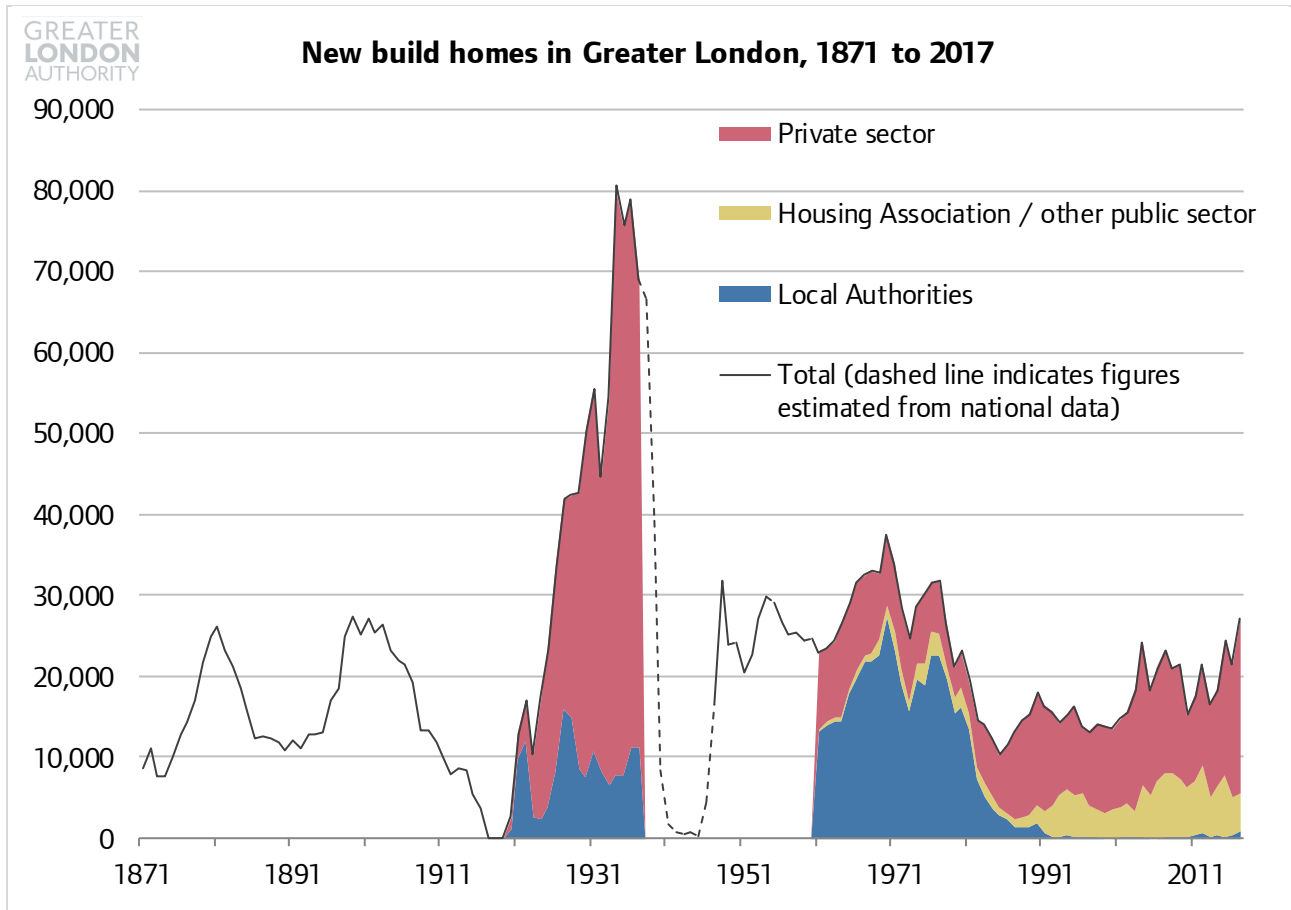


- In 1985, around 5% of 'benefit units' in London (see definition under 'Sources and notes' to the right) were living in a private rented home that they shared with one or more other benefit units. Typically, this involves two or more unrelated adults (or couples) sharing accommodation to economise on rent costs.
- This figure stayed relatively steady until the early 1990s, after which there was a rapid growth in sharing; by 2017, 16% of all benefit units in London were living in shared private rented accommodation. There was a wide divergence within London, from 11% in outer London to 23% in inner London.
- In the UK as a whole only 6% of benefit units shared private rented accommodation in 2017, up from 2.5% in 1985.

Sources and notes

- Resolution Foundation, data on housing tenure by region
- A benefit unit is a single adult or a married or cohabiting couple and any dependent children. A household or even a family unit can therefore contain multiple benefit units, for example adult children living with their parents

1.7. The number of homes built in London in 2017 was the highest in a calendar year since 1977 – but still well below historic peaks



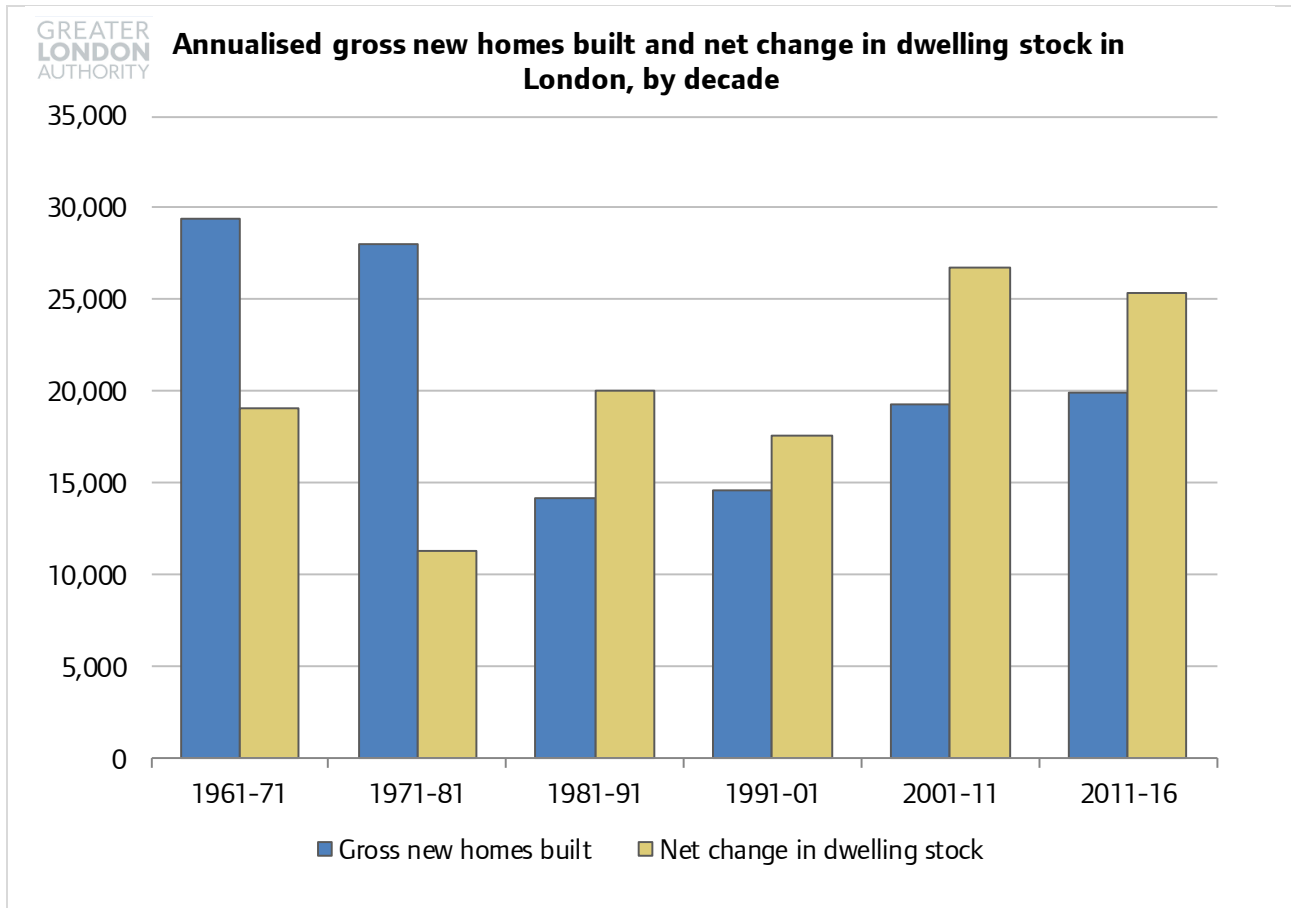
- In 2017, there were 27,140 gross completions (i.e. not adjusted for demolitions) of new build homes in London, the highest calendar year figure since 1977.
- However, this figure is still below the historic peaks in house building of the 1930s (when new builds averaged 61,500 a year) and the 1970s (averaging 29,400 a year).
- The 1930s boom was dominated by private builders and the 1960s and 1970s booms were dominated by local authorities.
- These figures also under-estimate new build supply in more recent years, but are still considered useful as a leading indicator of more robust data such as the net completions figures used elsewhere in this report.

Sources and notes

Compiled by GLA from:

- 1871-1937: Report of the Commissioner of the Metropolitan Police, via Quandl.com
- 1946-1960: GLA estimates based on national data from 1946-1960 (MHCLG, live table 244), London's share of the national total before World War II (from B. Mitchell, *British Historical Statistics*, p. 392), and GLA and MHCLG data from 1961 onwards
- 1961-1969: Annual Abstracts of Greater London Statistics
- 1970-2017: MHCLG house building statistics
- These figures exclude supply from conversions and changes of use, which are included in other charts later in this report, such as Chart 3.3

1.8. Since the turn of the millennium the net increase in London's housing stock has been relatively rapid, due to large numbers of new homes from conversions and changes of use

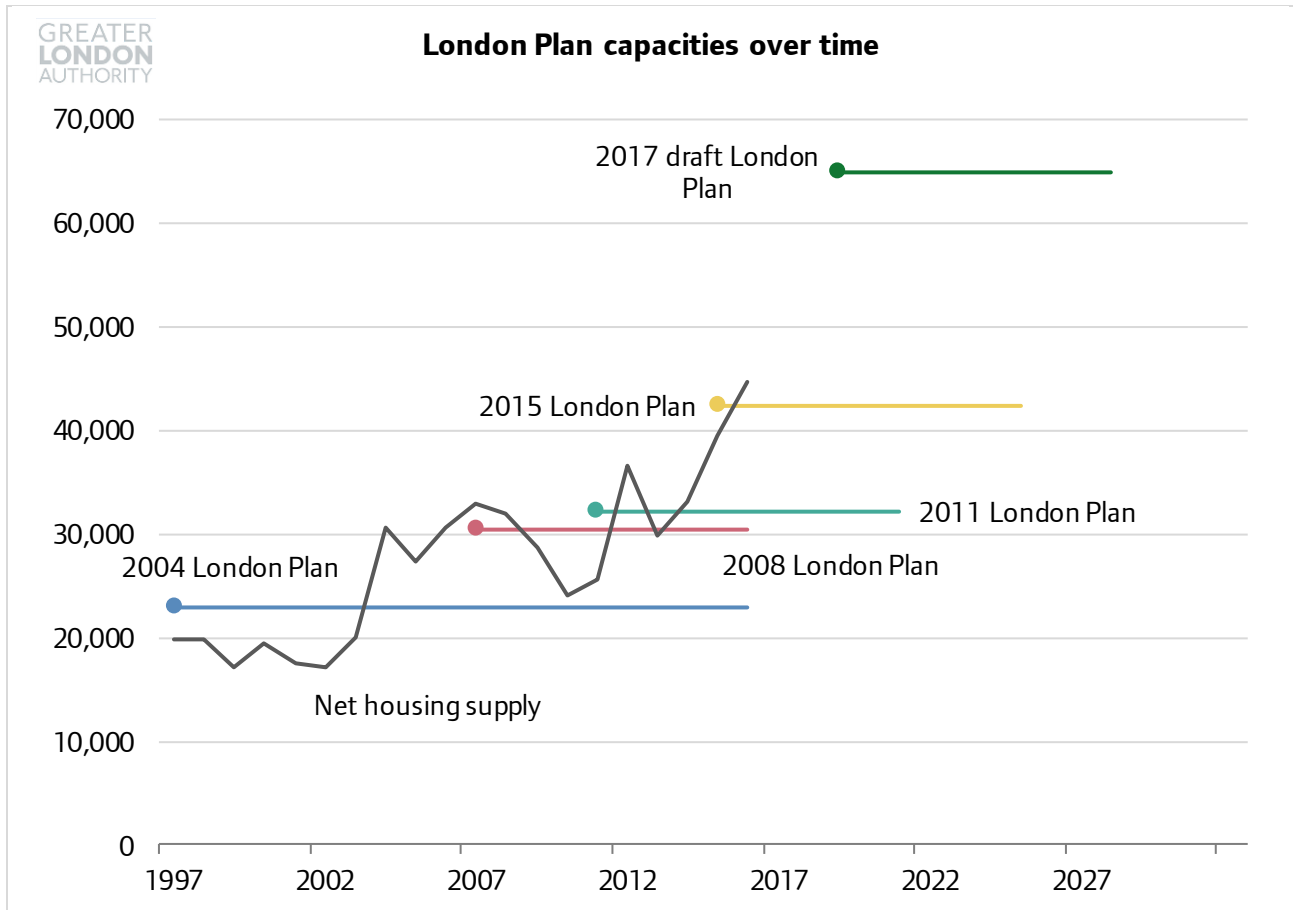


- An average of 20,000 homes a year were built in London between 2011 and 2016 according to the new build statistics used in the previous chart, but the net increase in the dwelling stock was greater at around 25,400 a year.
- The net increase in the dwelling stock can be lower than the number of new homes built if there are substantial numbers of homes demolished, as was the case in the 1960s and 1970s. More recently, the net increase in the dwelling stock has been higher than the number of new homes built, due to a combination of relatively few demolitions and substantial new housing supply coming from sources such as conversions and changes of use, as well as the undercount in the new build statistics already noted.
- According to MHCLG, only 1,800 homes in London were demolished in 2016/17.

Sources and notes

- Gross new homes built from same sources as Chart 1.7 above
- Net change in dwelling stock from comparisons of Census dwelling estimates for 1961-2011, and from MHCLG live tables on dwelling stock for 2011-16
- Note, the growth in the dwelling stock between 2001 to 2011 may be over-stated due to under-counts in 2001. According to VOA Council Tax statistics, which include some additional categories of dwellings such as student halls and care homes, London's dwelling stock grew by 25,630 a year between 2001 and 2011

1.9. The housing capacities identified in the London Plan have risen over time in line with estimated capacity, and housing supply has responded

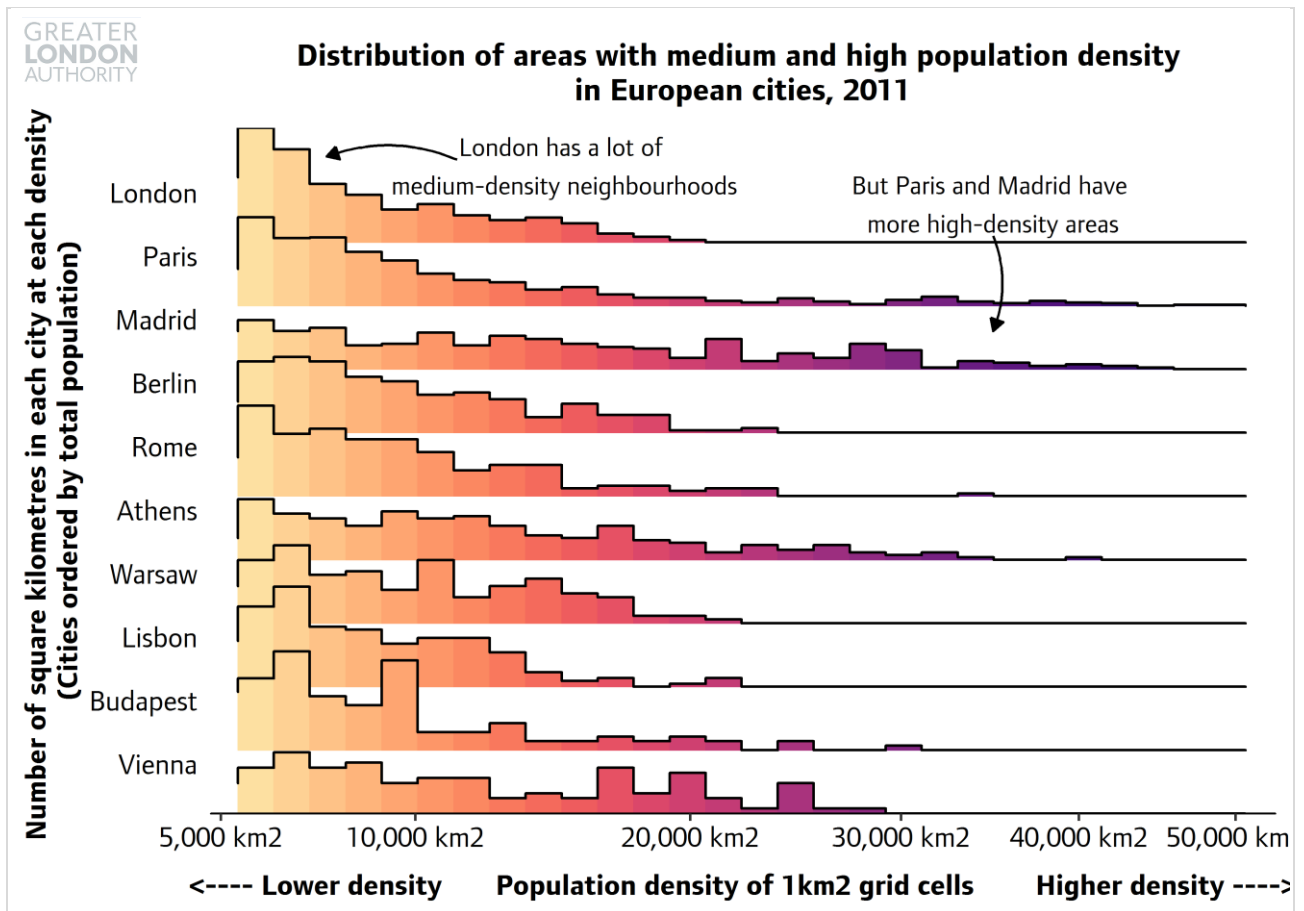


- Since the establishment of the Greater London Authority in 2000, successive London Plans have identified capacity for new housing supply. The 2004 London Plan identified capacity for 23,000 new homes, which then rose to 30,500 in the 2008 Plan, 32,200 in the 2011 Plan, 42,400 in the 2015 Plan, and 64,900 in the draft 2017 Plan.
- The overlaps in the Plan periods shown above demonstrate that more land capacity has been found in successive assessments, with net annual housing completions also trending upwards over the period.

Sources and notes

- Capacities taken from successive London Plans
- Housing supply includes net conventional completions, net non-self-contained completions (including 'C2' units from 2016 onwards) and from 2005 on the net change in long-term empty homes.
- The figures have been converted to calendar years from the official financial year data, and should therefore be seen as indicative only

1.10. Compared to other major European cities, London has fewer high-density neighbourhoods

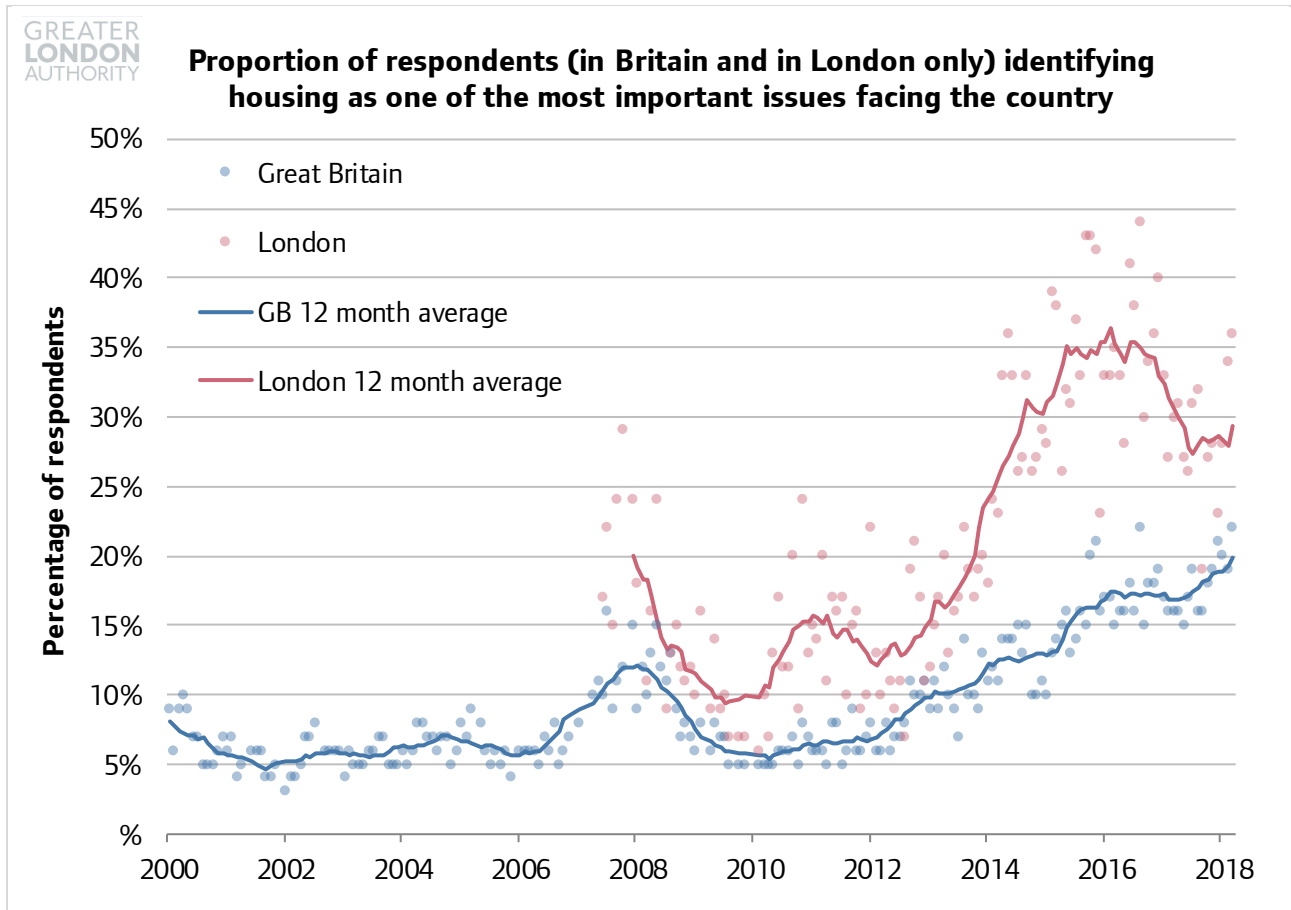


- Although it is the largest single metropolitan area in Europe, London has a relatively low population density compared to other large European cities.
- This chart shows the distribution of medium- and high-density areas in 2011 as measured on a 1km² grid (excluding any areas with fewer than 5,000 people per square km). In 2011, London had a lot of areas at the lower end of this scale but was the only one of the ten largest cities in Europe to contain no areas with more than 20,000 people per square km.
- By contrast, Paris and Madrid each have several areas with more than 30,000 people per square km.

Sources and notes

- Geostat, 1km² population grid of Europe, 2011
- Cities are defined here in terms of Functional Urban Areas
- To ensure legibility across the full range of values, a square root transformation has been applied to the X-axis
- Chart produced using R packages 'tidyverse', 'ggplot2', 'ggridges' and 'viridis'

1.11. Public concern over housing has fallen slightly in London (partly due to Europe and the NHS taking precedence), while continuing to rise in Britain as a whole

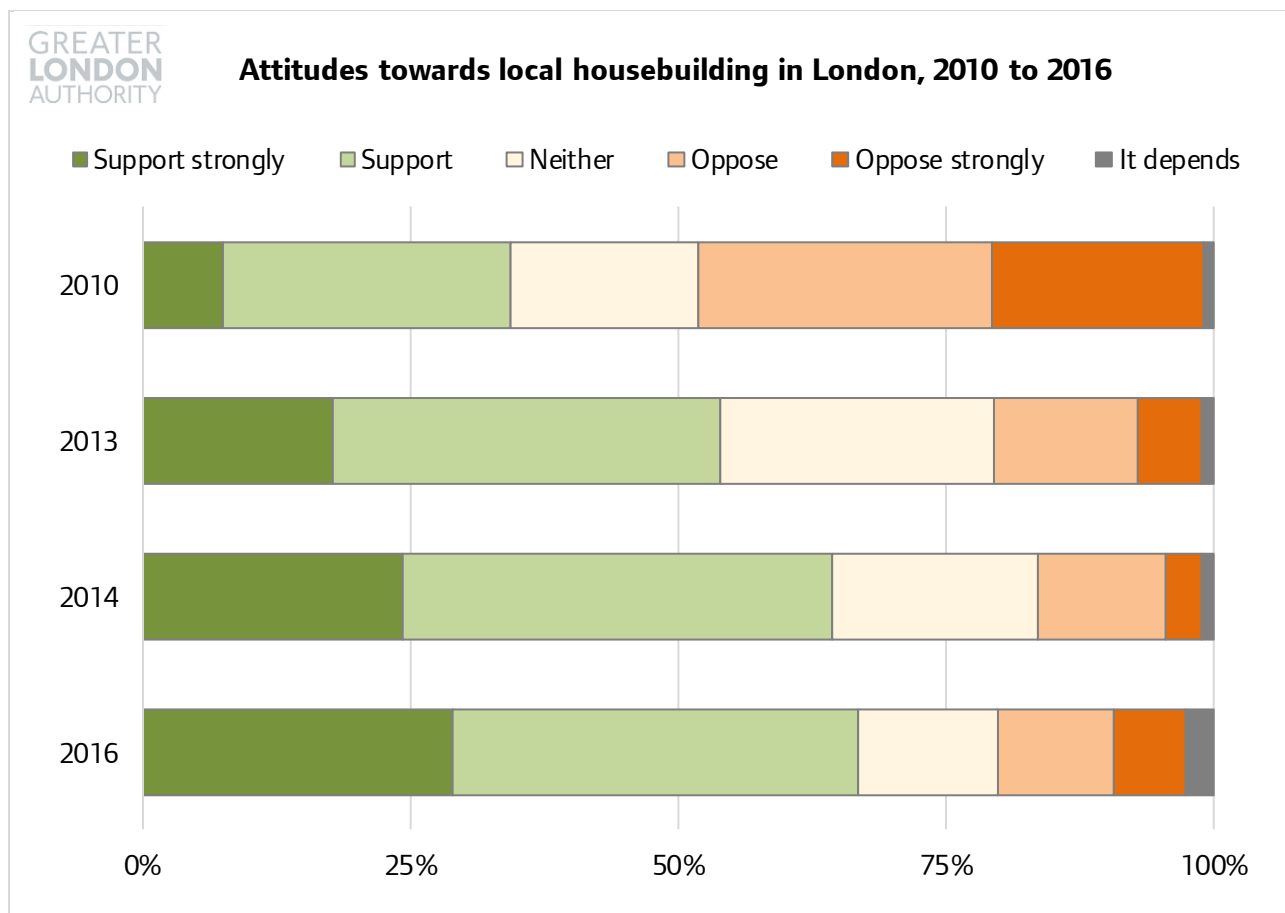


- The polling company Ipsos MORI has been surveying the British public on the issues that most concern them since 1974. Surveys were initially relatively sporadic, but from the mid-1980s they have been conducted monthly. The survey asks respondents what they see as important issues facing the country, and since 2007 has provided a regional breakdown of responses.
- Between 2012 and 2016 the proportion of respondents in both London and the country as a whole who identified housing as an important issue increased markedly. Concern over housing fell in London in 2017 (partly due to rising concern over Europe and the NHS taking precedence), but in the last six months has increased again to 29%.
- The last time housing was an issue of such concern at the national level was when the index began in 1974, with 27% of respondents mentioning it in October of that year.

Sources and notes

- Ipsos MORI, *Issues Index / Political Monitor*
- The survey base is around 1,000 adults in Britain each month, of which around 150 are in London

1.12. Two thirds of Londoners say they would support new homes being built in their area, up from just over one third in 2010



- The proportion of Londoners who say they would support or ‘strongly’ support new homes being built in their area increased from 34% in 2010 to 67% in 2016, while the proportion who say they would oppose it (including ‘strong’ opposition) fell from 47% to 18%. Net support (that is, support minus opposition) rose from minus 13% in 2010 to plus 49% in 2016.
- Support for house building is significantly higher in London than in England as a whole, where net support was plus 33% in 2016.
- Within London, net support for house building is highest among private tenants (plus 58%) and social tenants (plus 56%) and lowest among homeowners (plus 19%).

Sources and notes

- British Social Attitudes Survey 2010 to 2016

2. Demographic, economic and social trends

In a turnaround from the 1970s, inner London's population has been growing more quickly than outer London's since the mid-1980s (2.1). The main drivers of increased population growth in London are net international migration and natural change (births minus deaths). Net domestic migration has been negative for decades (2.2). Over the last decade London has seen a net influx of 20-somethings from the rest of the UK, and a corresponding net outflow of those in their 30s, with this balancing out around zero for the first time in a decade (2.3).

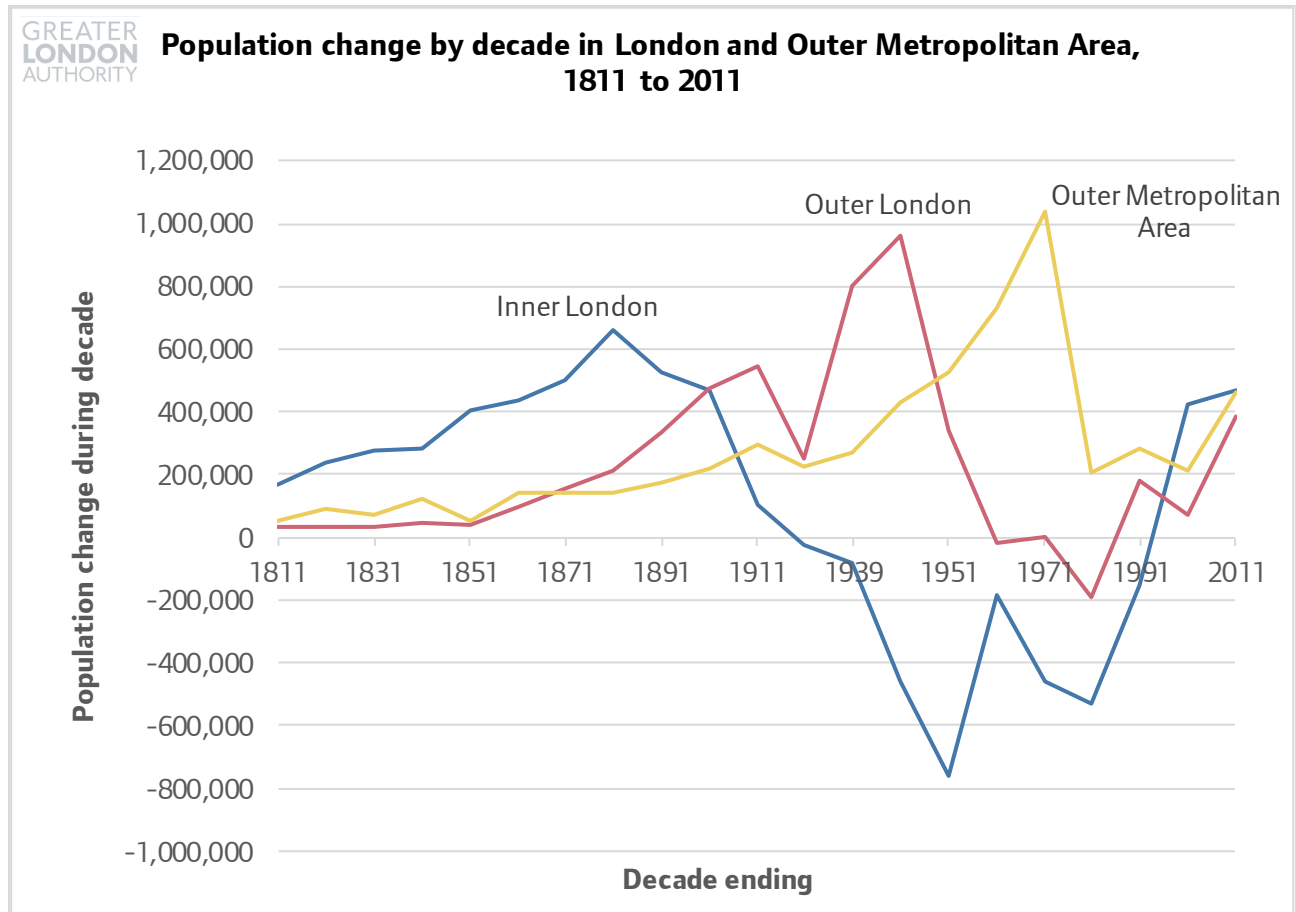
Nearly a quarter of young adults in London live with their parents, up from one in six in the late 1990s (2.4), while more than one in three private renting households in London include children, up from one in four in 2007 (2.5).

Attitudes to housing vary across the tenures, with fewer than six in ten private tenants in London satisfied with private renting as a tenure, although far more are satisfied with their accommodation itself (2.6). London's private rented sector accommodates households on a wide range of incomes, while low income households are concentrated in social housing and higher income households in owner occupation (2.7). Patterns of economic activity also vary widely across tenures, with similar levels of inactivity among outright owners and social tenants (though for different reasons) (2.8). Unsurprisingly, ownership of property is a major contributor to London's highly unequal distribution of wealth, and since 2010 property wealth has become further concentrated among groups with higher incomes (2.9).

The clear majority of new arrivals to London are accommodated in its private rented sector, including 86% of those coming from overseas (2.10). Close to half of London's construction workforce also comes from overseas (2.11).

London's housing market generated over £3bn in Stamp Duty receipts last year, around two fifths of the England total (2.12). Just as rising house prices have pulled up the rate of Stamp Duty paid by home buyers, they have also pushed down the effective rate of Council Tax in London (2.13).

2.1. In a turnaround from the 1970s, inner London's population has been growing more quickly than outer London's since the mid-1980s

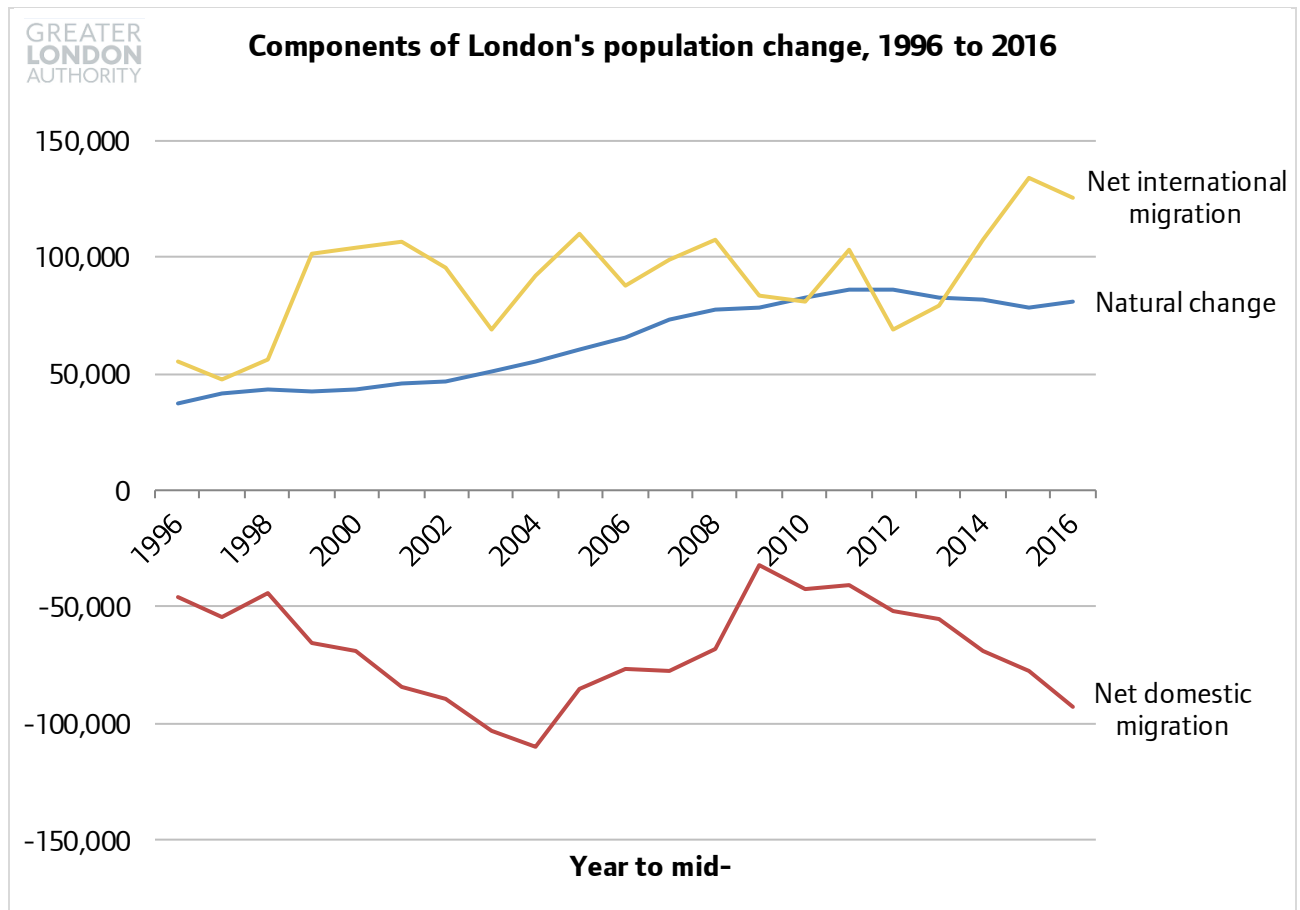


- The outward growth of London is illustrated by the propagation of successive major population booms over its wider area, first in inner London during the 19th century, then outer London in the mid-20th century, and finally London's 'Outer Metropolitan Area' in the 1960s to 1980s.
- Each of these waves was linked to major expansions of the housing stock, each one generally at a lower density than its predecessors.
- The decade to 2011 saw, for the first time, rapid growth in all three sectors, with an increase of 1.3 million bringing the metropolitan area's total population to 14.5 million.

Sources and notes

Compiled by GLA from:
 - 1801-1961: Persons present on Census day (ONS);
 - 1961-2011: Estimated mid-year resident population (ONS);
 - Outer Metropolitan Area: Great Britain Historical GIS

2.2. The main drivers of increased population growth in London are net international migration and natural change. Migration has also indirectly contributed to rates of natural change by lowering the average age of London's population

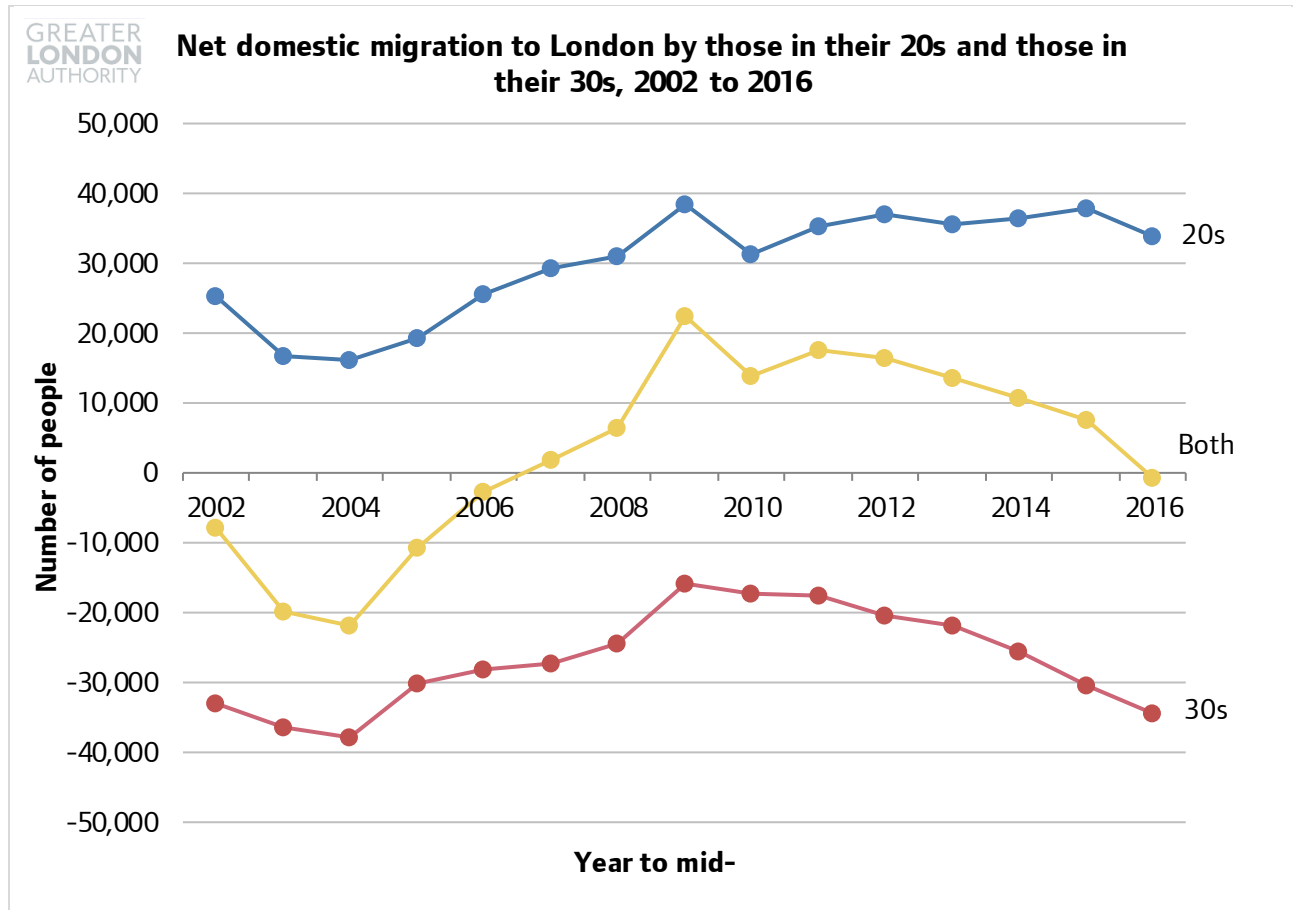


- London's recent population boom has been driven by approximately a doubling in the rate of both net international migration and 'natural change' i.e. the annual surplus of births over deaths.
- Net international migration has risen from around 50,000 a year in 1996 to over 100,000 a year in the last three years.
- Natural change averaged around 40,000 in the late 1990s, before rising in the 2000s. It has fluctuated around 80,000 in each of the last three years.
- Net international migration also explains a part of the increase in natural change, because its net impact has been to increase the number of young adults in London, and to reduce the average age of London's population.
- Net domestic migration is less volatile than net international migration, and has been negative throughout the last 20 years. The net outflow in 2016 was 93,000.

Sources and notes

- GLA, Demographics analysis

2.3. Over the last decade London has seen a net inflow of 20-somethings from the rest of the UK and an increasing net outflow of those in their 30s

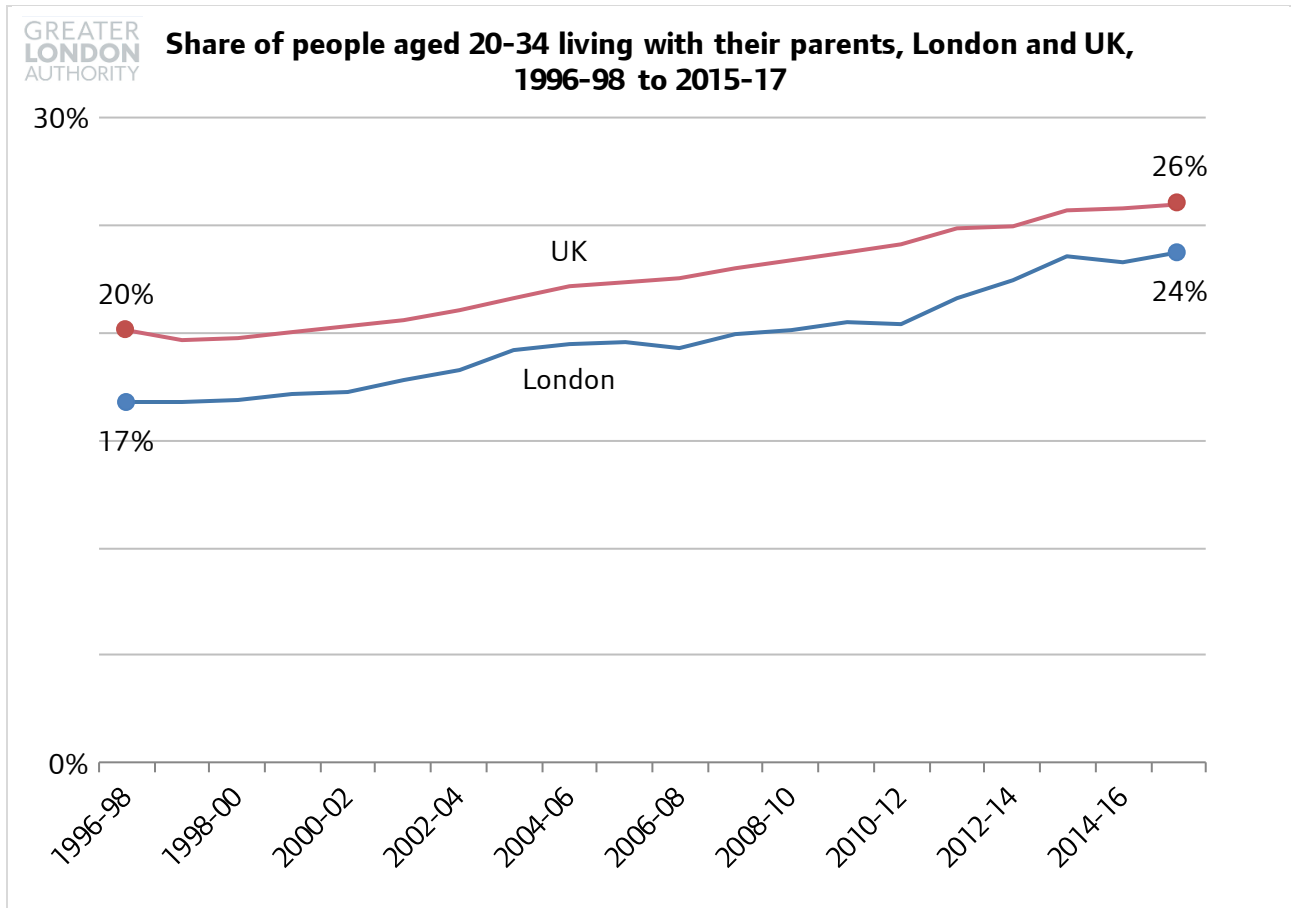


- For many years, London has occupied a key place in the system of domestic migration flows around the UK, characterised by large net, domestic inflows of 20-somethings and domestic outflows of those in their 30s. These net flows are themselves the aggregate of much larger gross flows in and out.
- Since 2009, the net domestic outflow of those in their 30s has increased year-on-year from 16,000 to 35,000 in the year to mid-2016. The net domestic inflow of those in their 20s has remained steadily above 30,000 during that period. In both gross and net terms, the outflow of 30-somethings remains below historic peaks.
- The total net inflow of 20-39 year olds in the year to mid-2016 was marginally negative (-1,000), the first time there has been a total net domestic migration outflow of these age groups in a decade.

Sources and notes

- ONS, data on domestic migration

2.4. Nearly a quarter of young adults in London live with their parents, up from one in six in the late 1990s

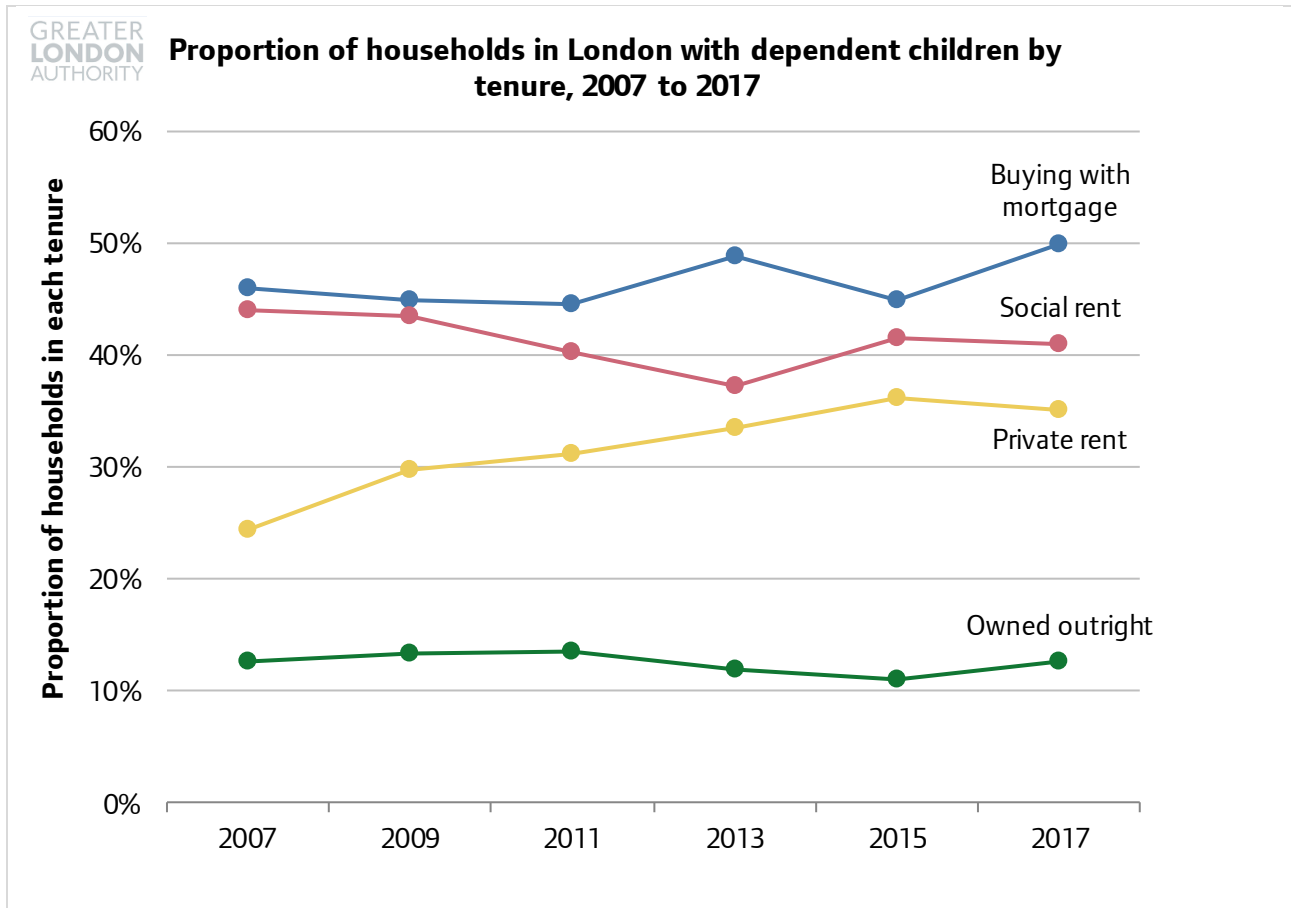


- 24% of young adults (those aged 20 to 34) in London live with their parents. The proportion living with their parents has risen from 17% in the late 1990s, with a particularly rapid rise seen in the early 2010s.
- The share of young adults living with their parents is lower in London than across England as a whole, probably due to the substantial number of young Londoners who were born in other regions or countries. 26% of young adults in England live with their parents, up from 20% in the late 1990s.

Sources and notes

- ONS analysis of Labour Force Survey for 1996-1998 to 2011-13, GLA analysis of Labour Force Survey for 2012-14 to 2015-17
- Three-year averages are used to create a smoother series
- Figures exclude anyone living in halls of residence

2.5. More than one in three private renting households in London include children, up from one in four in 2007

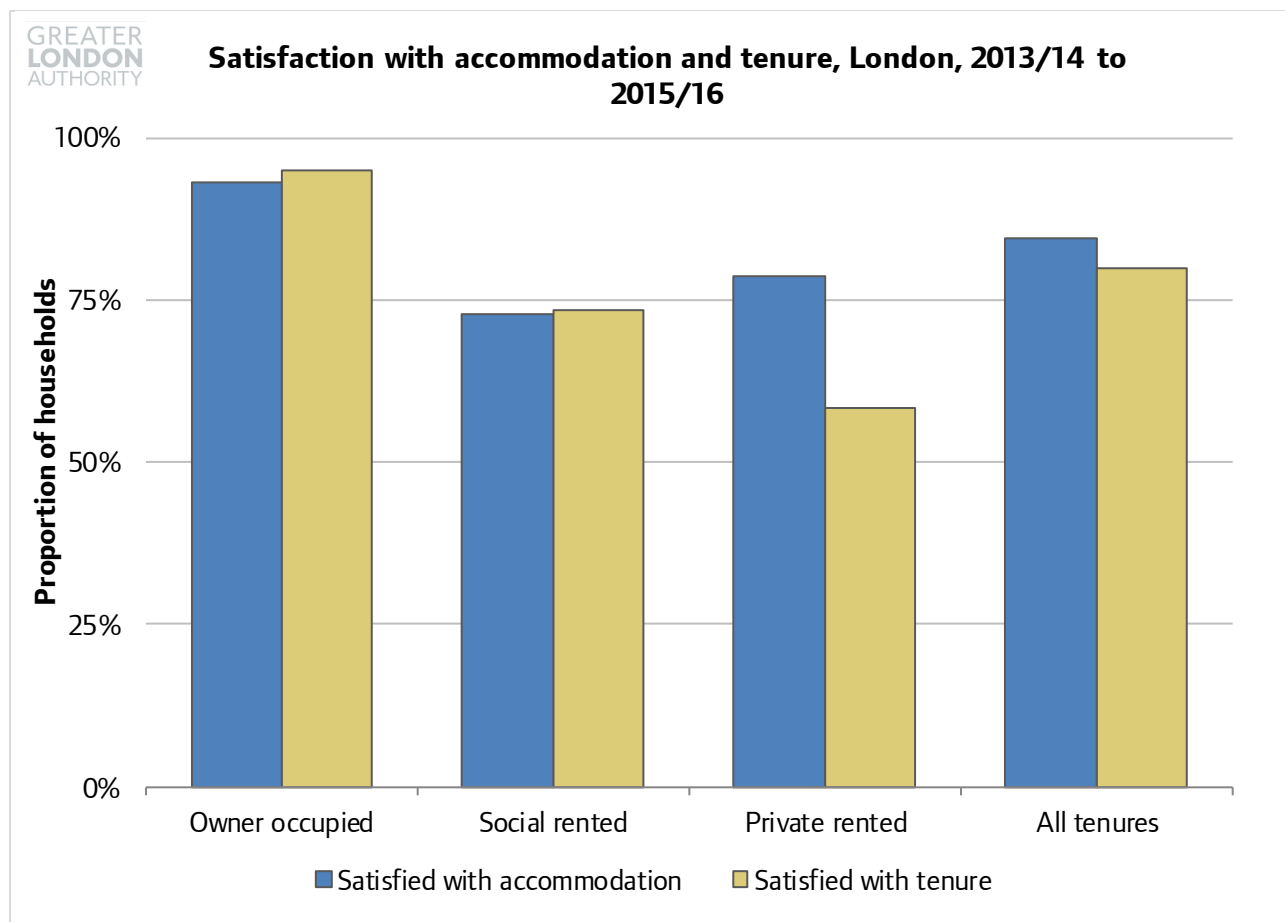


- 36% of all households in London include dependent children aged under 19, up slightly from 34% in 2007. The percentage of households with children has varied little since 2007 for households that own their home outright (13% in 2007, 13% in 2017), that are buying with a mortgage (46% in 2007, 50% in 2017), or households who are in social housing (44% in 2007, 41% in 2017).
- There has, however, been substantial growth in the proportion of privately renting households with children, up from 24% in 2007 to 36% in 2017.
- In numerical terms, there are now around 320,000 privately renting households with children in London, compared to only 140,000 in 2007.

Sources and notes

- Labour Force Survey household data
- These figures include any households containing dependent children under 19

2.6. Fewer than six in ten private tenants in London are satisfied with private renting as a tenure, though eight in ten are satisfied with the accommodation itself

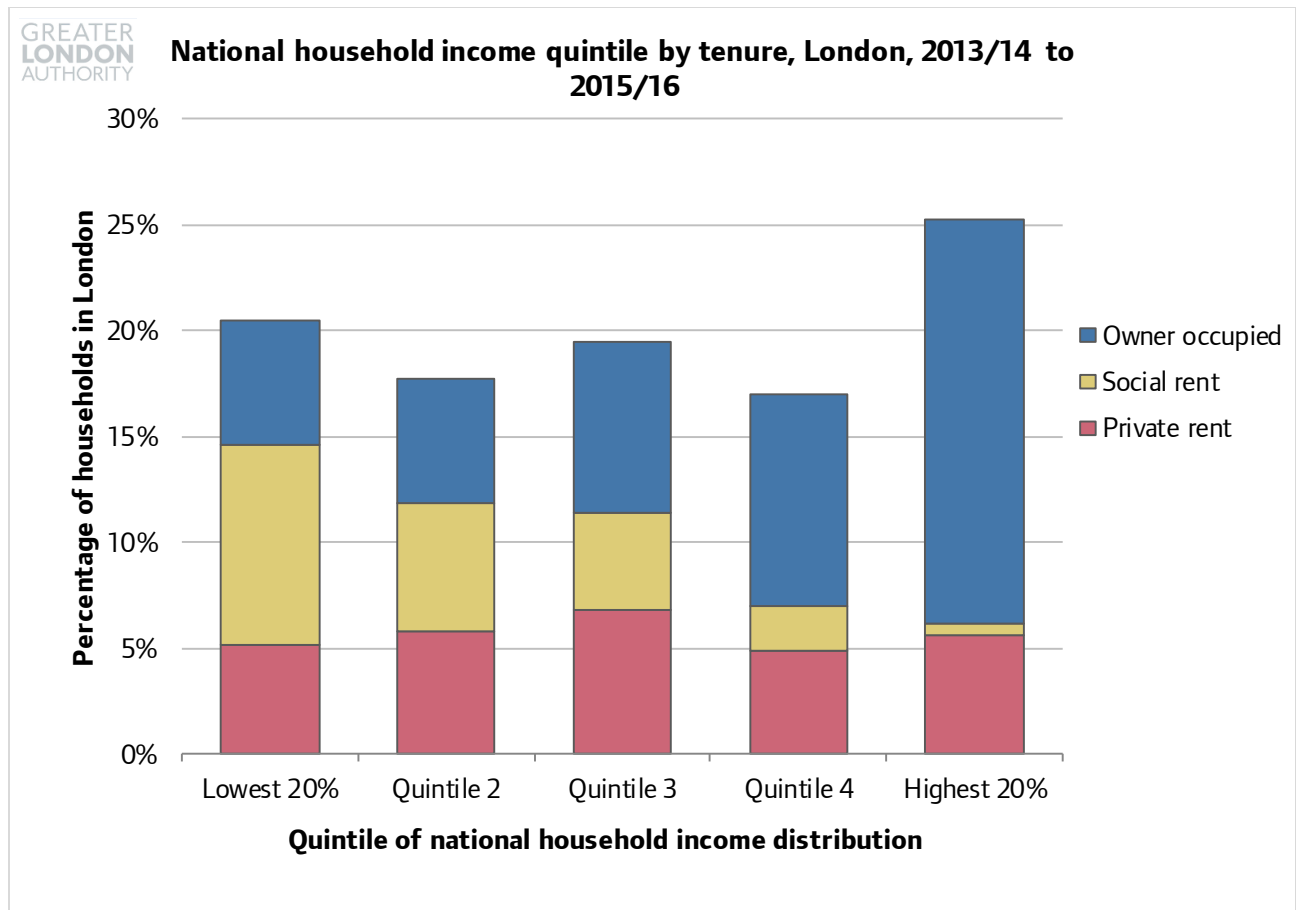


- Owner occupiers in London are overwhelmingly satisfied with both their accommodation and with homeownership in general (93% and 95% satisfied respectively). Satisfaction levels are lower for social tenants, of whom 73% are satisfied with their accommodation, and 74% are satisfied with social renting as a tenure.
- The most striking pattern is among private tenants, of whom 79% are satisfied with their accommodation, but only 58% are satisfied with renting privately. This disparity may be driven by frustrated aspirations to homeownership. Satisfaction levels among private tenants have increased in recent years (from 49% in 2013/14) but this may be explained by a change in question wording in 2014/15 (see 'Sources and notes').
- Across all tenures, 84% of households are satisfied with their accommodation and 80% with their tenure. These measures have changed little over the last five years.

Sources and notes

- English Housing Survey data, 2012/13 to 2014/15
 -The question about satisfaction changed in 2014/15, from 'Taking everything into account, to what extent do you personally agree that being an owner occupier/a council tenant/a Housing Association tenant/a private renter/a part-owner/a renter is a good way of occupying a home?' to 'Given your current circumstances, how satisfied are you being someone who owns their own home /rents from the council /rents from a Housing Association /rents from a private landlord/ is a part-owner/ is a renter?'

2.7. London's private rented sector accommodates households on a wide range of incomes, while low income households are concentrated in social housing

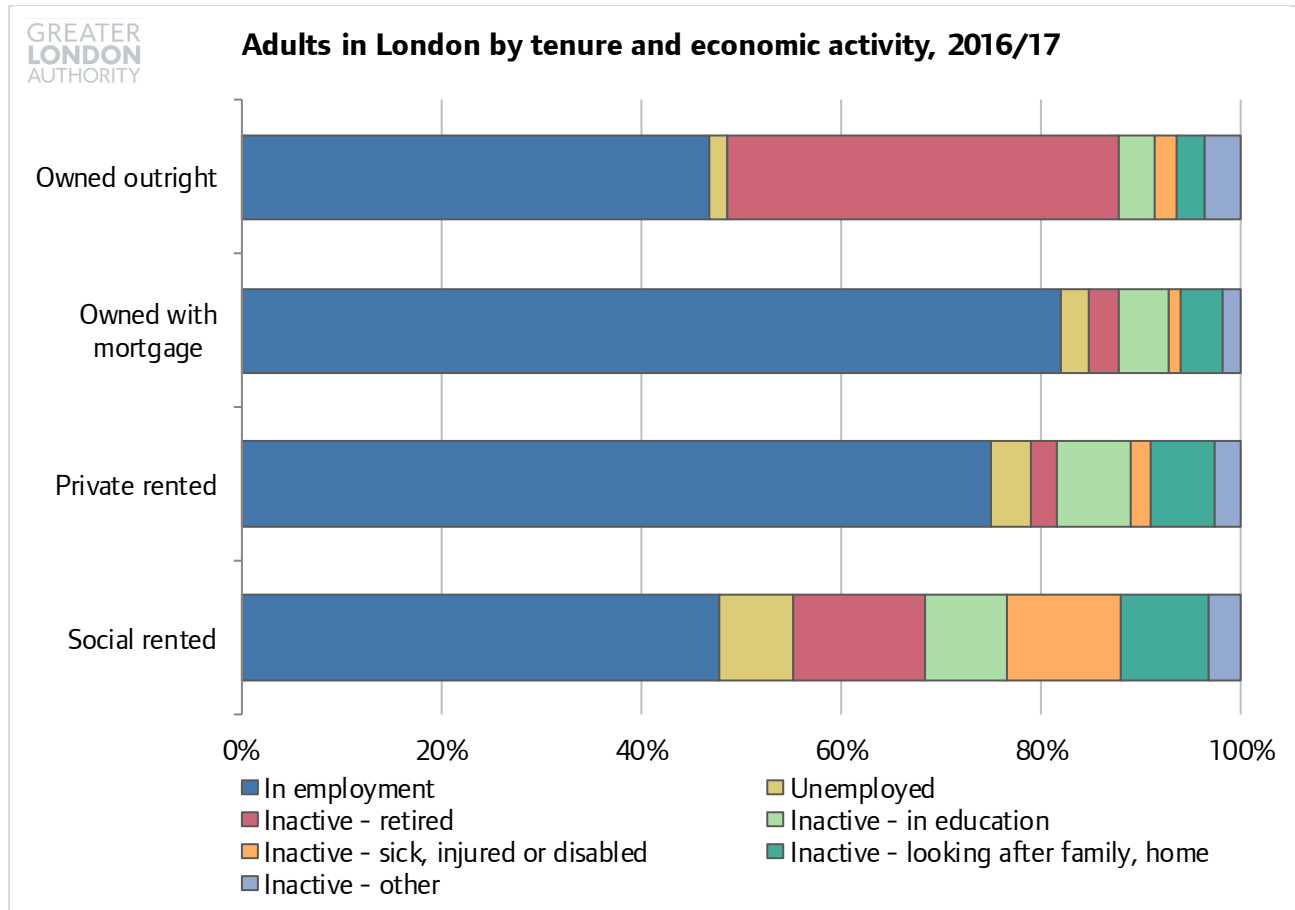


- Compared to England as a whole, London has a relatively unequal distribution of household income, with 25% of London households in the top 20% of national household incomes and 20% in the poorest quintile.
- Private renting households in London are spread quite evenly throughout the national income distribution, but are slightly over-represented in the middle fifth.
- However, there are huge differences in the income distribution of households in the other two tenures, with social renting households predominantly on low incomes and owner occupiers predominantly on high incomes. 39% of London homeowners are in the top fifth of the national household income distribution, and a similar proportion (41%) of London social tenants are in the bottom fifth.
- Only 12% of London social tenants are in the top two fifths of the English household income distribution, compared to 60% of owner occupiers and 37% of private tenants.

Sources and notes

- English Housing Survey data, 2013/14 to 2015/16
- The income definition used is EHS Basic Income, which refers to the annual net income of the Household Reference Person and any partner from wages, pensions, other private sources, savings and state benefits, after tax and national insurance but excluding any housing related benefits or allowances

2.8. Similar proportions of outright owners and social tenants are out of work, but for different reasons

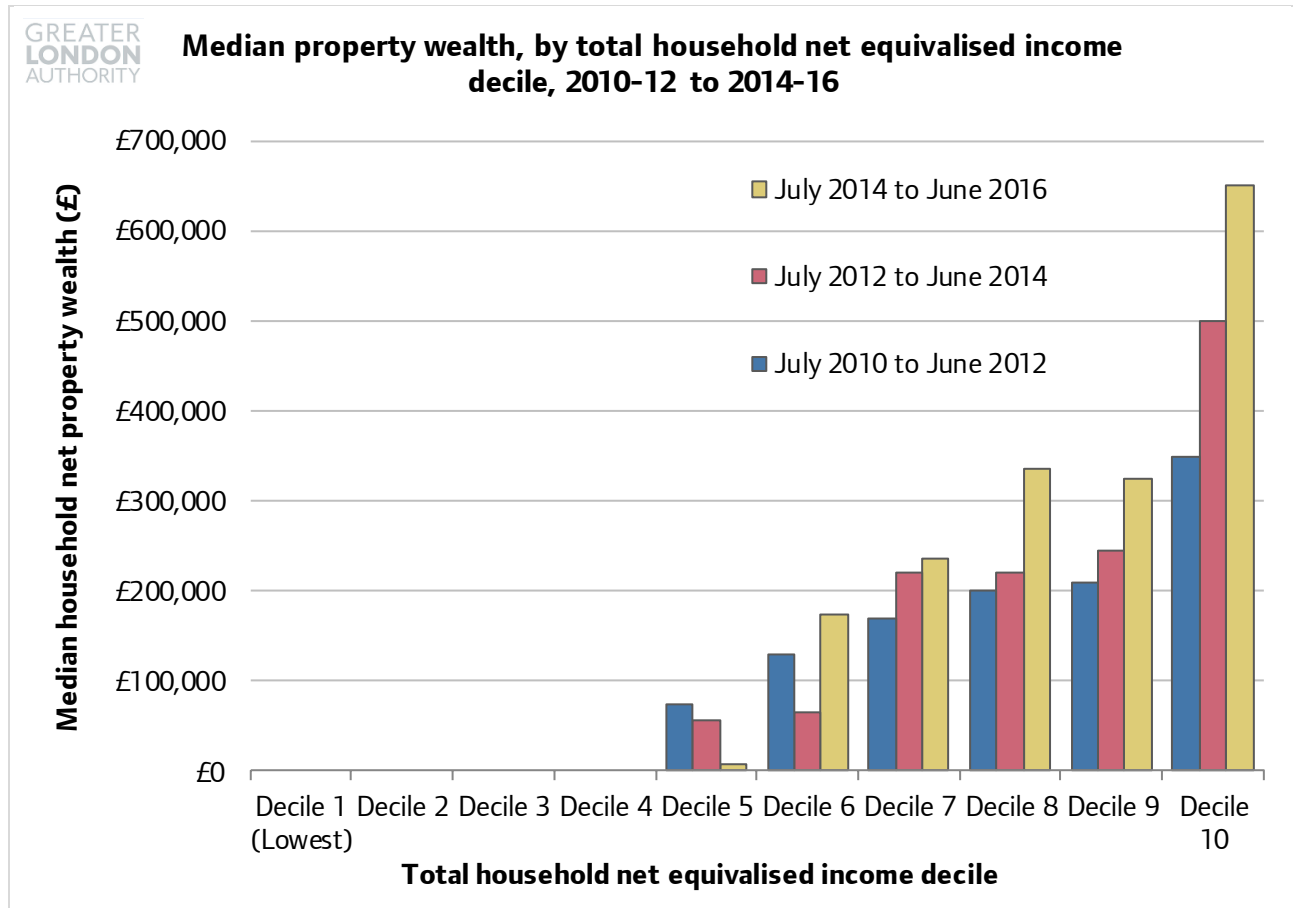


- Around two thirds (65%) of adults in London are currently employed, varying from 47% of adults in homes owned outright to 82% of those in mortgaged households.
- Economic activity patterns are very similar for adults in private renting or in mortgaged households, with low levels of unemployment and economic inactivity.
- Social tenants and outright owners have similar levels of economic inactivity (45% and 51% respectively), but there is a marked difference in composition. Particularly high numbers of outright owners are retired, while there are higher rates of disability, sickness and caring responsibilities among social tenants.
- A quarter of employed outright owners are self-employed. 19% of mortgagors in employment and 20% of private tenants in employment are self-employed. Social tenants have notably lower rates of self-employment (13% of social tenants in employment are self-employed).

Sources and notes

- Annual Population Survey data, 2016/17
- Unemployment is measured using the ILO definition

2.9. Property wealth is a large contributor to overall wealth, and is highly differentiated by household income



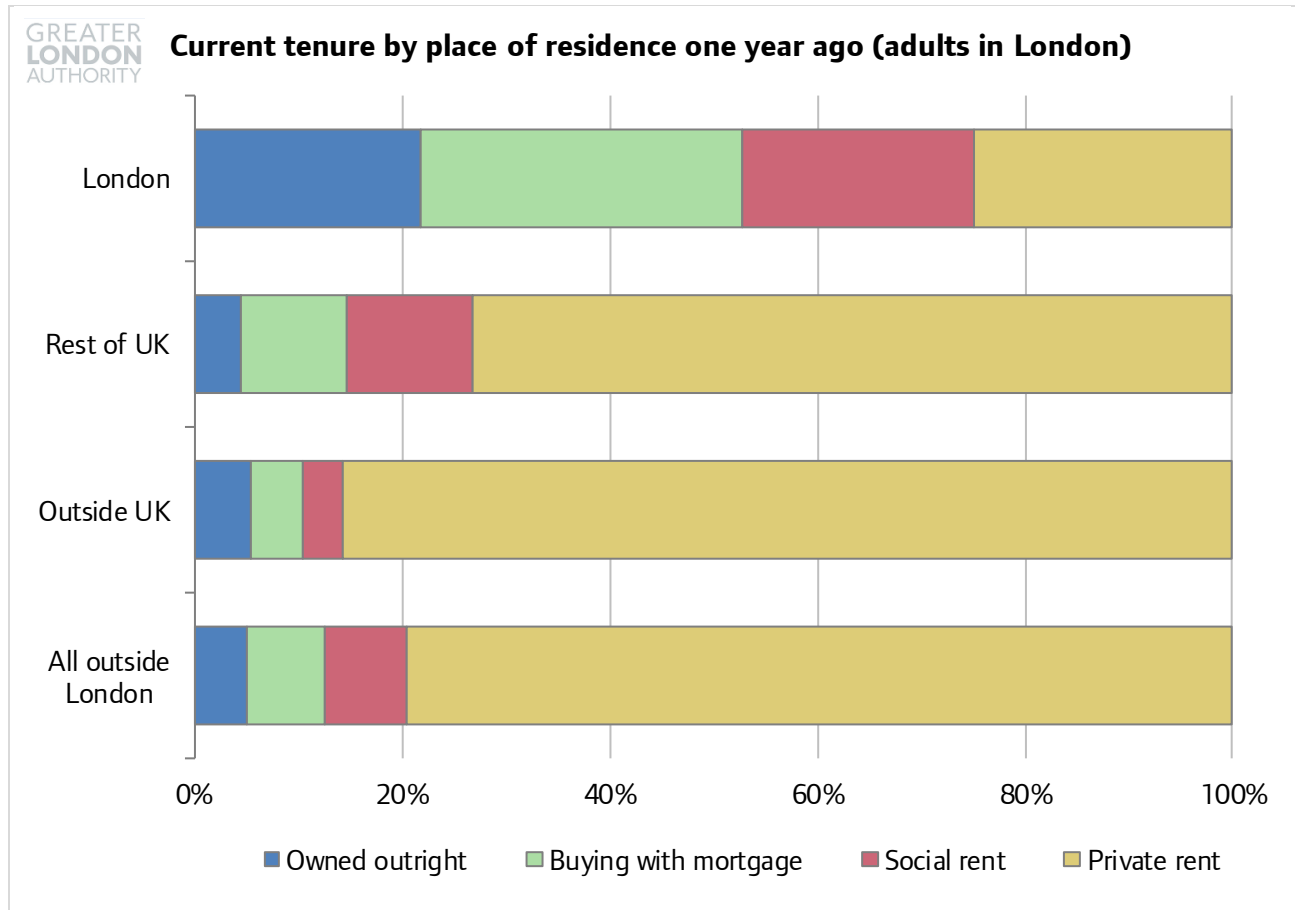
- It is increasingly the case in London that households with the highest incomes also have the greatest property wealth. The average household in each of the four lowest income deciles had no property wealth at all in 2014-16.
- In 2010-12 those in the fifth income decile, just below median household income, had average property wealth of £75,000; in 2014-16 this had fallen to just £8,000.
- At the other end of the distribution, households in the top income decile saw their average property wealth rise from £350,000 in 2010-12 to £650,000 in 2014-16, the largest proportionate increase in wealth (+86%) witnessed by any income decile group.

Sources and notes

- ONS analysis of Wealth and Assets Survey

-Note, this chart shows median household net property wealth for each income decile. Therefore, it is not the case that no household in the lowest four deciles has any property wealth. Rather, it shows that most households in these deciles do not have any property wealth

2.10. Four in five of new arrivals (79%) to London are accommodated in its private rented sector, including 86% of those coming from overseas

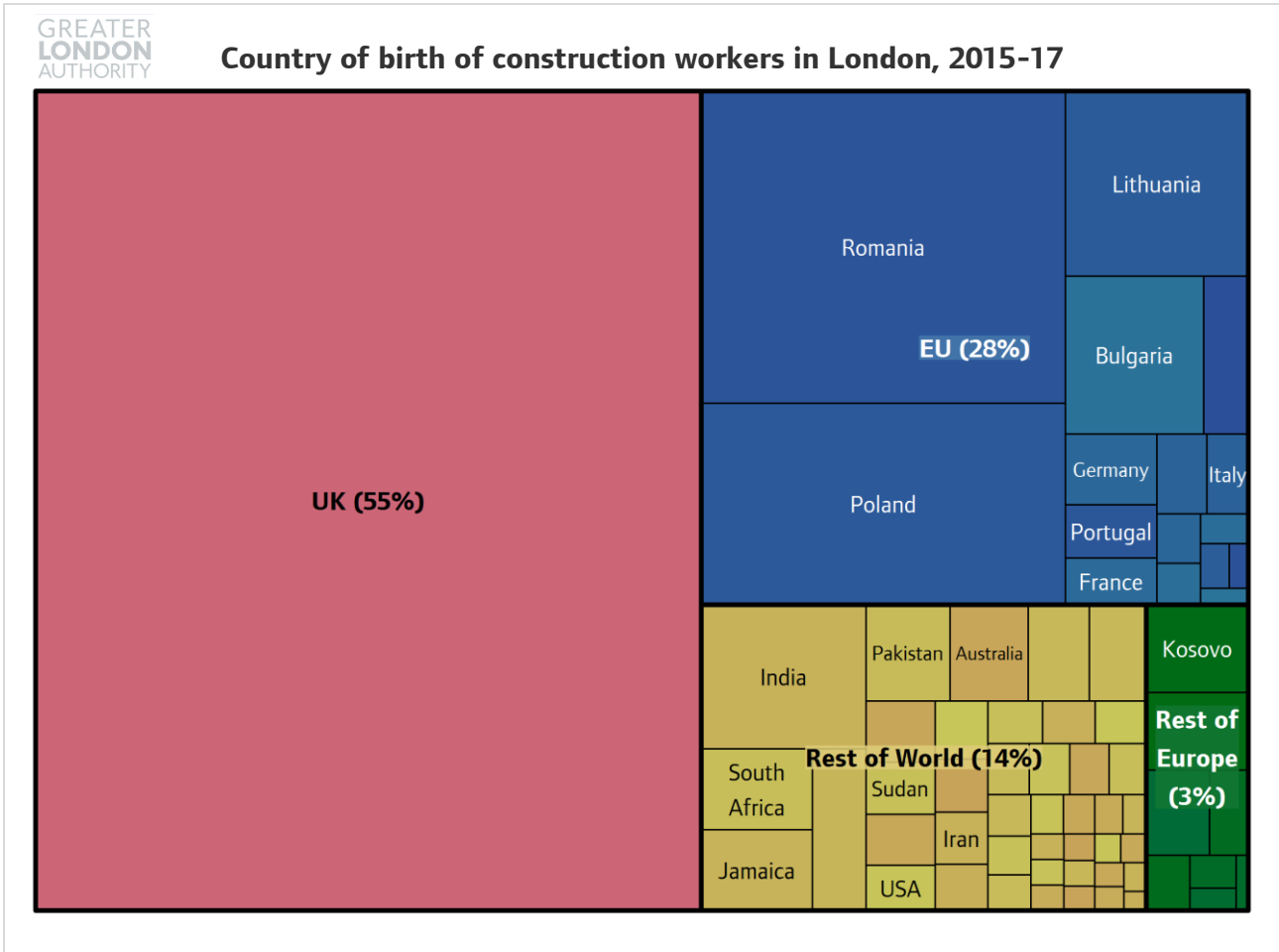


- With long waiting lists for social housing in London and access to owner occupation requiring large cash deposits, London's private rented sector is now the predominant 'gateway' tenure for those new to the city.
- Around 79% of adults who have come to London in the last year are now renting privately, comprising 73% of those adults who came from the rest of the UK and 86% of those who came from overseas.
- For those arriving to London specifically from outside of the UK, 5% own their home with a mortgage, 5% are outright owners, and 4% live in social housing.
- For those arriving to London from the rest of the UK, 10% own their home with a mortgage, 4% are outright owners, and 12% live in social housing.

Sources and notes

- Labour Force Survey data, 2015-17

2.11. People born overseas account for 45% of London’s construction workforce, including 28% who come from the rest of the EU

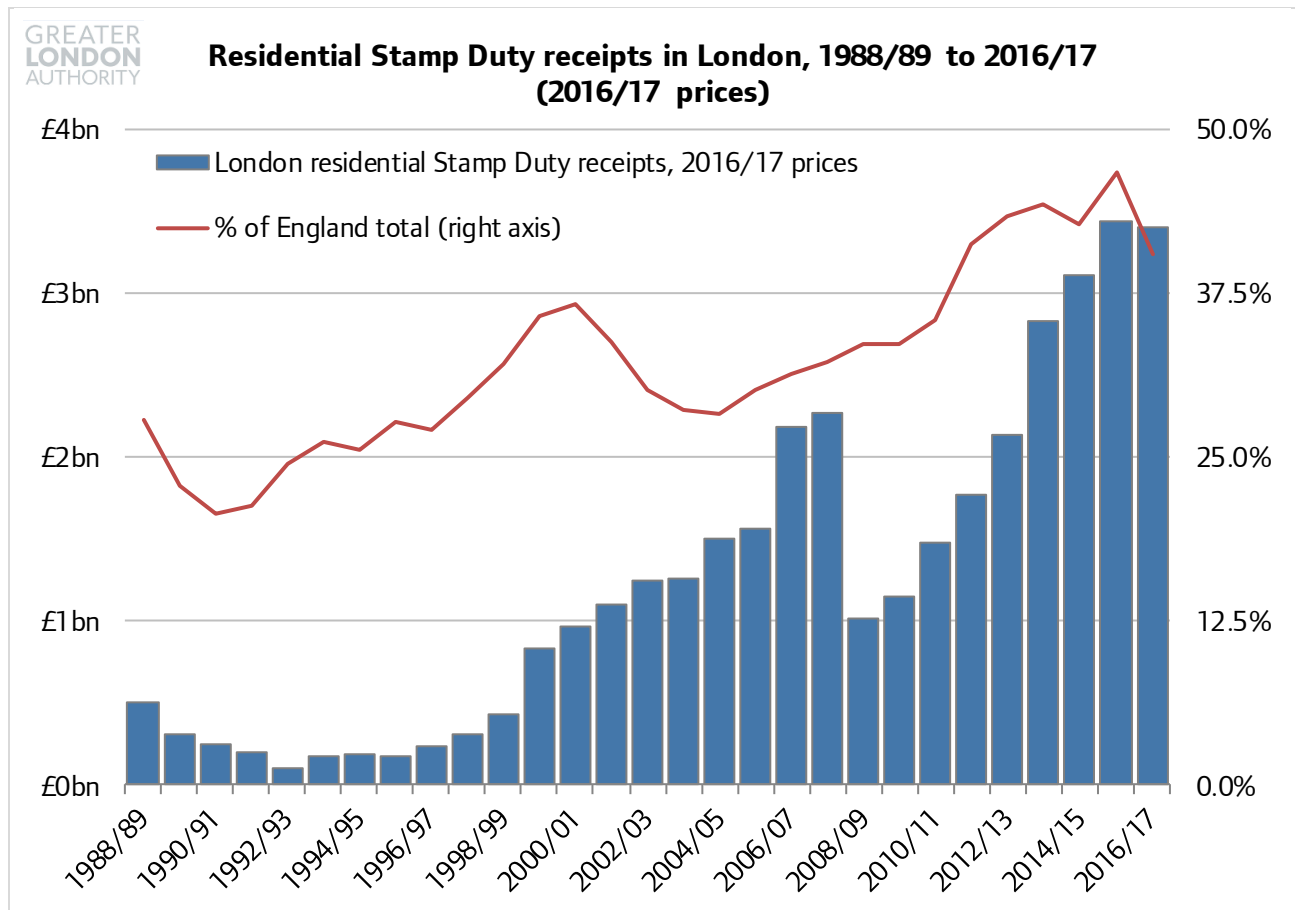


- Around 350,000 people work in London's construction sector, counting both Londoners and those who commute in from other regions. Of these, 55% or around 190,000 are from the UK, 28% (100,000) are from the EU, 3% (10,000) are from other European countries and 14% (50,000) are from the rest of the world.
- The largest non-UK contributors to London's construction workforce are Romania (40,000), Poland (26,000), Lithuania (12,000), and India (8,000).
- People born overseas make a much smaller contribution to construction in the rest of the country, comprising only 14% of the workforce across the UK as a whole.

Sources and notes

- Labour Force Survey data, 2015-17
- Chart produced using R package 'treemap'

2.12. London's housing market generated over £3bn in Stamp Duty receipts last year, over two fifths of the England total

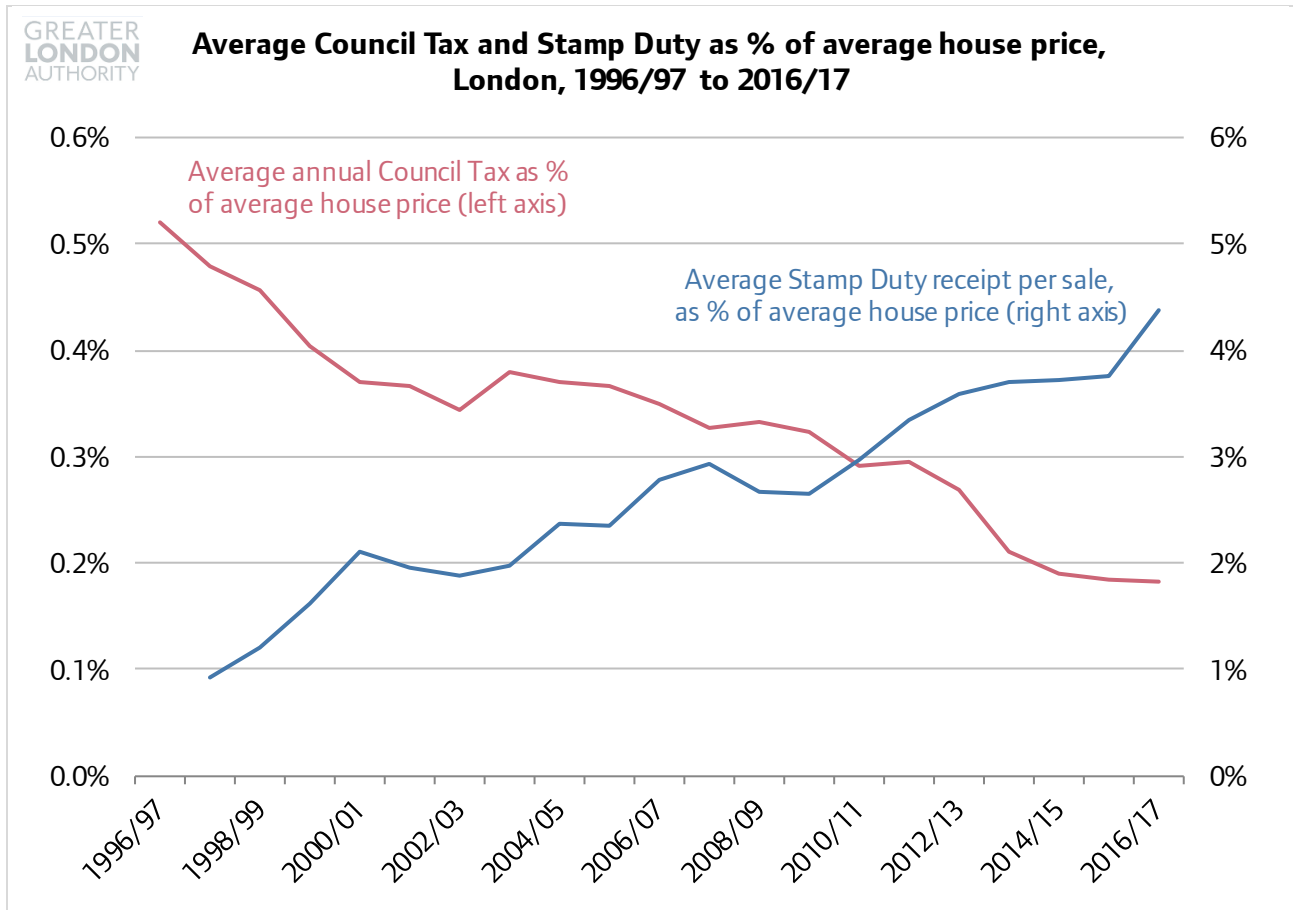


- In 2016/17 Stamp Duty receipts from purchases of homes in London generated £3.4 billion for the national exchequer, down slightly from 2015/16 but a vast increase from a low of £96 million in 1992/93, even after adjusting for inflation.
- Stamp Duty receipts in London have increased in the last decade due to a combination of higher prices and a higher effective tax rate (see next chart), with Londoners consistently paying higher rates due to the nationally-set thresholds and rates.
- London's share of the total national receipts fell from 47% in 2015/16 to 41% in 2016/17, due to faster price growth and higher transaction levels in other regions.

Sources and notes

- 1996/97 to 2016/17 figures from HMRC Stamp Duty Statistics and 1988/89 to 1995/96 from 1999/00 UK Housing Review
- Historic prices have been adjusted for inflation using the official GDP deflator

2.13. The rise of house prices in London has pushed down the effective rate of Council Tax and pulled up the rate of Stamp Duty paid by home buyers



- The progressive design of Stamp Duty means that purchasers of higher-priced properties pay a higher rate of tax, so the sustained increase in London house prices has driven an even greater rise in Stamp Duty receipts (see previous chart). The average Stamp Duty bill in London was £25,600 in 2016/17, equivalent to 4.4% of the simple average London house price (up from 0.9% in 1996/97).
- By contrast, Council Tax bills are higher relative to property value for cheaper homes, and Council Tax valuations have not changed since 1991. The average Council Tax bill in London was £1,070 in 2016/17, equivalent to 0.2% of average house prices, down from 0.5% in 1996/97.

Sources and notes

- Calculated by GLA from HMRC Stamp Duty statistics, MHCLG Council Tax statistics and ONS House price statistics for small areas

3. Housing supply and empty homes

Tokyo, Seoul and Singapore have recently built many more homes than London and other European cities (3.1). In the last two decades the number of jobs in London has grown by 42% and the number of people by 26%, but the number of homes by only 16% (3.2). According to provisional estimates there were 40,530 net conventional new housing completions in London in 2016/17, the most since this data began in 2004/05 (3.3). There are important differences in definitions and quality among new house building datasets (3.4), and recent figures show new build starts have fallen from their peak in 2015 (3.5).

At local authority level, Corby in the East Midlands has seen the fastest housing growth in the country in the last six years, with Tower Hamlets the fastest-growing in London (3.6). A net 106,220 new homes were completed in London in the last three years, with both total supply and tenure splits varying widely at borough level (3.7). Over this period, London's housing stock growth was focused on inner east London and several outer London town centres (3.8).

Around a fifth of new homes built in 2014/15 had three or more bedrooms, up from 15% in 2008/09 (3.9). Homes built in London in the last three years have an average floor area of 78m², smaller than surviving pre-war homes but larger than those built between the 1940s and 1980s (3.10). An increasing proportion of new London houses are leasehold (3.11), although numbers are very low due to the small number of new houses built in London.

The number of schemes including tall buildings approved in London has grown over the last decade, but is now showing signs of levelling off, while the number completed is still growing (3.12). Most tall buildings proposed or under construction in inner London are in a handful of major clusters (3.13).

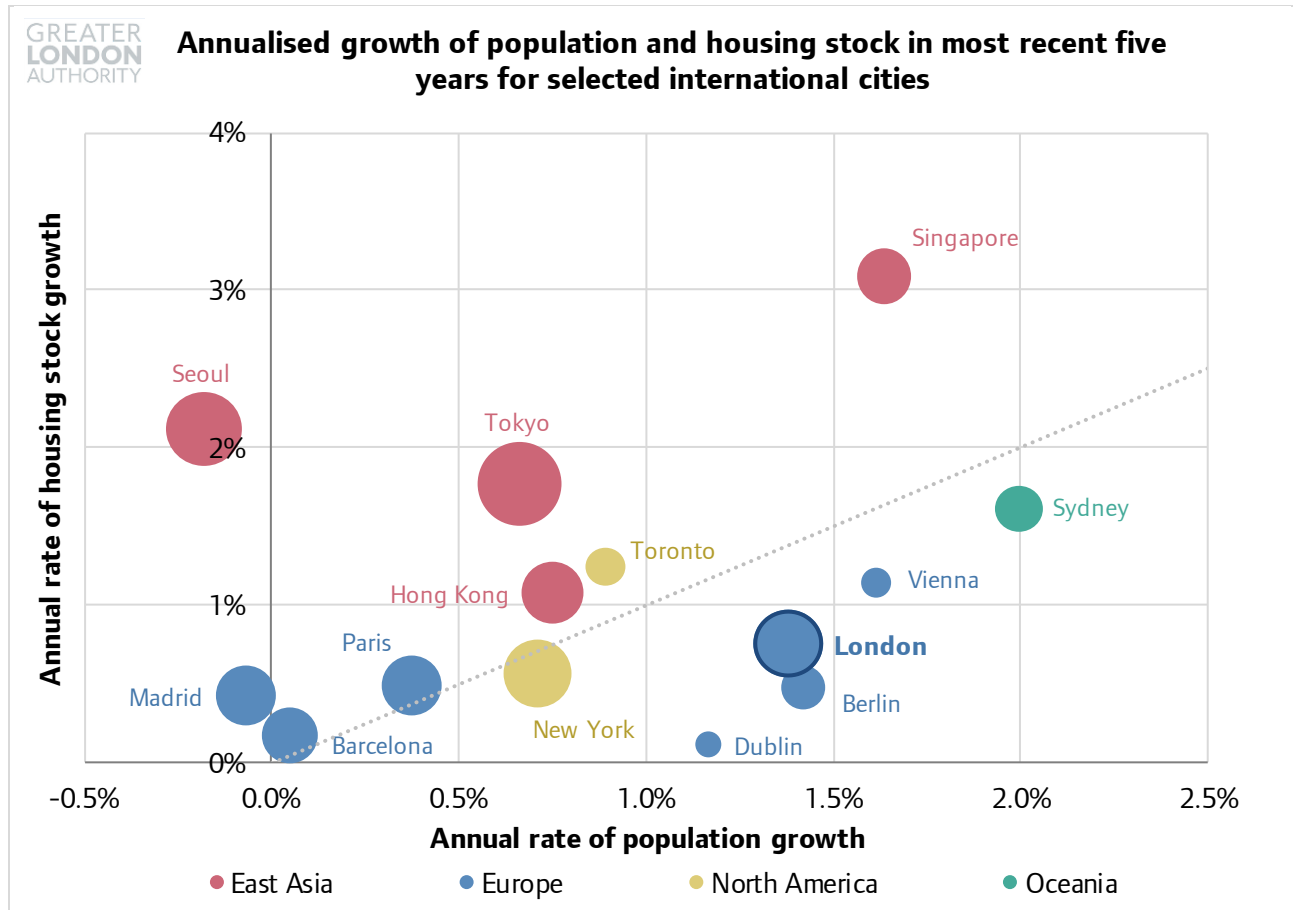
Planning approval was granted for around 70,000 new homes in 2016/17 (3.14). Schemes of 500 units or more comprise nearly half of London's pipeline of new homes. Over the last decade, this pipeline has become weighted towards schemes of 250 units or more (3.15).

Since 2009, 22,500 'Build to Rent' homes have been started, and 12,400 have been completed (3.16). 12,530 new GLA-funded affordable homes were started in 2017/18, the highest level of starts since 2010/11 (3.17). 6,960 new affordable homes were completed in 2016/17 (3.18).

In the last seven years, 17,300 existing social rented homes were converted into more expensive Affordable Rent homes (3.19). Steep price discounts have increased the number of London council homes sold to tenants through the Right to Buy in recent years, but not to the levels seen in the 1980s (3.20). The total stock of affordable homes in London (excluding shared ownership) is 801,180, a total which has changed little over recent years, with newly built additions to the stock balanced out by demolitions and sales out of the sector (3.21).

The number of recorded empty homes in London is far below its long-term average, at 1.7% of total stock (3.22), while there were 48,400 properties recorded as second homes for tax purposes in 2016, 62% of which are in just five boroughs (3.23).

3.1. Over the last five years the rate of housing growth has outstripped population growth in major Asian cities, while it has lagged behind in London

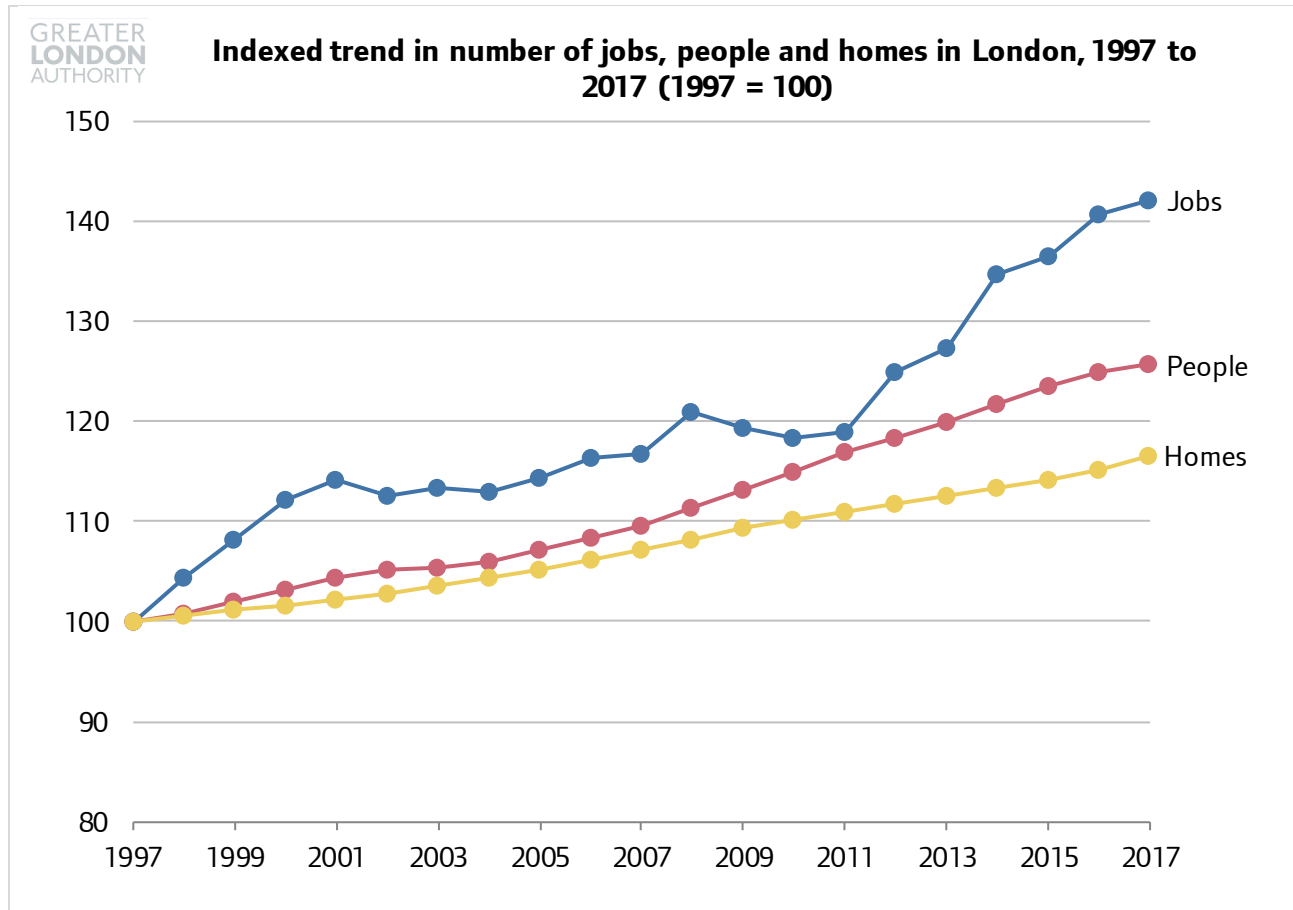


- This chart compares trends in annualised growth rates of population and housing stock for selected international cities, over the most recent five years available for each city. Cities above the dotted diagonal line saw faster growth in housing than in population.
- London's average population growth of 1.4% in the last five years is the fifth highest among this group, but its housing growth rate was lower at 0.8%. Vienna had the highest rate of housing growth in Europe at 1.1% a year (but still below its population growth of 1.6%).
- The three cities with the highest rates of annual housing growth over the last five years were all East Asian: Singapore (3.1%), Seoul (2.1%, despite a shrinking population) and Tokyo (1.8%).

Sources and notes

- Data refers to changes between 2011 and 2016 for all cities except Tokyo (2008-13), Seoul (2009-14) and Paris (2009-14)
- For more details on data sources see Appendix A.2

3.2. Since 1997, the number of jobs in London has grown by 42% and the number of people by 26%, but the number of homes by only 16%

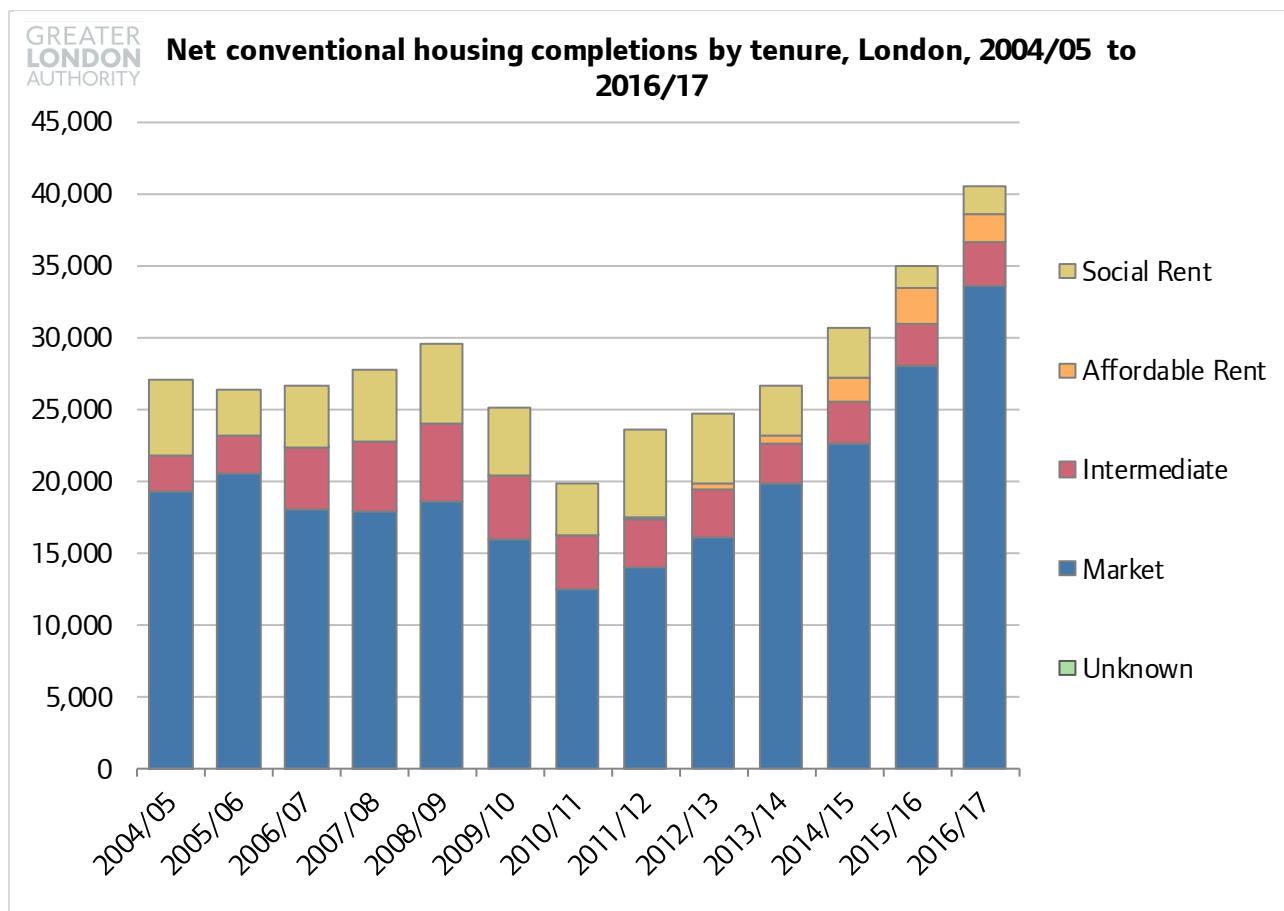


- Since 1997, both London's population and economy have grown rapidly, although the trend in jobs is considerably more cyclical. Between 1997 and 2017, the number of jobs in London grew by 1.73 million, or 42%, while the population grew by 1.81 million (26%).
- However, this rapid economic and demographic growth was not matched by an increase in the housing stock, which grew by only 500,000 homes (16%) over the same period.
- The last five years have also seen a wide disparity, with the number of jobs growing by 14% between 2012 and 2017, the number of people by 6%, and the number of homes by 4%.

Sources and notes

- Compiled by GLA from:
- Jobs: ONS, Workforce jobs by industry, seasonally adjusted;
- People: ONS, Mid-year estimates;
- Homes: Stock levels from MHCLG live table 125

3.3. According to provisional estimates, there were 40,530 net conventional new housing completions in London in 2016/17, the highest since this data began in 2004/05...

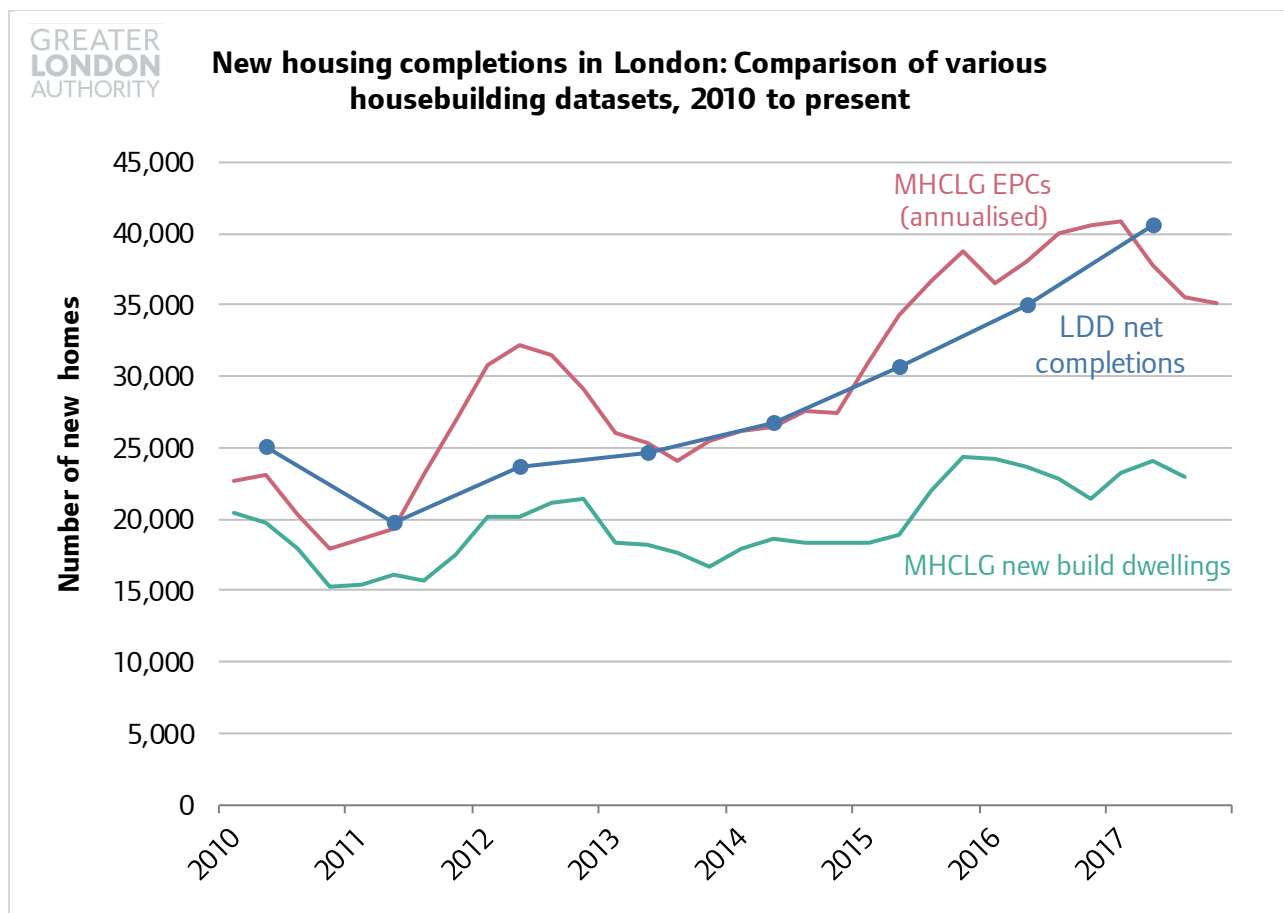


- Accounting for new building, conversions and changes of use, the provisional estimate of the net number of new homes completed in London in 2016/17 was 40,350. This was 5,000 more homes than in 2015/16 (35,050 homes).
- Since the low of 19,790 recorded in 2010/11, increases in the total number of completions have been driven entirely by growth in market housing completions, moving from 12,490 in 2010/11 to 33,640 in 2016/17.
- At the same time, the number of affordable homes completed has fallen, from 7,320 in 2010/11 to 6,890 in 2016/17. Affordable homes comprised 17% of completions in 2016/17, down from a high of 40% in 2011/12.
- Within the affordable housing category, the most notable change was the fall in social rented housing completions from a high of 6,120 in 2011/12 to 1,600 in 2015/16. In 2016/17, 1,900 net social rent homes were completed.

Sources and notes

- GLA, London Development Database
- In 2004/05 and 2005/06 the negative supply of unknown tenure is due to the demolition of a number of homes for which the tenure was not recorded
- As the London Development Database is continually updated and revised, these figures do not exactly match those published in past GLA London Plan Annual Monitoring Reports, or past Housing in London reports

3.4. ...but it is important to be aware of the differences in definitions and coverage between various house building datasets

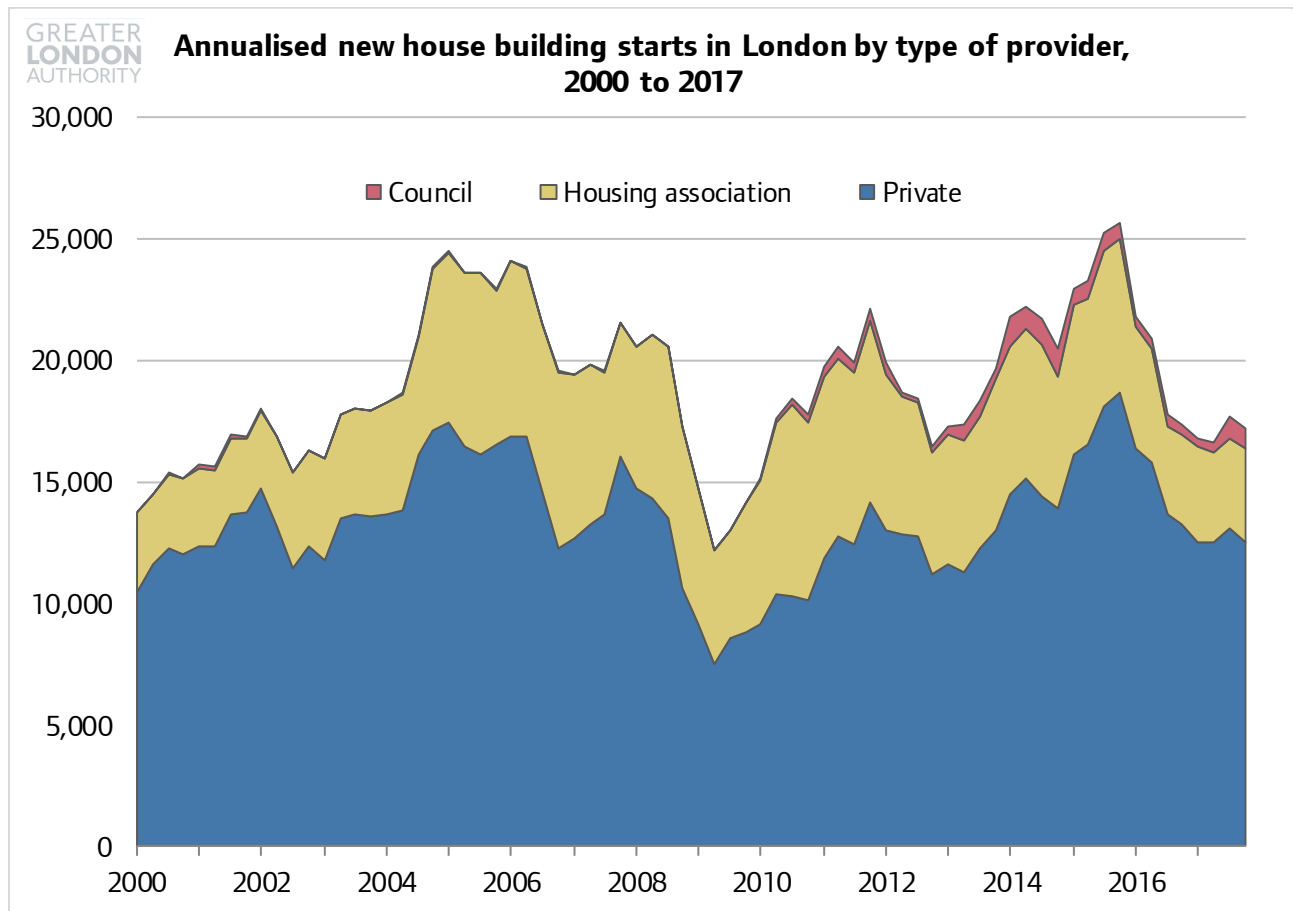


- There are significant differences between the main sources of house building statistics.
- The quarterly data released by MHCLG on 'new build dwellings' does not cover new homes created through conversions of existing properties.
- The quarterly MHCLG data is also believed to undercount the number of new build homes, and comparisons with MHCLG's annual 'Net additional dwellings' data series suggest this undercount has grown in recent years. See 'Sources and notes' for further explanation of this undercount.
- GLA analysts frequently use MHCLG data on Energy Performance Certificates (EPCs) to track the number of new dwellings. As seen above, this data has closely tracked the London Development Database net conventional completions data over recent years.

Sources and notes

- GLA and MHCLG (various)
- The undercount in the MHCLG new build dwellings series is believed to be partly due to a reduced market share of the National House-building Council (NHBC), who provide the bulk of this data to MHCLG

3.5. Recent figures show new build starts in 2017 were at the same level as 2016

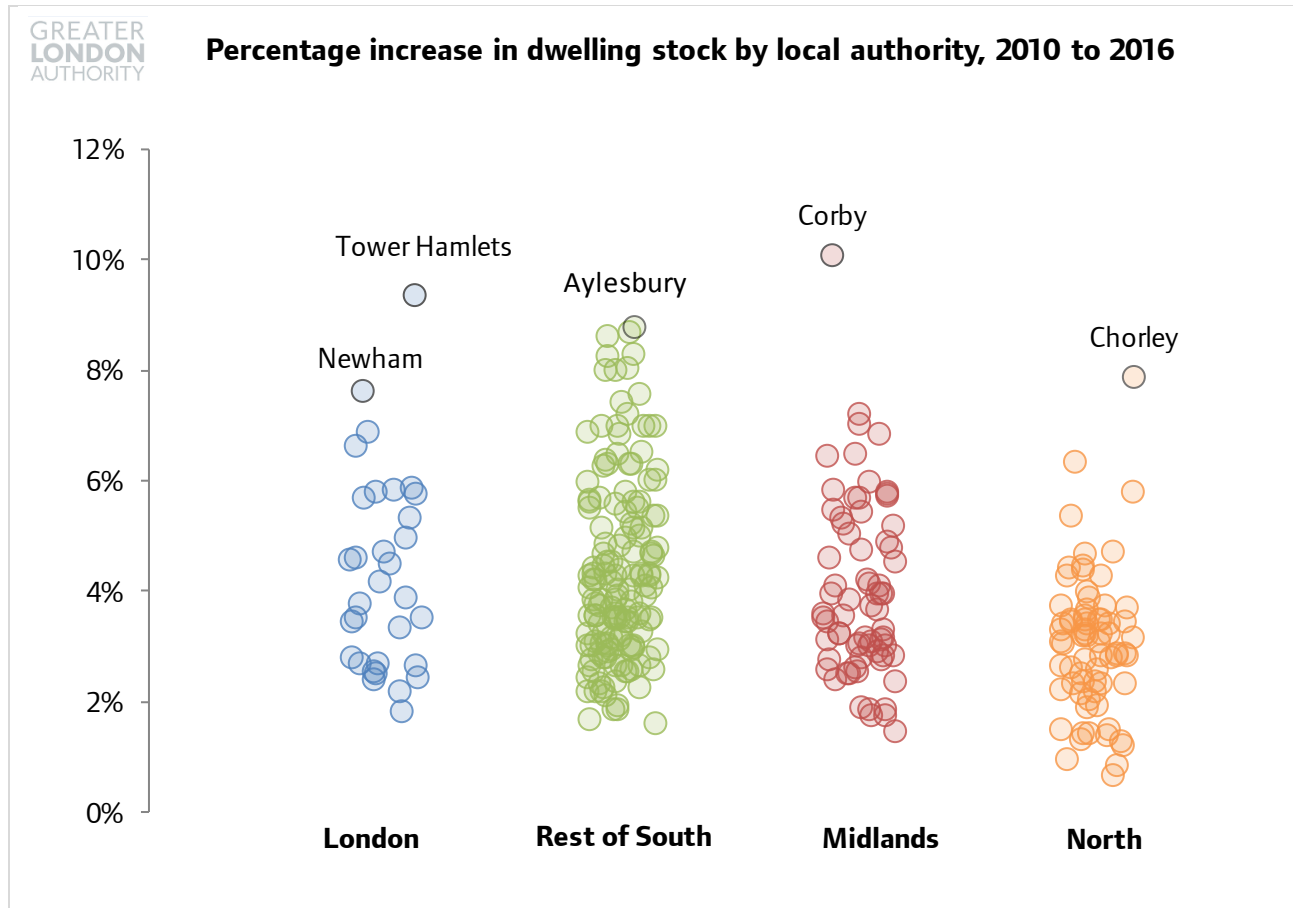


- Quarterly data on new build starts (that is, excluding conversions and changes of use) in London suggests that the number of housing starts stabilised in 2017, after two years of quarter-on-quarter of falls.
- While private developers started 6% fewer homes in 2017 than in 2016, housing associations started 6% more homes than a year previously. In 2017, councils also started their highest number of homes since 2014.
- These MHCLG statistics are believed to undercount the number of new homes started (see chart 3.4 above).

Sources and notes

- MHCLG, House building statistics
- Note, these statistics cover only new build starts and exclude the supply from conversions and changes of use included in the 'conventional completions' statistics reported in the previous chart. They are also collected from a different source, building control inspectors, rather than local planning departments
- In this dataset, affordable homes secured through planning obligations are attributed to private developers, but in GLA affordable housing statistics are attributed to the housing providers who purchase and manage them

3.6. At local authority level Corby has seen the fastest housing growth in the country in the last six years, with Tower Hamlets the fastest-growing London borough

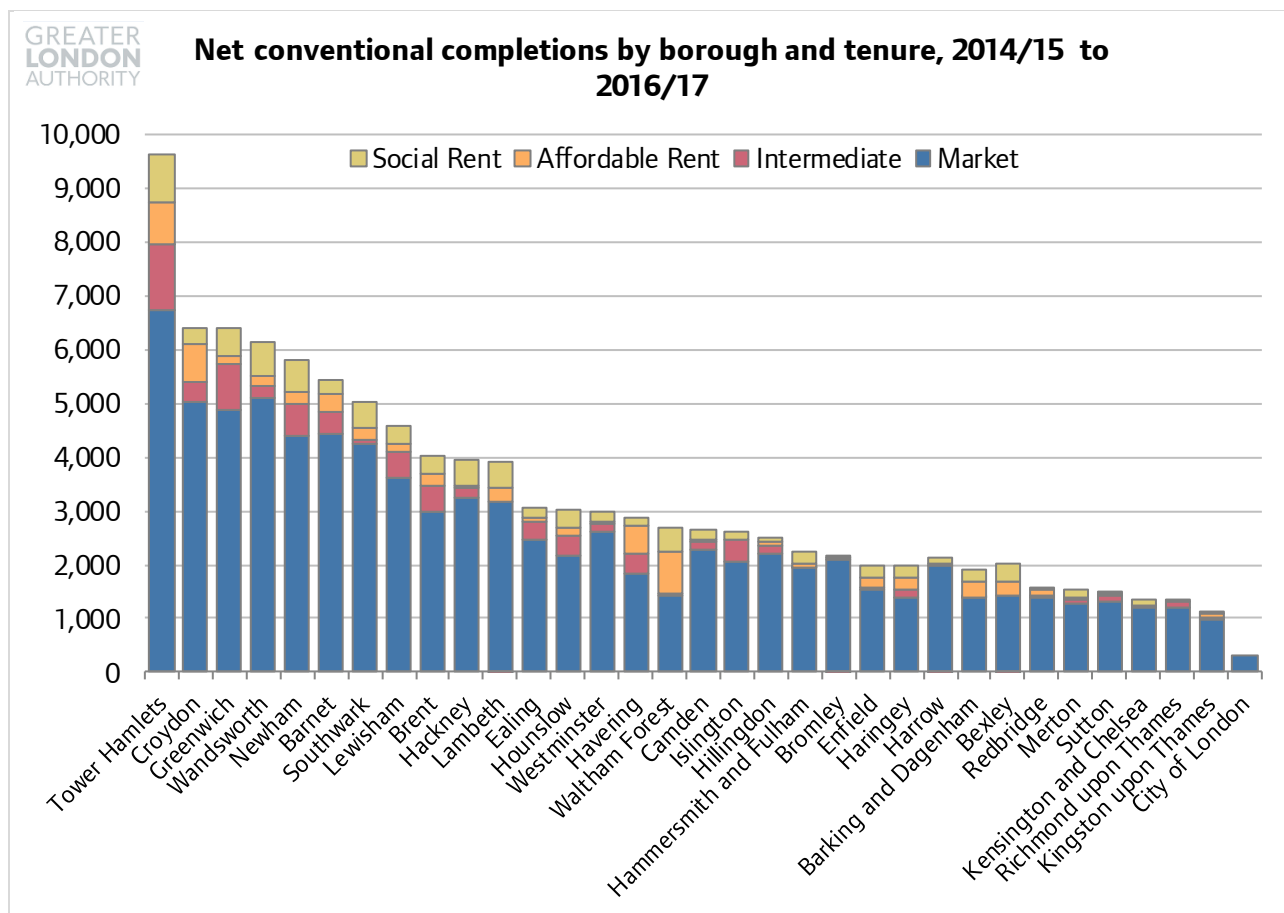


- The local authority with the fastest growth in its housing stock between 2010 and 2016 was Corby in the East Midlands, which saw a 10.1% increase in homes between 2006 and 2016. The next fastest were Tower Hamlets (9.4%) and Aylesbury (8.8%).
- At the other end of the scale, Burnley's housing stock grew the least out of any English local authority (0.6%) over the six-year period. Barrow-in-Furness (0.8%) and Pendle (0.8%), also both in the North region, were the next slowest.
- Tower Hamlets was the fastest growing London borough at 9.4%, followed by Newham and Southwark at 7.6% and 6.9% respectively. The slowest-growing boroughs are Redbridge (1.8%) and Bexley (2.2%).

Sources and notes

- MHCLG, live table 125
- City of London has been excluded due to low levels of residential dwellings

3.7. A net 106,220 new homes were completed in London in the last three years, with both total supply and tenure splits varying widely at borough level

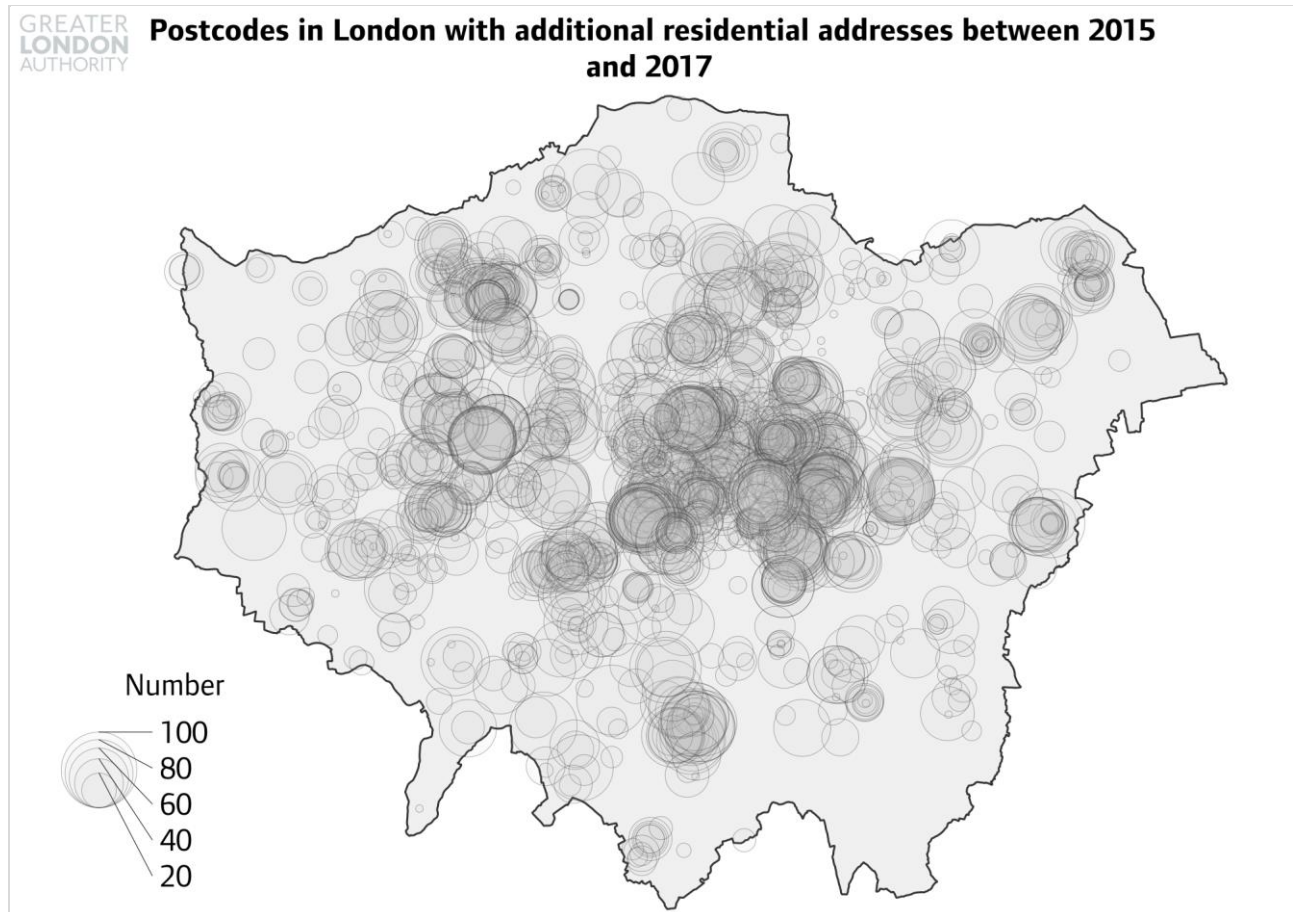


- Over the last three years (2014/15 to 2016/17) a net 106,220 new homes have been completed in London, of which 84,290 (79%) were market homes. 6,930 new homes were for social rent, 6,200 were Affordable Rent and the remaining 8,810 were intermediate.
- At borough level the highest numbers of completions over the last three years were in Tower Hamlets (9,610), Croydon (6,390) and Greenwich (6,390). More homes were completed in these boroughs than the 14 boroughs with the lowest number of completions combined.
- The chart also shows the tenure split of completions in each borough. Over this period the highest proportions of affordable housing were in Waltham Forest, Havering, and Tower Hamlets (47%, 36%, and 30% respectively) and the lowest in Bromley, City of London, and Harrow (all 0%).

Sources and notes

- GLA, London Development Database
- Data for 2016/17 is provisional
- To ensure legibility the chart does not show net losses of social rented housing in four boroughs: 270 in Bexley, 170 in Harrow, 80 in Bromley and 40 in Lambeth
- For a fuller discussion of net conventional completions in London over recent years, see GLA Housing Reserch Note 2018/01 'The profile of London's new homes in 2016/17: Analysis of the London Development Database'

3.8. Between 2015 and 2017, growth in London's housing stock was concentrated in inner east London and in several outer London town centres

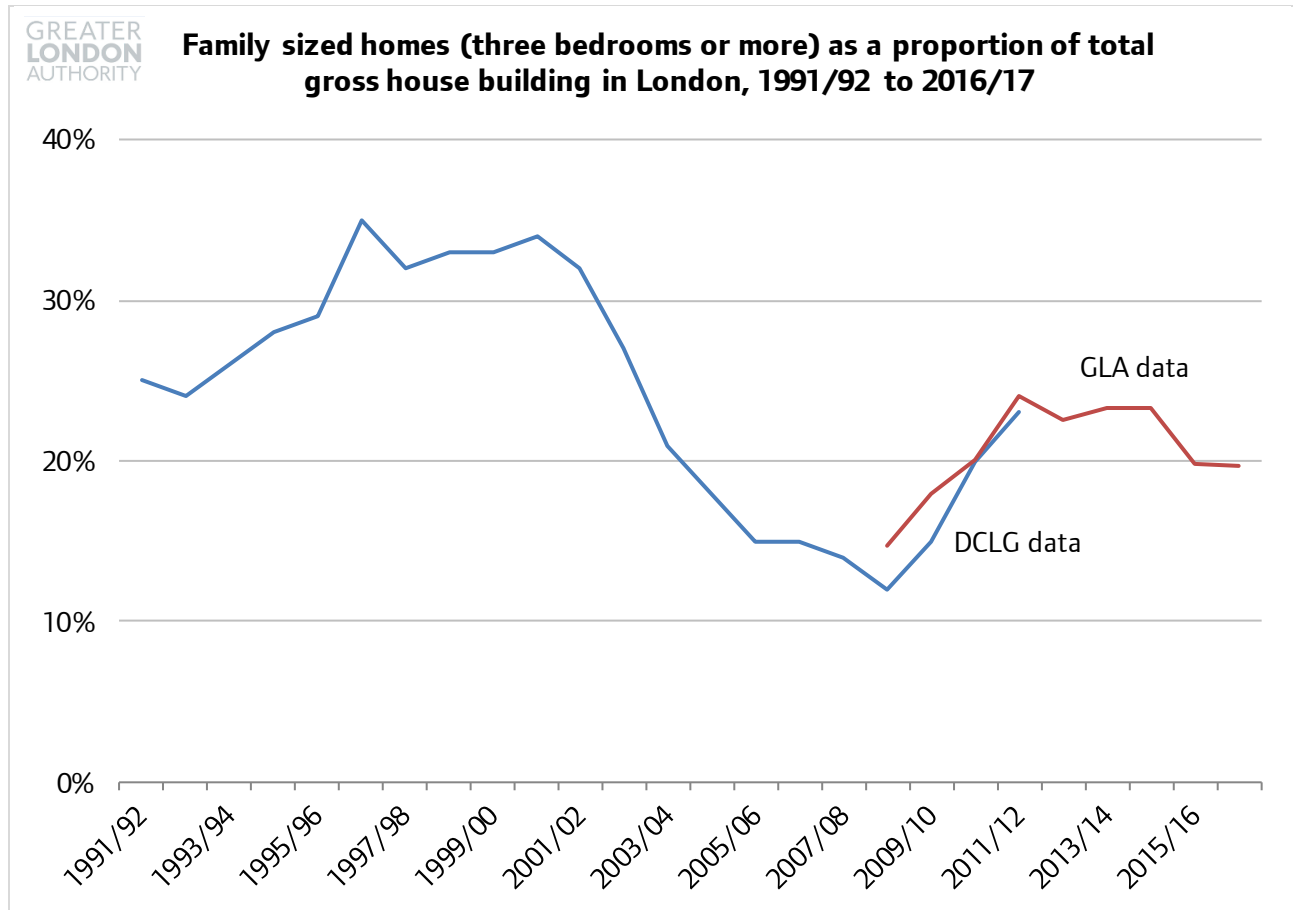


- As a proxy for new housing development, this map displays a circle for each new postcode with at least 5 residential addresses that appeared between January 2015 and January 2017. Altogether these postcodes include 52,500 residential addresses.
- By this measure, the greatest concentration of housing growth in this period was in an area of inner east London encompassing parts of Southwark, Tower Hamlets, Lewisham, Newham and Greenwich. There were also significant pockets of growth in several outer London town centres including Colindale, Croydon and Romford.

Sources and notes

- Ordnance Survey CodePoint data for 2015 and 2017
- Darker shades represent higher concentrations of new residential addresses, and larger circles indicate higher numbers of new residential addresses in a specific postcode

3.9. Around a fifth of new homes built in 2015/16 had three or more bedrooms, up from 15% in 2008/09

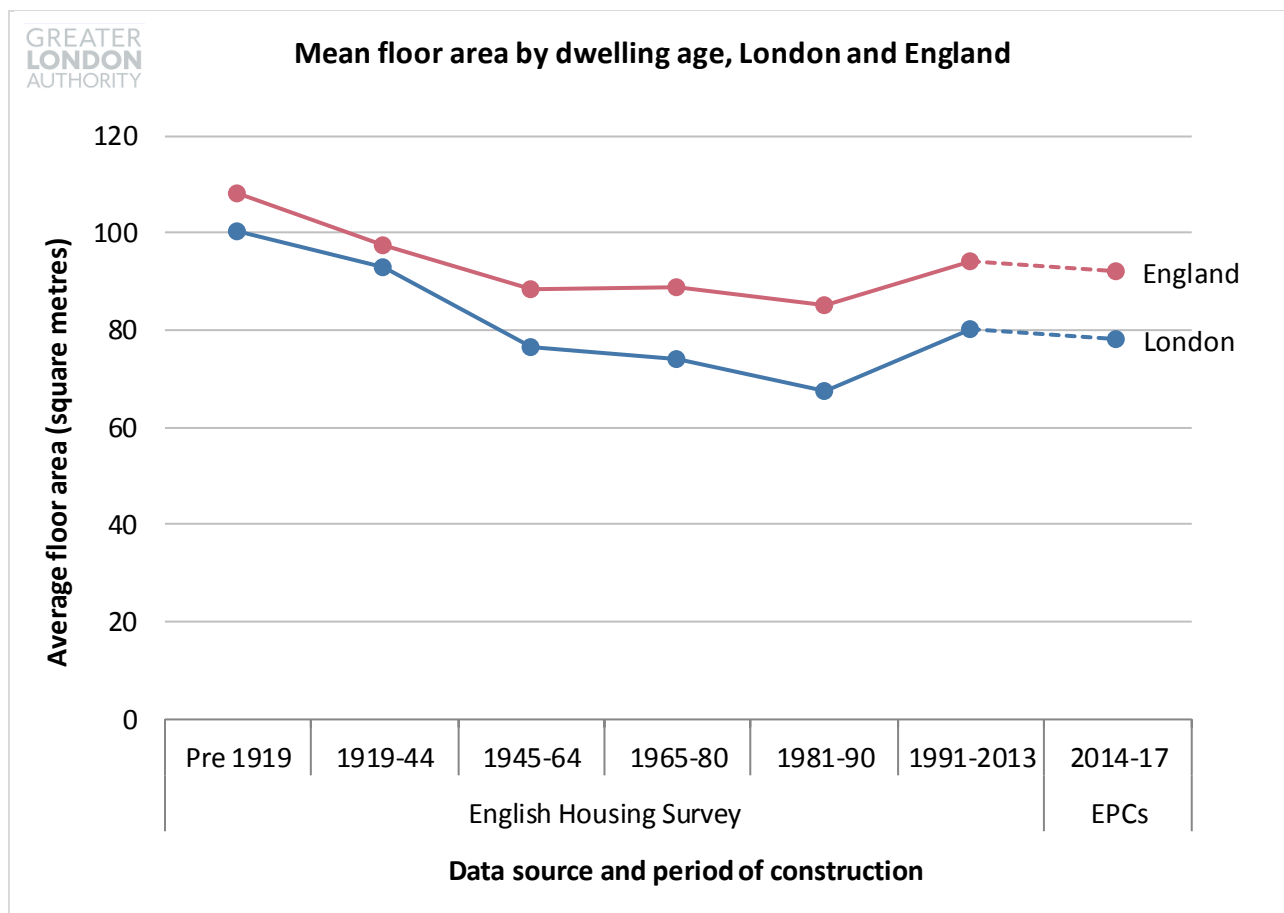


- The proportion of new homes with three bedrooms or more (the usual definition of 'family sized') in London rose to just over a third at the turn of the century, but fell rapidly through the 2000s as the share of flats in new supply increased.
- With the end of the housing boom and the associated credit crunch, speculative investment in new flatted developments fell back. This led the proportion of family sized homes to rise again, reaching 24% in 2011/12 before falling to 20% in 2015/16 and 2016/17.
- In absolute terms, the number of family sized homes completed in 2016/17 (8,927) was the highest recorded on the London Development Database, and an increase from 7,884 in 2015/16.

Sources and notes

- MHCLG, live table 254 (discontinued in 2011/12); GLA, London Development Database from 2008/09
- The figures in this chart are based on gross completions and take no account of losses due to demolition or replacement

3.10. Homes built in London in the last three years have a mean average floor area of 78m², smaller than surviving pre-war homes, but larger than those built between the 1940s and 1980s

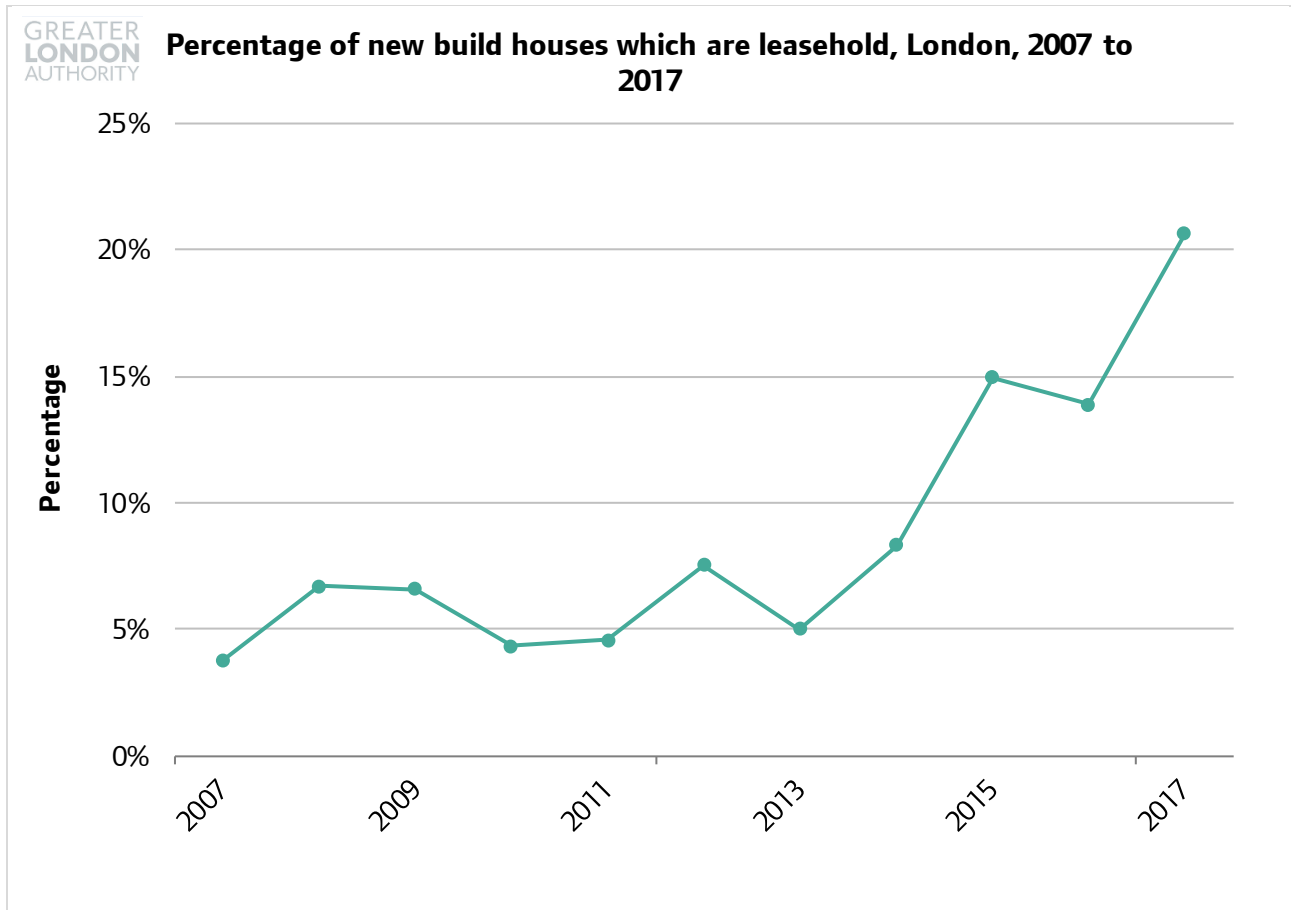


- Homes in London have a mean average floor area of 87 square metres (m²), compared to an average across England as a whole of 94m². New build homes that survive from the pre-war period are the largest on average: pre-1919 homes have an average area of 100m² in London, and those built between 1919 and 1944 an average of 93m².
- Homes that were built in the post-war decades tend to be smaller, from 77m² for those built between 1945 and 1964, to 68m² for those built in the 1980s.
- However, average new home sizes subsequently increased, to 80m² for those built between 1991 and 2013, and 78m² for those built between 2014 and 2017 (compared to 93m² in England as a whole).
- The source and the definition for the last three years are different from previous reports – see ‘Sources and notes’ to the right.

Sources and notes

- Data to 2013 from English Housing Survey 2010 to 2013; Data from 2013-15 from MHCLG statistics on Energy Performance Certificates
 - This year’s analysis uses a measure of floor area from the EHS that is more consistent with the EPC measure than in earlier reports
 - These figures measure the current average size of existing homes built at different periods, not the average size of homes when they were built. They therefore exclude any homes since demolished, and account for any extensions or conversions since construction

3.11. The percentage of new build houses that are leasehold tenure has increased notably over recent years

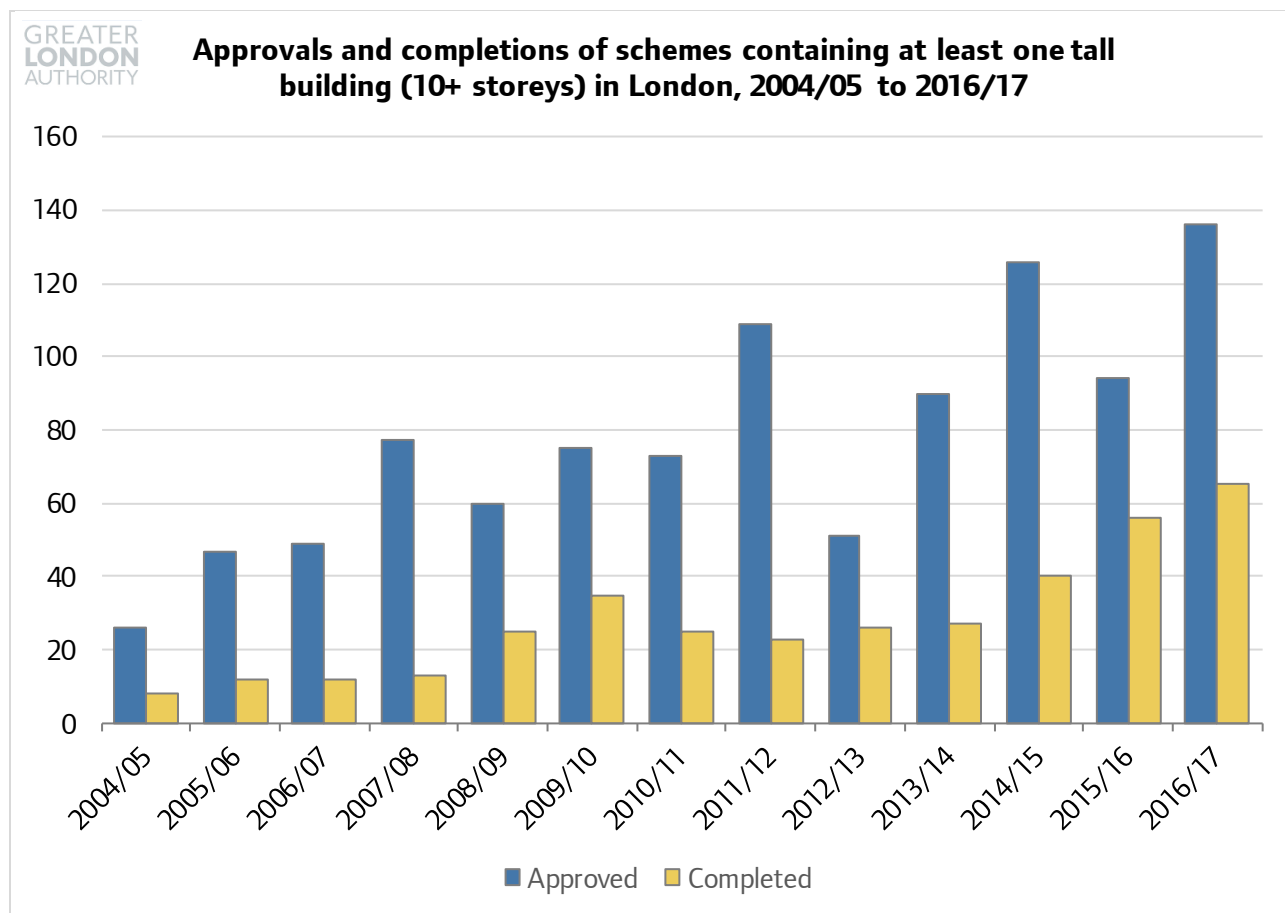


- New homes in London are predominantly flats, with only a few thousand new houses constructed every year. Houses are usually freehold tenure, whereas flats are commonly leasehold.
- The percentage of new houses that are leasehold tenure in London has increased from 8% in 2012 to 21% in 2017.
- For comparison, 14% of new houses in England and Wales in 2017 were leasehold. However, in Greater Manchester, 79% of new houses in 2017 were leasehold. This latter percentage was the same in 2012.

Sources and notes

- Land Registry, Price Paid data
- Freehold is an outright ownership, in perpetuity, of a property and the land on which it is built. Leasehold is a form of property ownership where a property is leased from a freeholder

3.12. The number of schemes including tall buildings approved in London has grown over the last decade but is now showing signs of levelling off, while the number completed is still growing

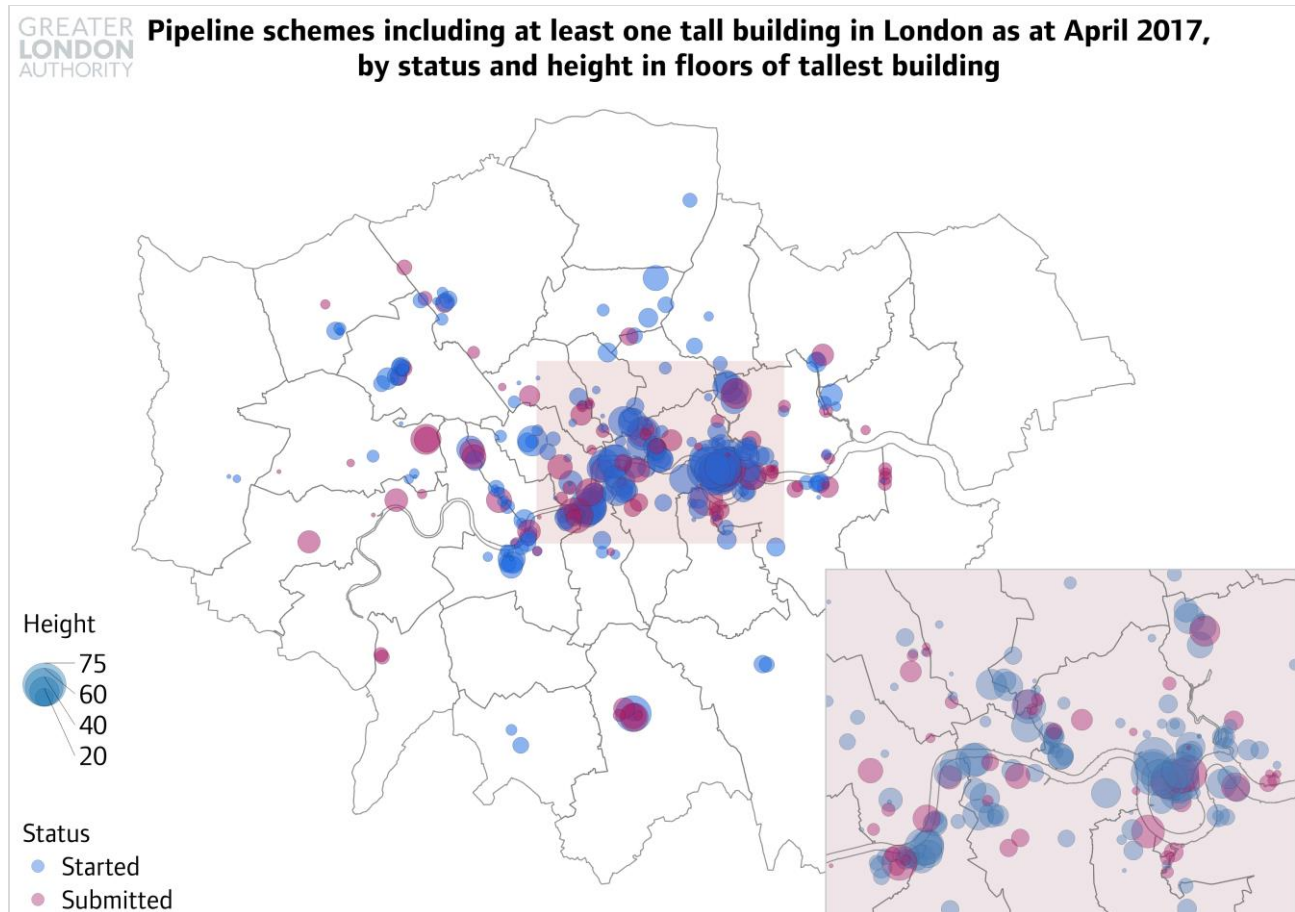


- The London Development Database records whether each scheme approved in London contains at least one tall building (a building of ten storeys or more). In 2016/17, 136 such schemes were approved, comprising 85 with buildings of ten to 19 storeys, and 51 with buildings of 20 or more.
- The number of tall building schemes approved in 2016/17 was the highest yet recorded, but only marginally higher than 2014/15. More recent data published by New London Architecture indicates that the numbers of both applications and permissions for schemes containing tall buildings have fallen in the last year.
- Given the time it takes to construct tall buildings, the number of completed tall building schemes unsurprisingly lags behind approvals, reaching a new high of 65 completed schemes in 2016/17 (of which 48 included buildings of no more than 19 storeys).

Sources and notes

- GLA, London Development Database

3.13. Most tall buildings proposed or under construction in inner London are in one of several major clusters

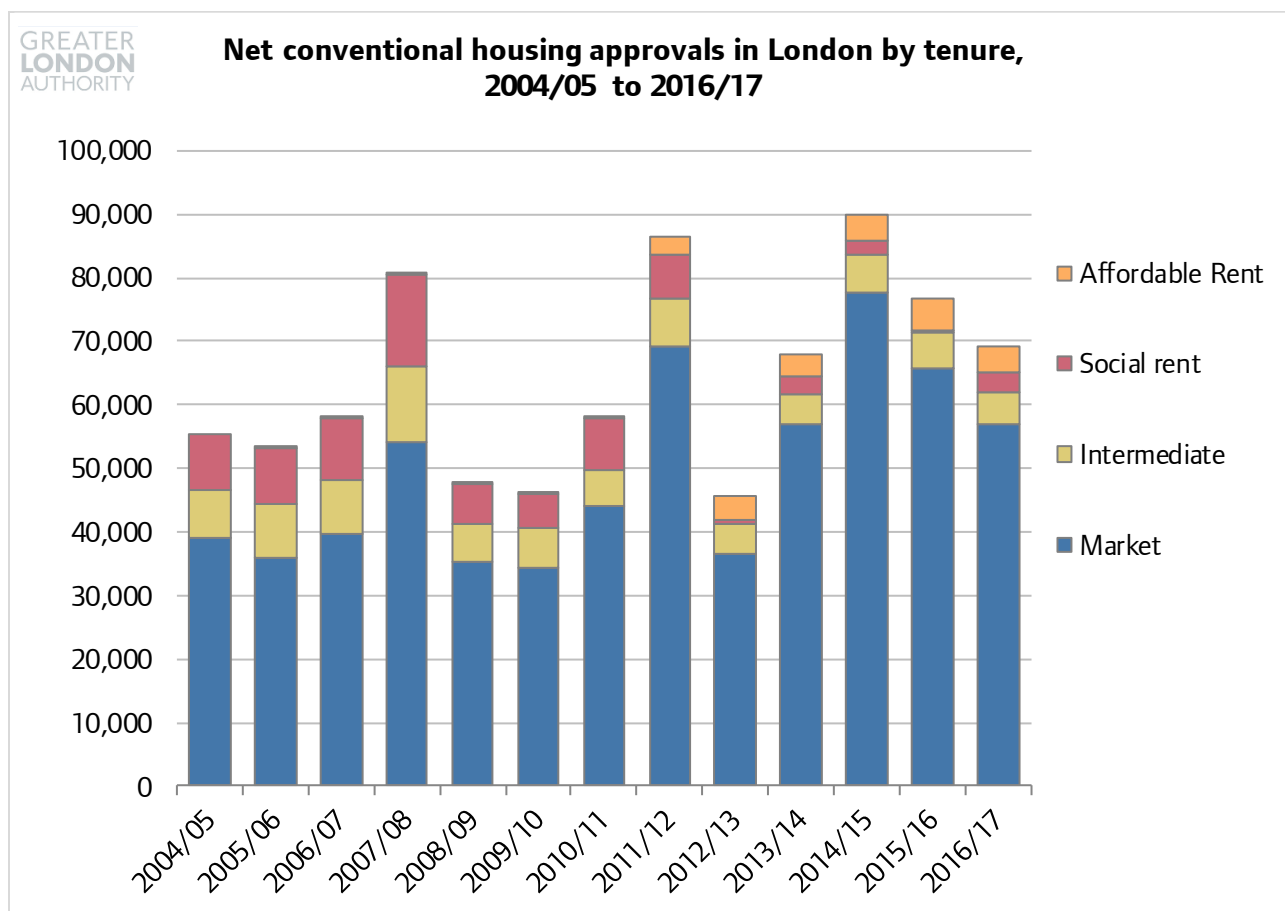


- In April 2017, there were 312 approved but uncompleted schemes on the London Development Database that included at least one residential or part-residential building of 10 storeys or more. Around half of the total were in several clusters close to the city centre, notably the Isle of Dogs, Greenwich Peninsula, the South Bank and the Vauxhall / Nine Elms area.
- These schemes, many of which include a mix of tall and shorter buildings, comprise a total of 160,700 homes, at an average density of 296 dwellings per hectare.

Sources and notes

- GLA, London Development Database

3.14. Planning approval was granted for around 70,000 new homes in London in 2016/17

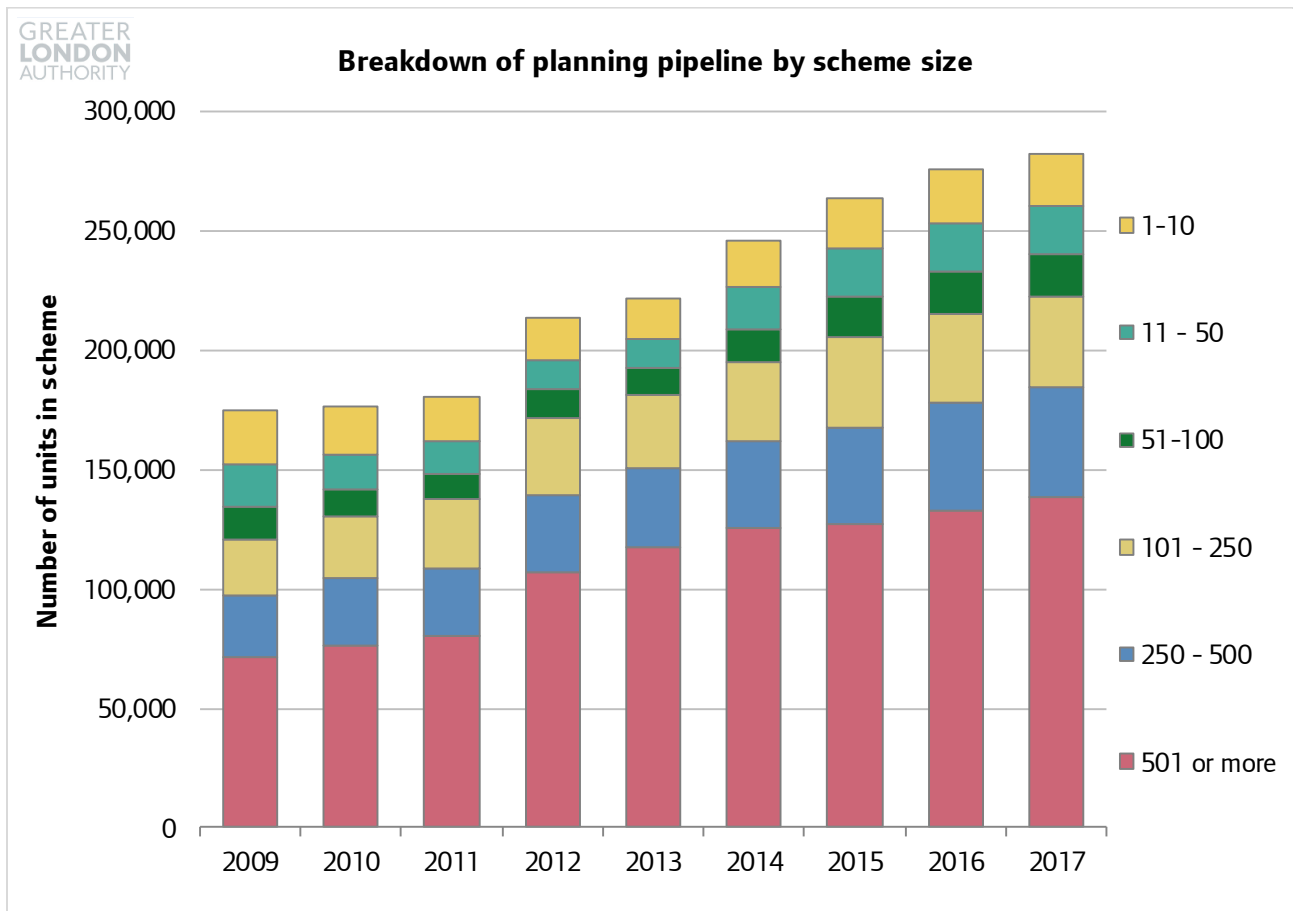


- The net number of new homes receiving planning approval in London is always higher than the eventual completions, as some approvals are duplicates and other homes are never completed.
- Over the last decade a net average of 66,900 new homes were approved each year, with a provisional figure of 69,200 approvals in 2016/17. The draft new London Plan target is 65,000 new homes per year from 2019/20.
- The percentage of total approvals that were affordable homes reduced significantly between 2007/08 and 2015/16, from 33% down to 14%. This was primarily due to higher numbers of market home approvals increasing the total number of approvals. In 2016/17, 18% of approvals were for affordable homes.

Sources and notes

- GLA, London Development Database
- Figures for different years should not be summed as they may contain repeated approvals for the same scheme
- Data for 2016/17 is provisional

3.15. Schemes of more than 500 units comprise half of London's pipeline of new homes

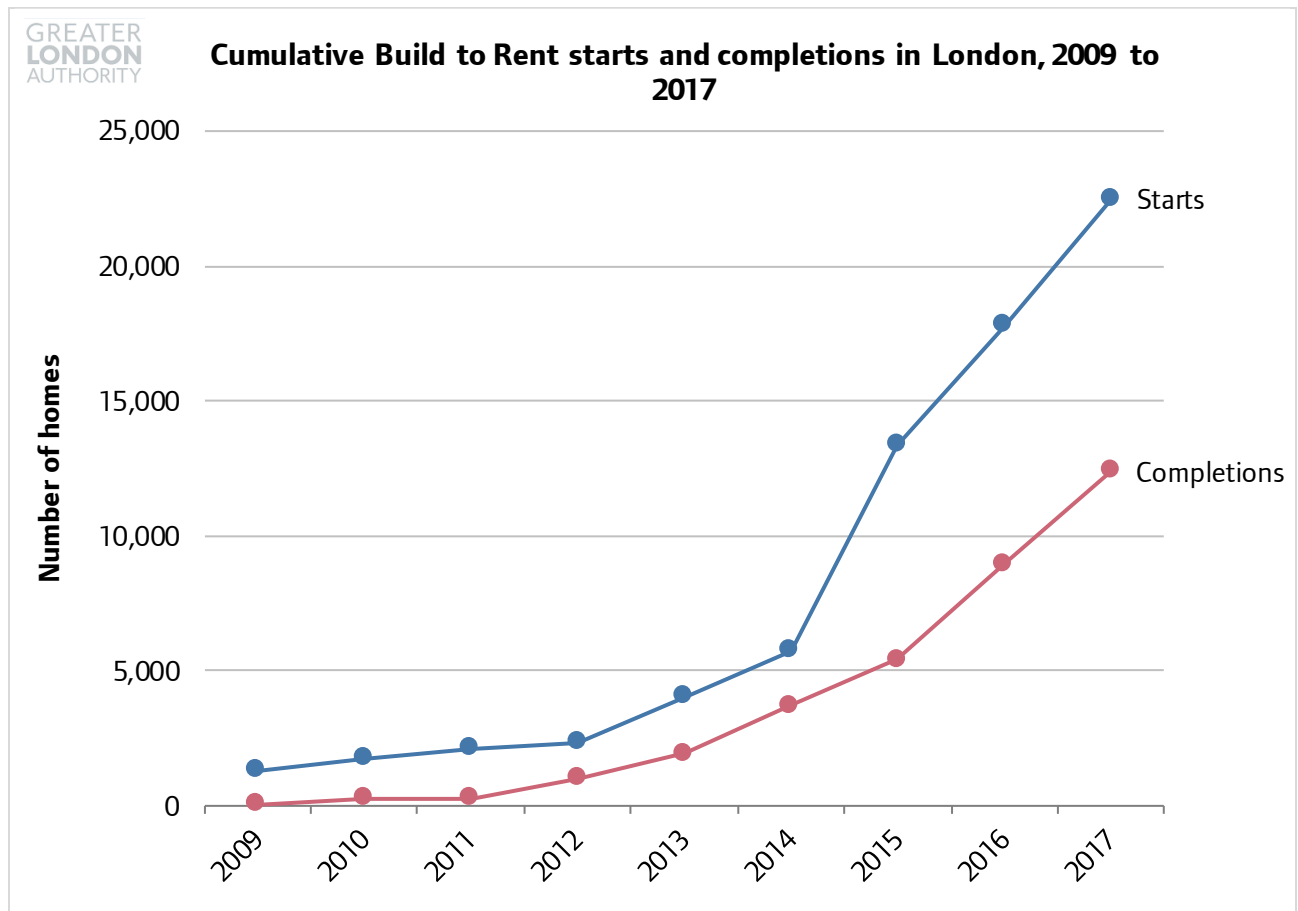


- The high number of approvals of new homes in recent years has left London with a large ‘pipeline’ of homes either under construction, or approved but not yet started. In March 2017, there was a total conventional pipeline of 282,400 homes.
- 49% of the current pipeline is on very large schemes of more than 500 units. A further 30% is on schemes of 101 to 500 units. At the other end of the scale, schemes of 1 to 10 units account for just 8% of the pipeline.
- Looking back over time, the percentage of units which are on large schemes of more than 250 units has increased from 56% in 2008/09 to 65% in 2016/17.

Sources and notes

- GLA, London Development Database

3.16. The 'Build to Rent' sector's contribution to new housing supply in London is growing

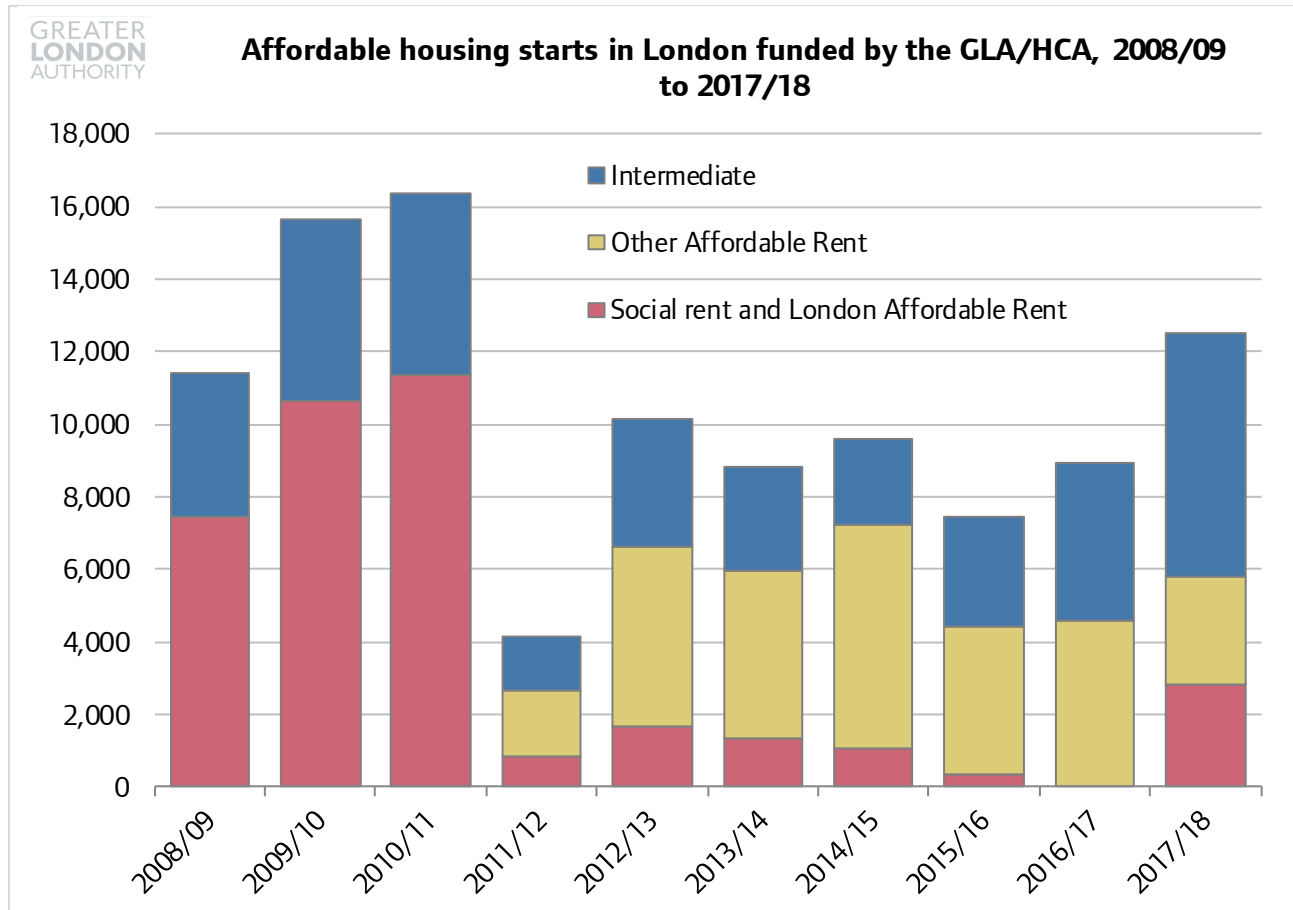


- There is an emerging purpose-built private rental sector in London, which is often termed 'Build to Rent'. These schemes are usually built specifically for renting, and upon completion are owned and managed by one operator.
- Since January 2009, 22,500 Build to Rent homes have been started, and 12,400 have been completed.
- In 2017, a quarter of all new market homes sold in London (24%) were for Build to Rent.
- 11,300 Build to Rent homes were under construction at the end of 2017, close to one in five of all private homes under construction.

Sources and notes

- Molior London data
- To be included in Molior's Build to Rent database, developments must have 20 or more Build to Rent units, be planned to be owned and managed as unified blocks of market rental units, and have been started or completed since 2009

3.17. 2017/18 saw the highest number of affordable housing starts funded through GLA/HCA programmes since 2010/11

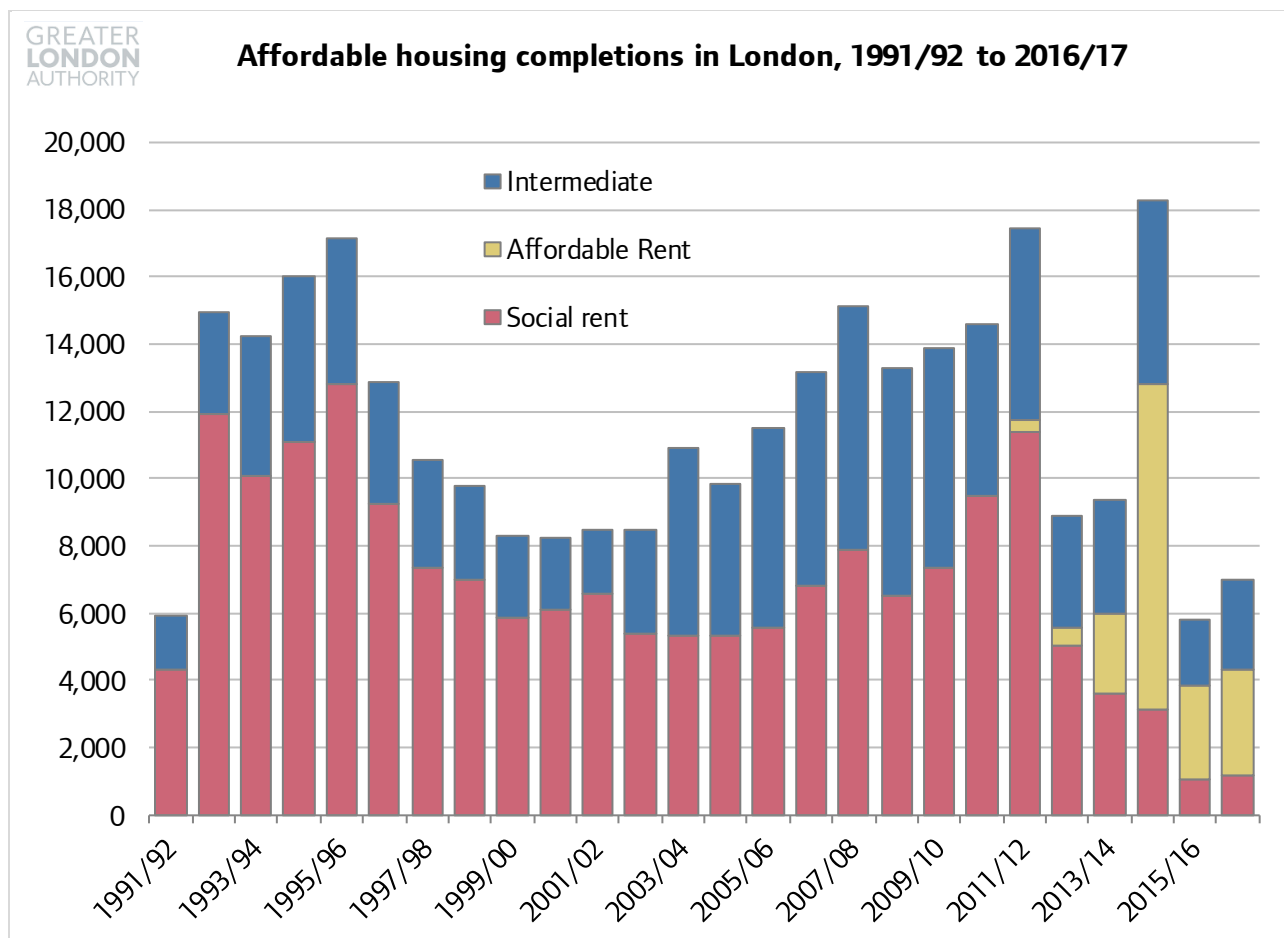


- The number of GLA-funded affordable homes started in London was 8,940 in 2016/17, a figure which increased to 12,530 in 2017/18, the highest since 2010/11.
- 6,730 (54%) of the affordable homes started in 2017/18 were intermediate (shared ownership or intermediate rent), while 2,830 (23%) were at social rents or London Affordable Rent levels, also the highest figure since 2010/11. The remainder (24%) were other homes for Affordable Rent.

Sources and notes

- GLA, Affordable Housing Statistics
- Responsibility for affordable housing investment was devolved to the Mayor of London in April 2012.

3.18. The number of affordable homes completed in London in 2016/17 was 6,960, more than 2015/16 but still low by the standards of the last 25 years

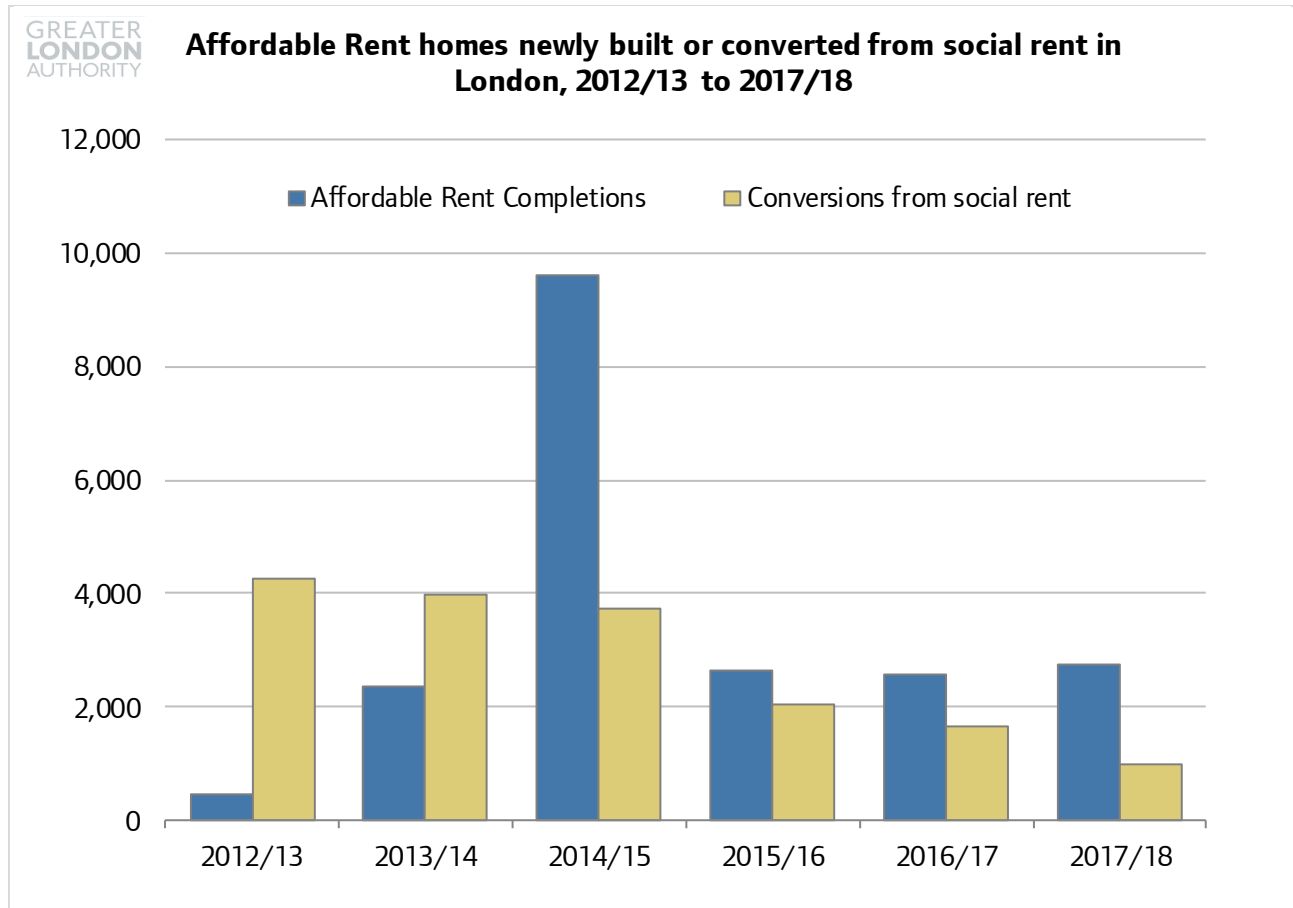


- There were 6,960 affordable homes completed in London in 2016/17, a 20% increase on the 25-year low recorded in 2015/16.
- The mix of new affordable homes completed has changed dramatically since the beginning of the 2010s. Since the adoption of the Affordable Rent Policy in 2011/12, 25,390 social rent homes and 18,840 Affordable Rent homes have been completed.
- However, 45% of these 25,390 social rent homes were delivered in 2011/12 – and in 2016/17, only 1,150 social rent homes were completed, compared to 3,170 Affordable Rent and 2,650 intermediate homes.
- The level of GLA-funded starts in 2017/18 (see previous chart) suggests that the number of social rented completions is likely to rise in the coming years.

Sources and notes

- MHCLG, Affordable housing live tables (1991/92 to 2015/16)
 - Note, these statistics are gathered on a different basis to the net conventional completions measure used earlier in this section, as these statistics do not net off losses to the stock, and are therefore 'gross' completions. These statistics also include acquisitions
 - As well as homes not funded by the GLA, MHCLG statistics also include some minor categories not included in the GLA's affordable housing statistics, such as Assisted Purchase Sales

3.19. In the last seven years, 17,300 social rent homes have been converted into Affordable Rent homes in London

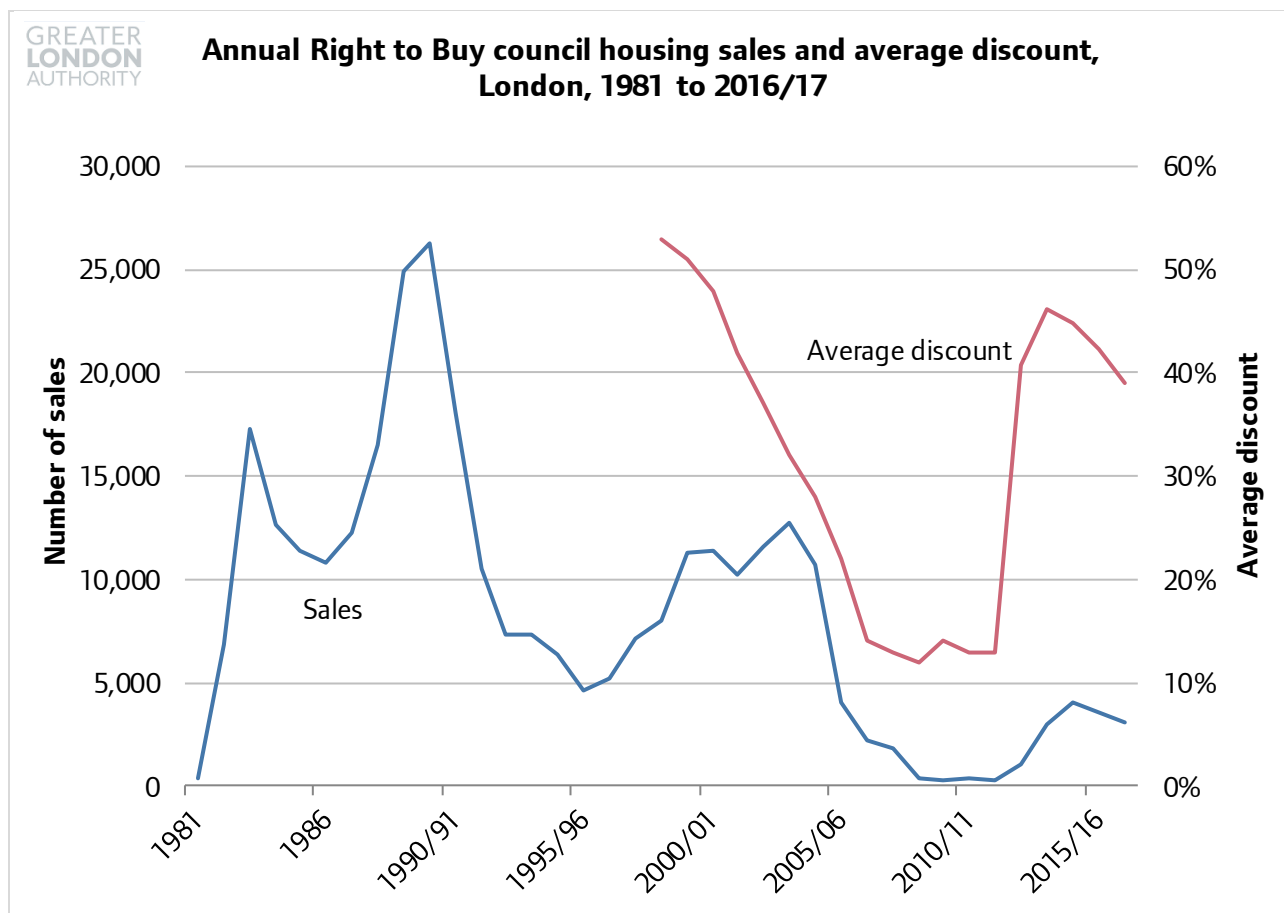


- Under the terms of the 2011-15 Affordable Homes Programme, the stock of 'Affordable Rent' homes was increased both through new construction and through converting existing social rented homes to Affordable Rent.
- Most of the growth in London's Affordable Rent stock in the early years of the programme came from conversions, with new supply increasingly prominent from 2014/15.
- In 2017/18, 2,730 Affordable Rent homes were completed, up from 2,570 in 2016/17. 990 homes were converted from social rent, down significantly from 1,660 in 2016/17.
- Over the past seven years there have been 20,770 new Affordable Rent homes built, and 17,200 converted from social rent. This gives a total of 37,970 additional Affordable Rent homes.

Sources and notes

- Completions from GLA, Affordable housing statistics, and conversions from HCA, Registered Provider survey data supplied to GLA
- In September 2016 the Mayor announced that no further conversions to Affordable Rent would be approved under his new Affordable Homes Programme. Any conversions subsequently recorded are the result of previous approvals

3.20. 3,120 council homes in London were sold through the Right to Buy in 2016/17, down from the previous two years and below the long-term average

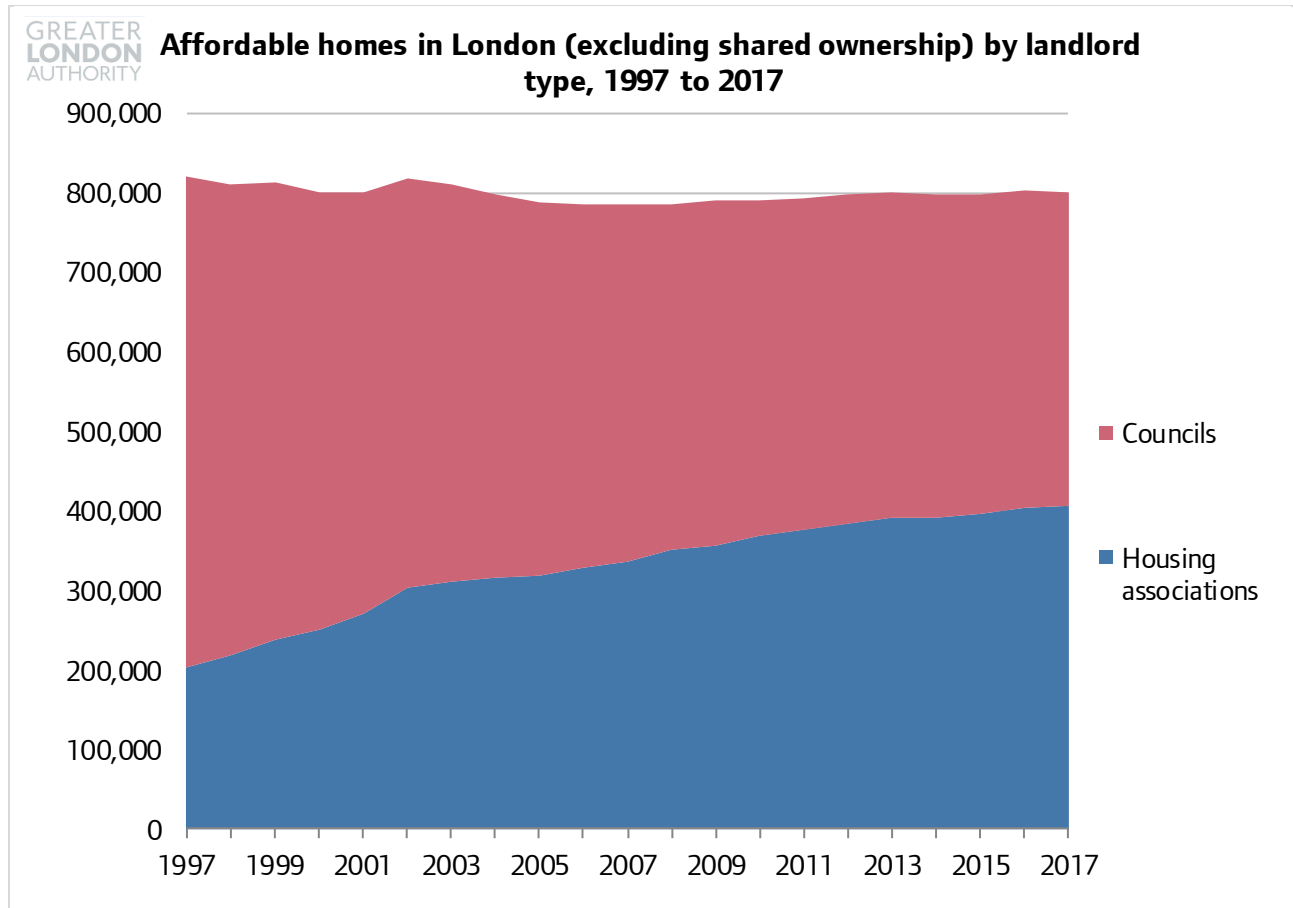


- 3,120 council homes in London were sold through the Right to Buy in 2016/17, down 12% from 2015/16. This is far below the last peak of 12,780 in 2003/04, or the record figure of 26,260 in 1990.
- The average discount from market price in London was 39% in 2016/17, again down slightly from the previous two years but still well above the level of the late 2000s.
- With an average market value of £244,000 for homes sold in 2016/17, the average discount amounted to £94,000, up from £21,000 in 2010/11.

Sources and notes

- MHCLG, live tables 643, 670 and 685, and Local Authority Housing Statistics data

3.21. There were 801,200 affordable homes in London in 2017, down slightly from the year before, due primarily to a combination of demolitions and sales out of the sector

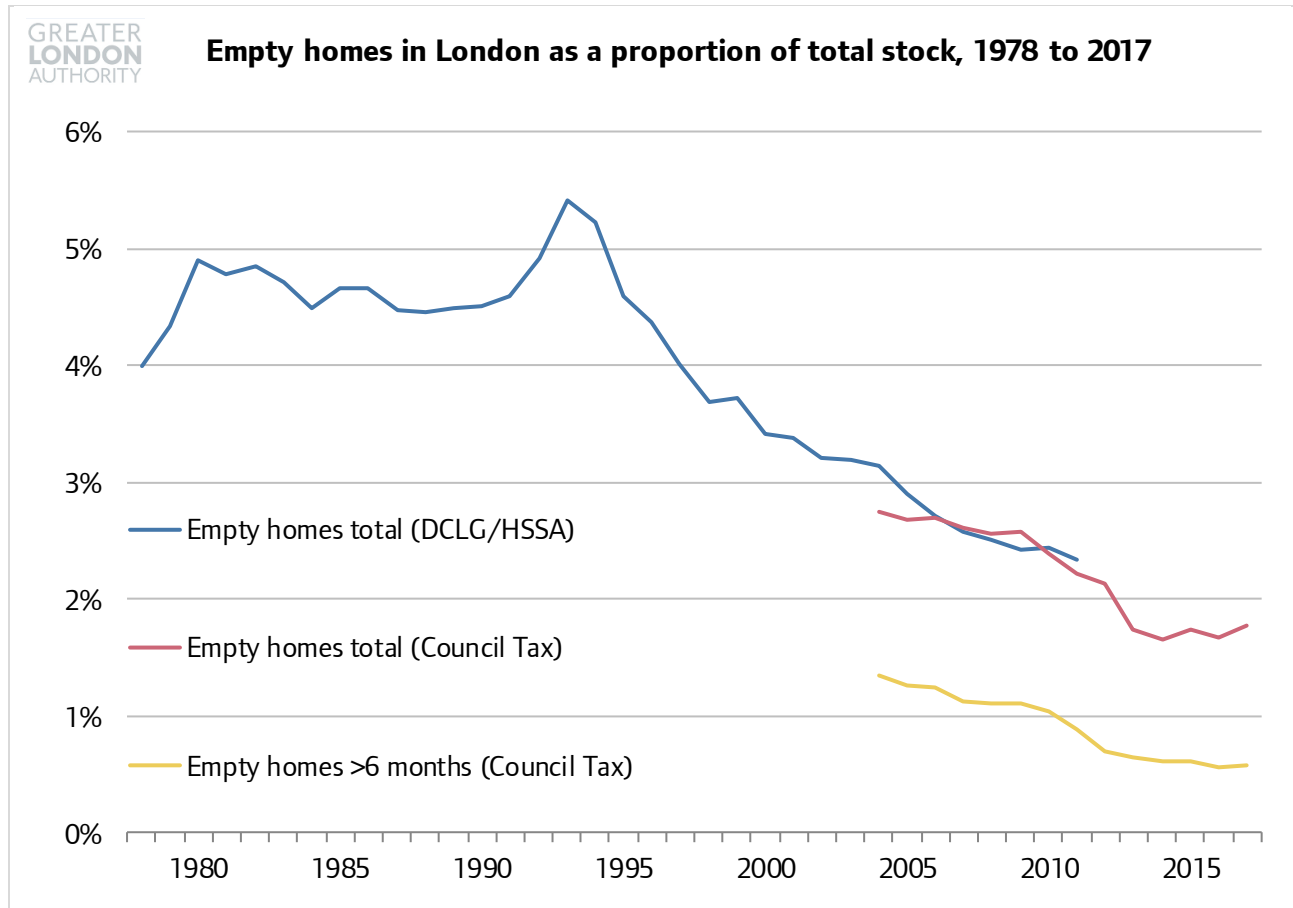


- Councils in London owned 393,900 affordable homes (including social rent and Affordable Rent) in April 2017, and housing associations another 407,200, for a total of 801,200 (excluding shared ownership). This figure was down slightly from 802,900 in 2016, but has been relatively steady at around 800,000 for the last five years.
- The change in stock levels between years can be accounted for by a number of different ‘flows’. For instance, the slight net decrease between 2016 and 2017 is explained by the increase of 9,400 newly built homes and acquisitions being offset by 1,500 demolitions, 3,900 sales, and around 5,300 further losses not captured in any of the other categories.

Sources and notes

- MHCLG live tables 115 and 116

3.22. The proportion of homes in London recorded as empty is far below its long-term average, at 1.8% ...

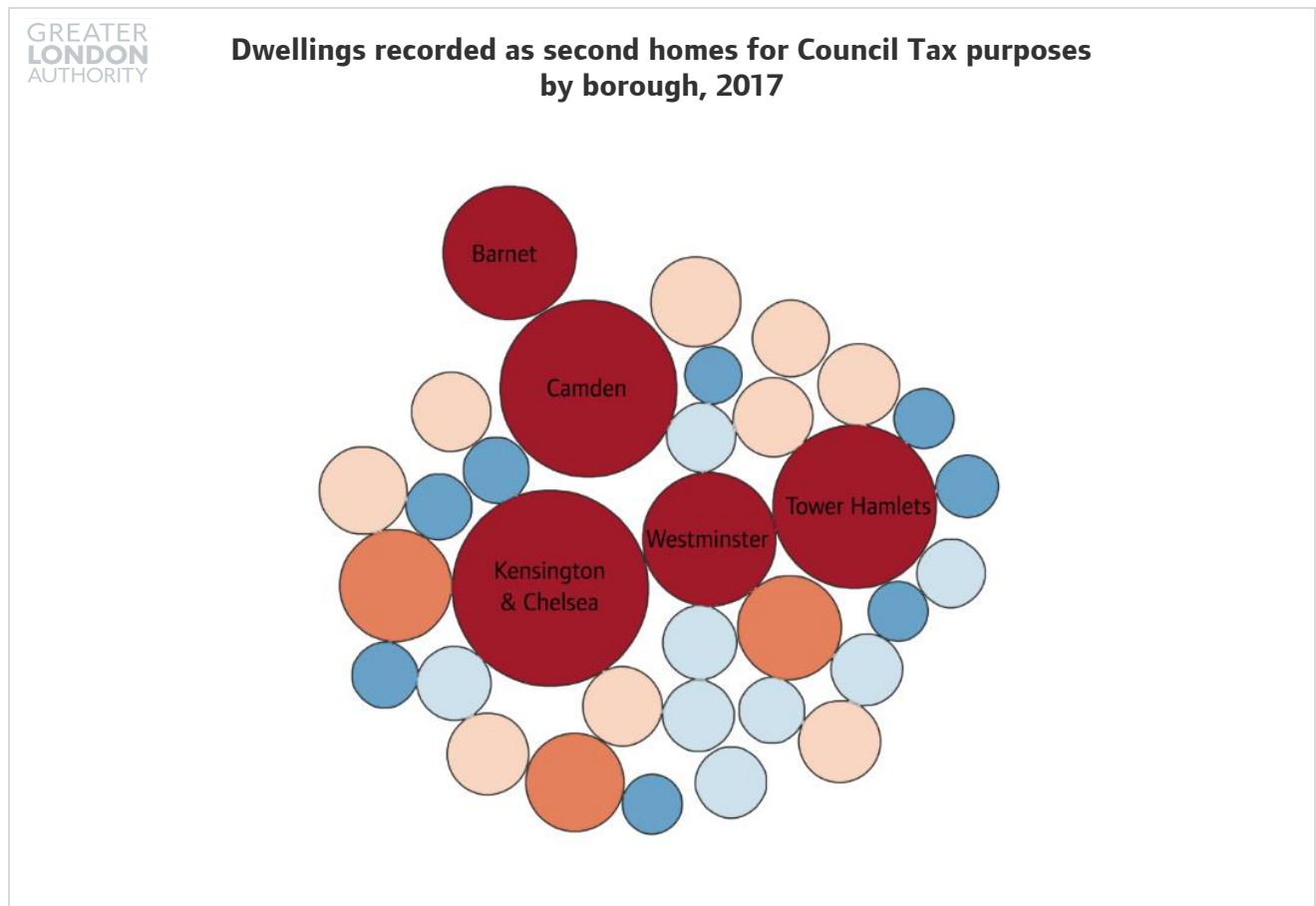


- According to Council Tax data there were 62,400 empty homes in London in 2016, equivalent to 1.8% of the total dwelling stock, and a slight increase from 2016.
- Long term data indicates that both the number of recorded empty homes in London and their share of the total housing stock are at almost their lowest levels since at least 1978, having fallen steadily from a peak of 5.4% in 1993 (160,500 homes).
- In 2017, there were 20,200 homes in London that had been recorded as empty for more than six months, equal to 0.6% of the stock.

Sources and notes

- Data from 1978 to 2011 is a combination of historical data provided to GLA by MHCLG and figures reported by local authorities in their Housing Strategy Statistical Appendix returns
- Data from 2004 onwards is from council tax statistics published by MHCLG in live table 615
- MHCLG suggest that these figures may under-count empty homes since the removal of empty property discounts from Council Tax in many areas has reduced the incentive for owners to report homes as empty

3.23. ... while there are 48,400 recorded second homes, 62% of which are in just five boroughs



- In October 2017, there were 48,400 homes in London recorded as second homes for Council Tax purposes, around 1.4% of the total housing stock.
- 62% of these homes are in just five boroughs: 8,990 in Kensington and Chelsea, 7,390 in Camden, 5,970 in Tower Hamlets, 3,860 in Westminster, and 3,500 in Barnet (by far the highest figure in outer London).
- Combined, the remaining 27 boroughs have 17,870 recorded second homes.
- The number of dwellings recorded as second homes has reduced by 9% in the last five years.
- The largest reductions in number of dwellings recorded as second homes over the last five years have been in Southwark (1,400 fewer second homes in 2017 compared to 2012), Islington (1,170 fewer) and Newham (1,080 fewer).

Sources and notes

- MHCLG, Council Taxbase 2017
- Chart produced using GeoDa software

4. Housing costs and affordability

Housing affordability, as measured by the median share of housing costs in total household income, has worsened in recent years, largely driven by the affordability of private renting. (4.1). Comparing the household incomes of tenants (social and private) to the price distribution of new build homes for sale, the cheapest 80% of new homes are affordable to only the top 8% of renting households. (4.2).

Average house prices in London are more than five times their 1970 level after adjusting for inflation (4.3). The gap between average prices in London and the rest of the country widened considerably in recent years, but narrowed in 2017 (4.4). Average house prices are highest in inner west London and lowest in outer east London (4.5).

Since 2010, price growth was first seen in more expensive boroughs, before spreading to other areas (the same phenomenon has occurred with price falls) (4.6). When measured in terms of average cost per square metre, house prices in London have diverged dramatically from other regions since 2004 (4.7)

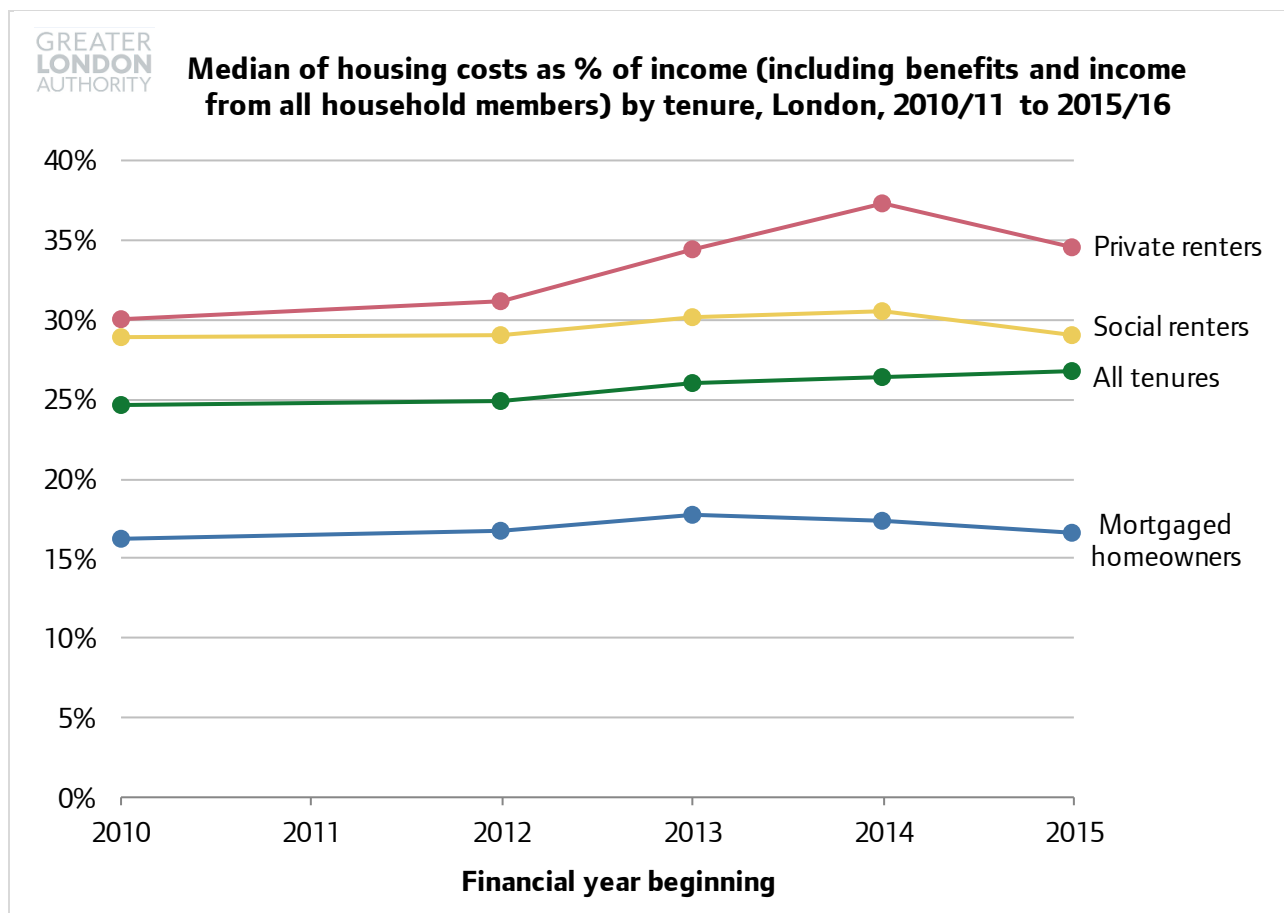
There were 42,800 new loans to first-time buyers and 30,500 to home movers in London in 2017 (4.8). First-time buyers in London are generally borrowing significantly lower shares of their home's value than they were before the crash (4.9), but much higher multiples of their incomes (4.10). Sales supported by Help to Buy account for an increasing share of the total in many outer London boroughs (4.11), and low interest rates have cushioned the impact of rapidly rising house prices on the affordability pressures faced by first-time buyers (4.12). However, buyers can only take advantage of low interest rates if they can put down a suitable deposit (4.13).

In 2017 there were just 333 mortgage repossessions across all of London, the lowest annual figure on record (4.14). The number of rented homes in London repossessed by landlords is far higher, although has also fallen significantly in the last two years (4.15).

There were over 60,000 London properties listed on Airbnb in mid-2017, 32% higher than a year previously (4.16). Real-terms growth in average private rents in London has been negative for the last year, as nominal growth has fallen to zero and inflation has risen (4.17). However, over the last five years average private rents have risen more quickly than average earnings, worsening affordability for tenants (4.18). London has by far the highest average private sector rents in the country (4.19). There is also huge variation in monthly market rents within London and, in the most expensive boroughs, between the top and bottom of the market (4.20).

The number of Housing Benefit recipients in London has fallen slightly over the last five years, but is substantially more than a decade ago (4.21). Meanwhile, in the last five years the number of Housing Benefit cases in the deregulated private rented sector has fallen in much of inner London and risen in parts of outer London (4.22). Average rents for new social rented tenancies decreased by 3% in 2016/17 to £109 a week, while the average weekly rent for an Affordable Rent tenancy rose 1% to £189 (4.23).

4.1. Housing affordability, as measured by the median share of housing costs in total household income, has worsened in recent years, largely driven by the affordability of private renting

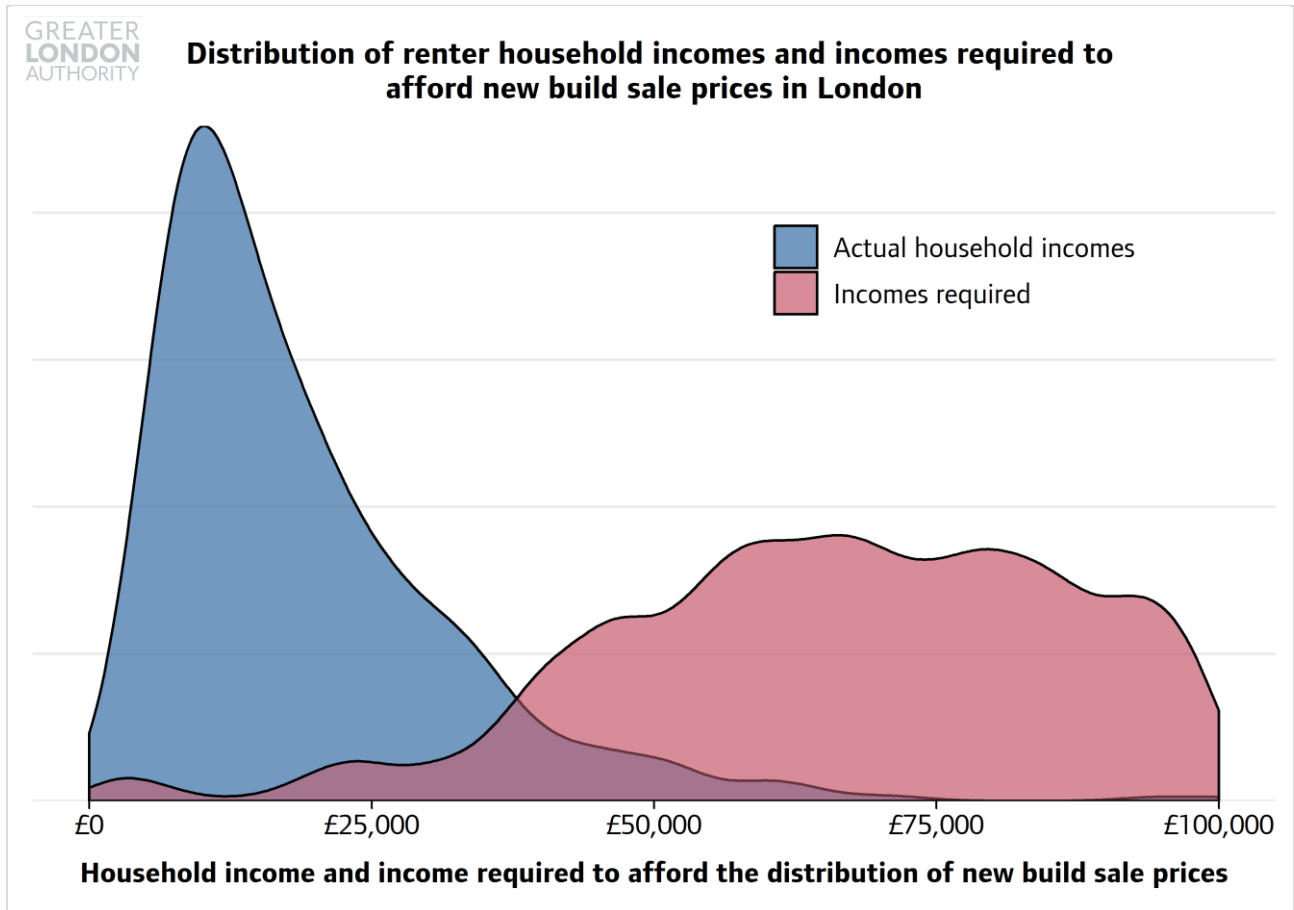


- There are several ways to measure the affordability of housing, depending on what categories of income are counted and whether the income of all household members is included. This chart compares trends in affordability using the most comprehensive measure, which includes gross income from benefits and from all household members.
- By this measure, the median household in London spent 27% of their income on housing costs in 2015/16, slightly up from 26% in 2014/15 and 25% in 2010/11.
- But there are significant disparities by tenure: the housing cost burden of social housing tenants is the same (29%) as in 2010/11, mortgaged homeowners are paying only slightly more (17% compared to 16%), while private tenants are now paying 35% of their income on rent, up from 30% in 2010/11.

Sources and notes

- English Housing Survey
- Outright owners are excluded as they have no mortgage or rent expenditure

4.2. Comparing the household incomes of tenants (social and private) to the distribution of new build prices in London, the cheapest 80% of new homes are affordable to only the top 8% of tenants

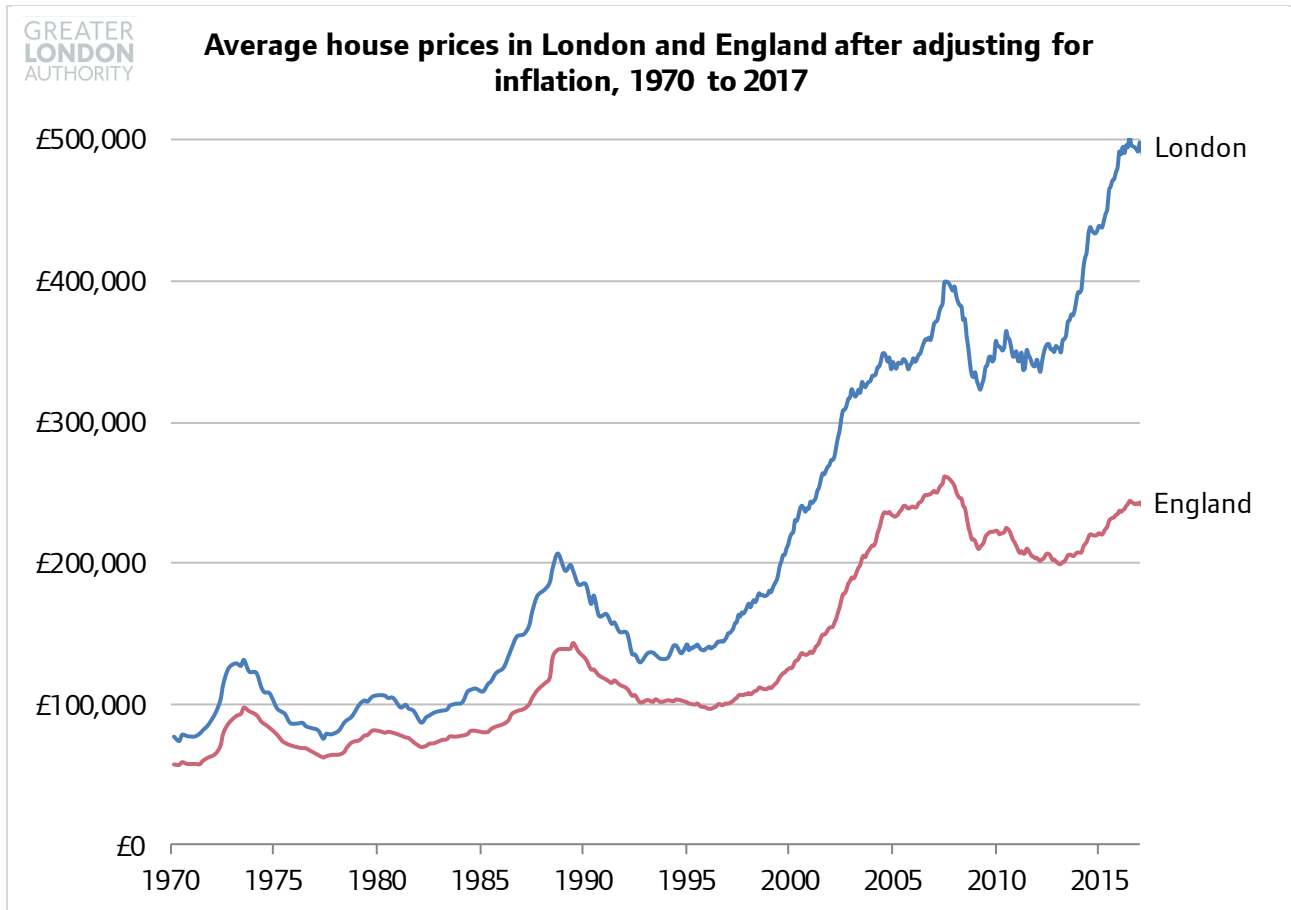


- This chart compares the distribution of private and social renting household incomes in London in 2015/16 (the blue area) with the distribution of incomes required to buy the new build homes sold in London in 2016 (the pink area), assuming a 75% loan to value ratio and a loan of four times annual income.
- When the two distributions are compared, the cheapest 80% of new homes are affordable to only the top 8% of renters.
- It should be borne in mind that the true scale of each of these distributions is very different, as there are more than 1.6 million renting households in London, but only around 25,000 market sales a year.

Sources and notes

- GLA analysis of English Housing Survey 2015/16 and Land Registry Price Paid data 2016
- This analysis assumes that if a household has sufficient income to take out a mortgage at a loan to value ratio of 75%, the household will also have a sufficient deposit. In practice, this may not be the case
- Chart produced using R packages 'haven', 'readr' and 'ggplot2'

4.3. Average house prices in London are more than five times their 1970 level after adjusting for inflation

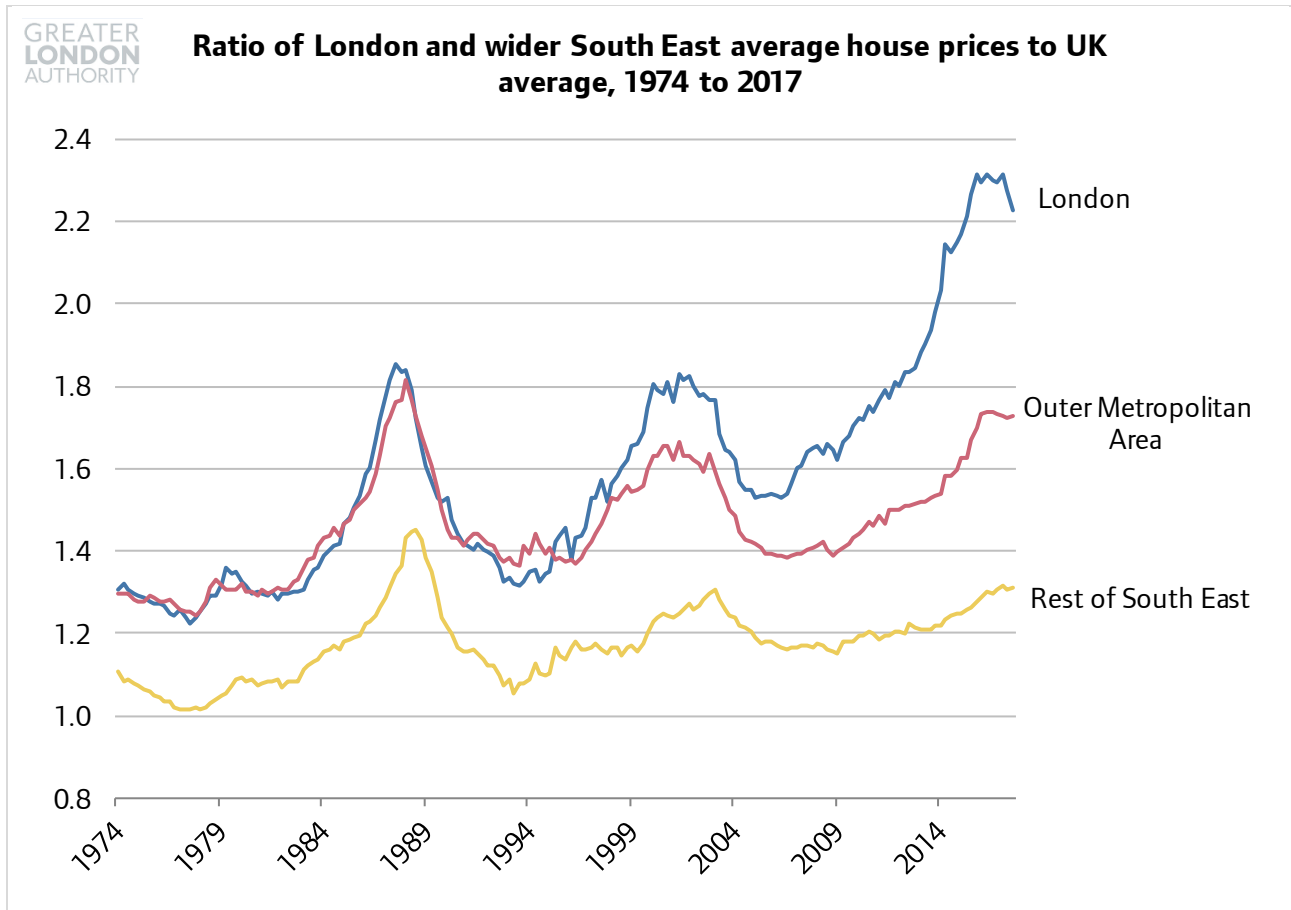


- London's average house price was £484,000 in December 2017, according to the new UK House Price Index. This is 2% lower than a year ago, after adjusting for inflation, but nearly three times the estimated average price twenty years ago in 1997.
- The average price for England as a whole rose by 1% over the last year in real terms, to £244,000. The growth rate for England as a whole surpassing that of London was the defining feature of the housing market in 2017. House prices had risen faster in London than in any other English region for much of the period since 2010.
- In real terms, the average price in England is still 5% below its level a decade earlier, while the average price in London is 23% higher. Since the mid-1980s, London's real terms house prices have increased further after every boom and bust cycle.

Sources and notes

- UK House Price Index, adjusted for RPI. Data is quarterly until the end of 1994 and monthly thereafter
- For various technical reasons the average prices reported by the new UKHPI tend to be lower than those reported by the previous ONS House Price Index

4.4. The gap between average prices in London and the rest of the country widened considerably between 2009 and 2016, but started to narrow in 2017

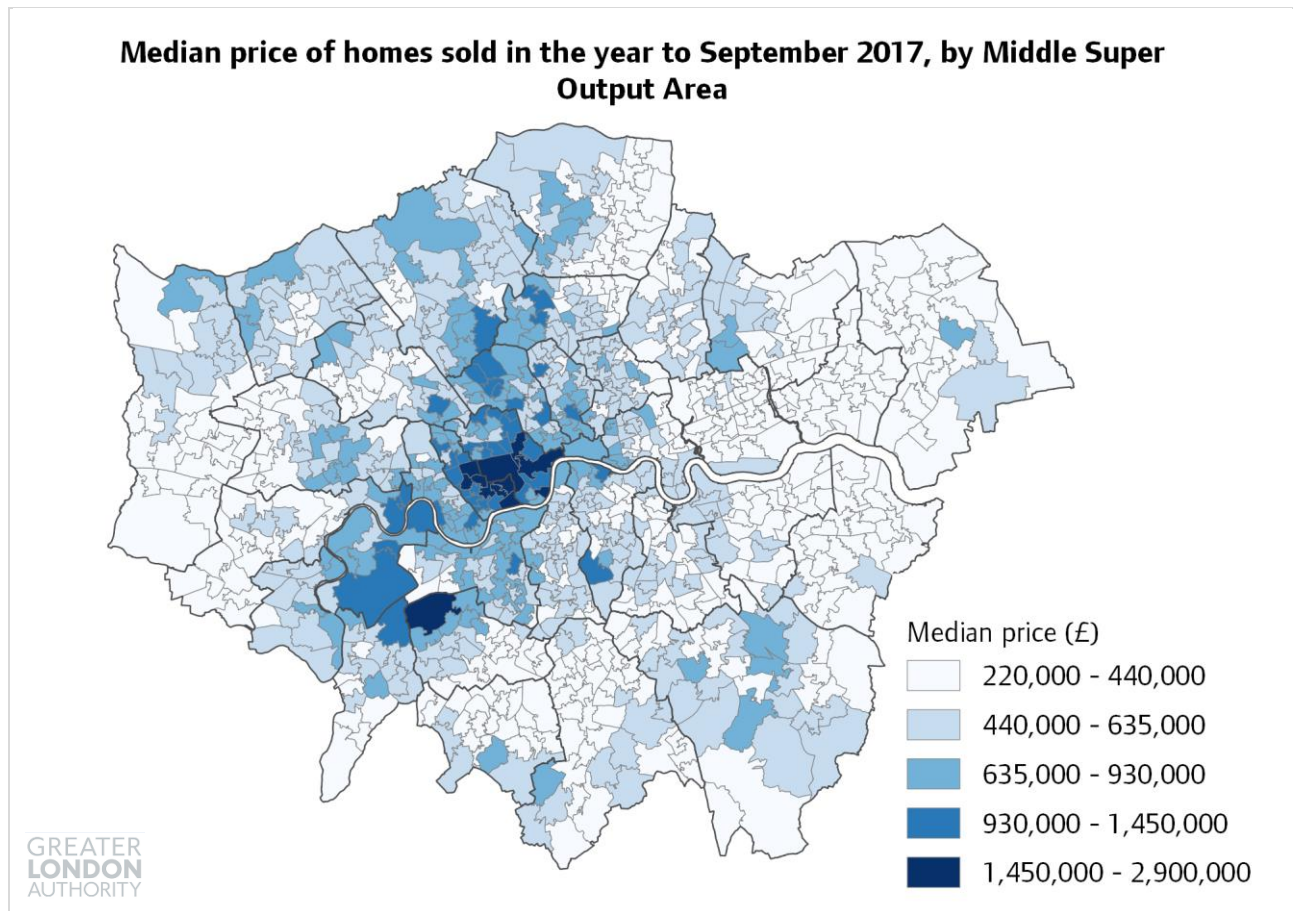


- Just as London's average price is partly cyclical, so too is the ratio of average prices in the capital to prices in its surroundings and the UK as a whole. At the end of 2017, London's average house prices (as measured by Nationwide) were 2.2 times higher than the UK average.
- Each of the major cycles seen over the past four decades has left average London prices further above the UK average than the one before it. The gap has also widened with each cycle between average prices in London and prices in its 'Outer Metropolitan Area' (a large area with high rates of commuting into London) and the rest of the South-East region.
- Both current market data and the length of previous cycles suggest that the London:UK ratio has peaked for now, perhaps heralding a period of (relative) convergence between London and other regions like that witnessed in the early-to-mid 2000s.

Sources and notes

- Nationwide quarterly regional house price index (not seasonally adjusted)

4.5. Average house prices are highest in inner west London and lowest in outer east London

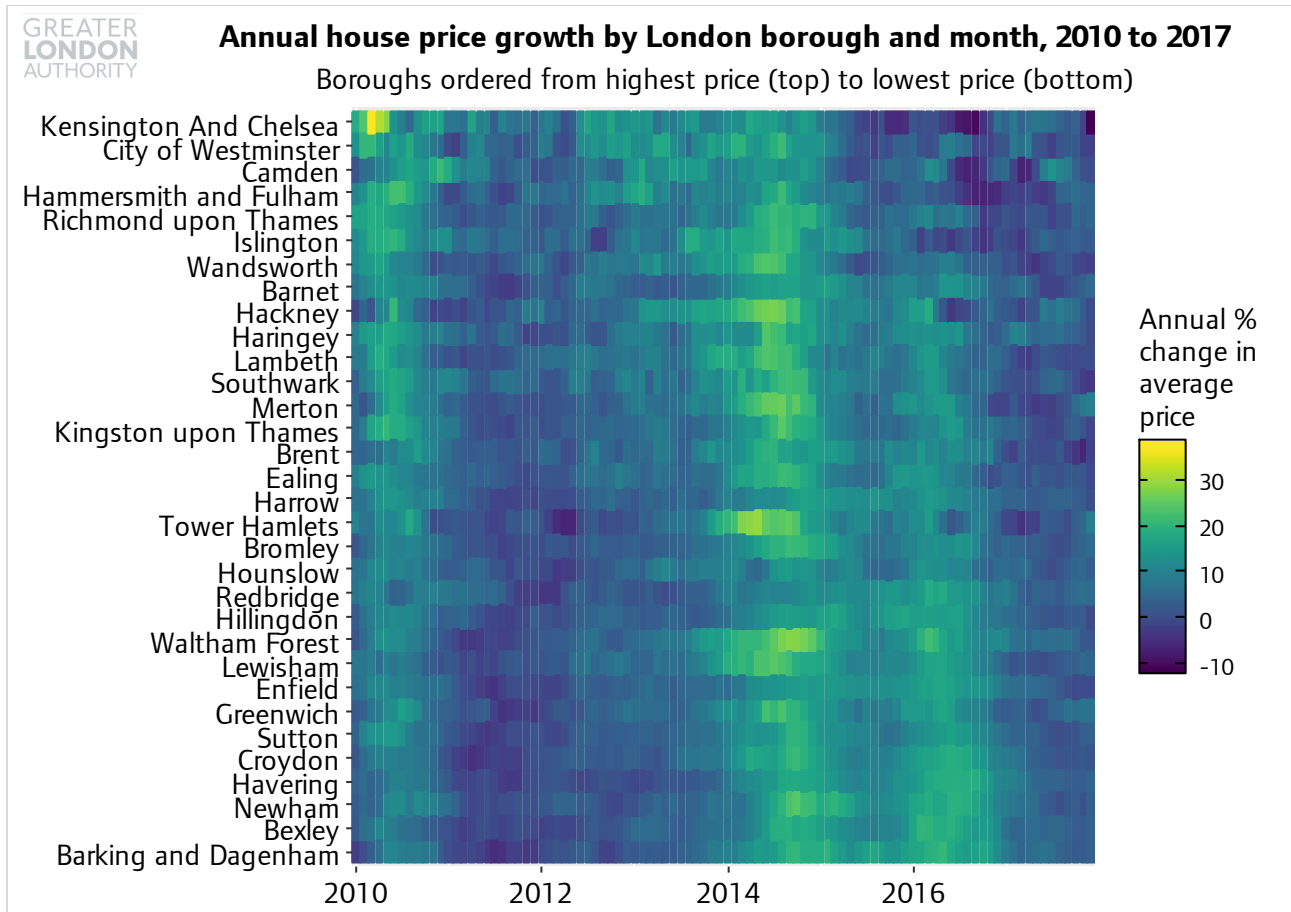


- In the year to September 2017, the median price for a home sold in London (unadjusted for the mix of homes sold) was £460,000, but at neighbourhood level the median price varied from £220,000 in the Thamesmead area of Greenwich to £2.95 million in the Hyde Park area of Westminster.
- The top seven most expensive neighbourhoods in London are all in Westminster and Kensington and Chelsea, with the Wimbledon Common area of Merton the only exception in the top ten.
- At the other end of the price scale there are six neighbourhoods with median prices below £250,000, distributed around Bexley, Greenwich, Redbridge and Barking and Dagenham.

Sources and notes

- ONS, *House price statistics for small areas in England and Wales to year ending September 2017*

4.6. Since 2010 the more expensive boroughs in London have led the way in terms of first high price growth, and then low growth or price falls

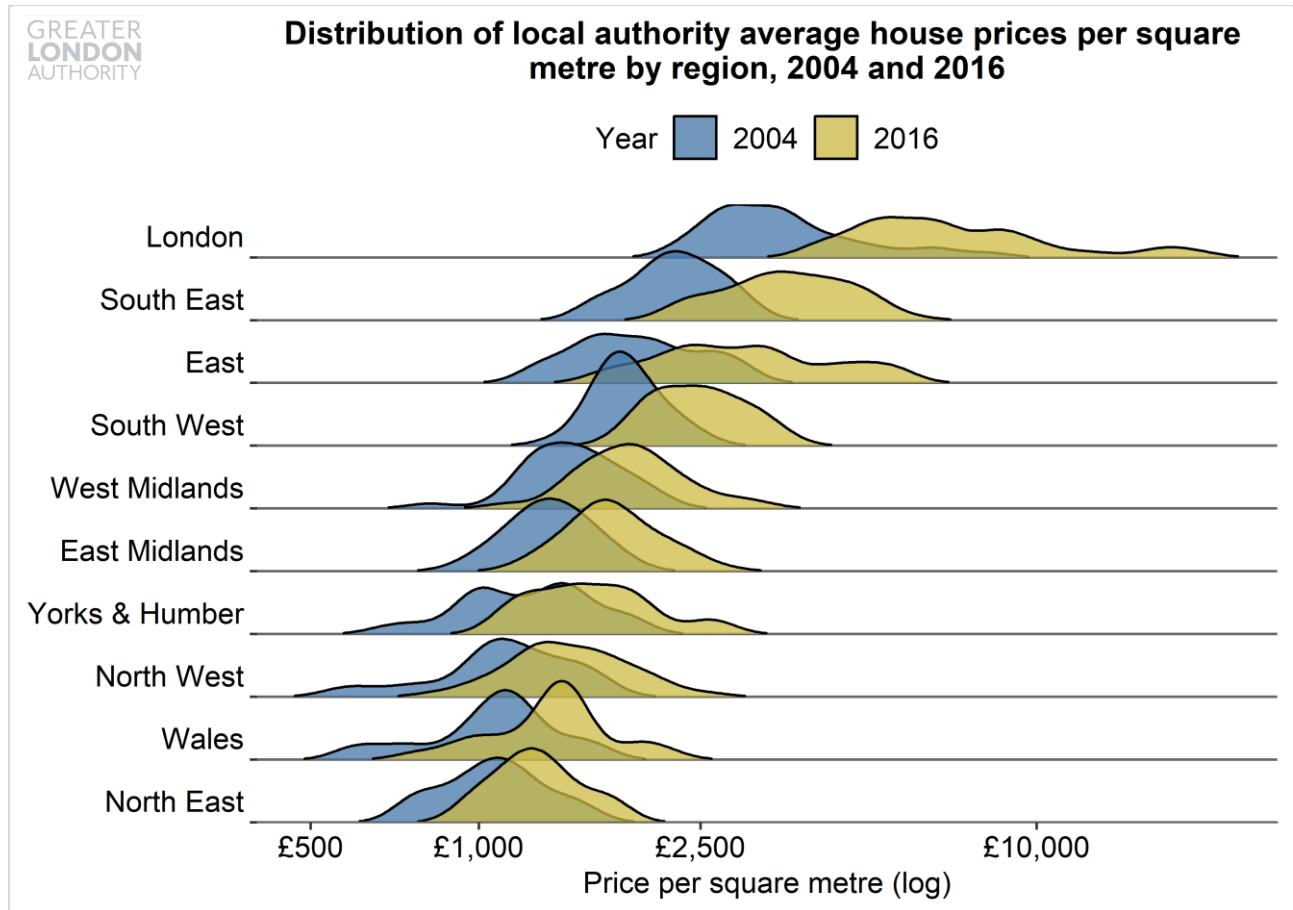


- This chart illustrates the annual rate of house price change in each London borough, measured on a monthly basis between 2010 and 2017. Boroughs are ordered by average price from the least expensive (Barking and Dagenham, at the bottom) to most (Kensington and Chelsea, at the top).
- In the years immediately following the 2007-09 crash, price growth was generally stronger in the more expensive boroughs, which also led the way into a period of widespread high growth between late 2013 and early 2015.
- Starting in late 2015, however, high-price boroughs started to see low and then negative growth, while prices continued to rise in cheaper areas. By late 2017 most boroughs were seeing either negative or relatively low growth.

Sources and notes

- ONS, UK House Price Index
- Chart produced using R packages 'tidyverse' and 'viridis'

4.7. When measured in terms of average cost per square metre at local authority level, house prices in London have diverged dramatically from other regions since 2004

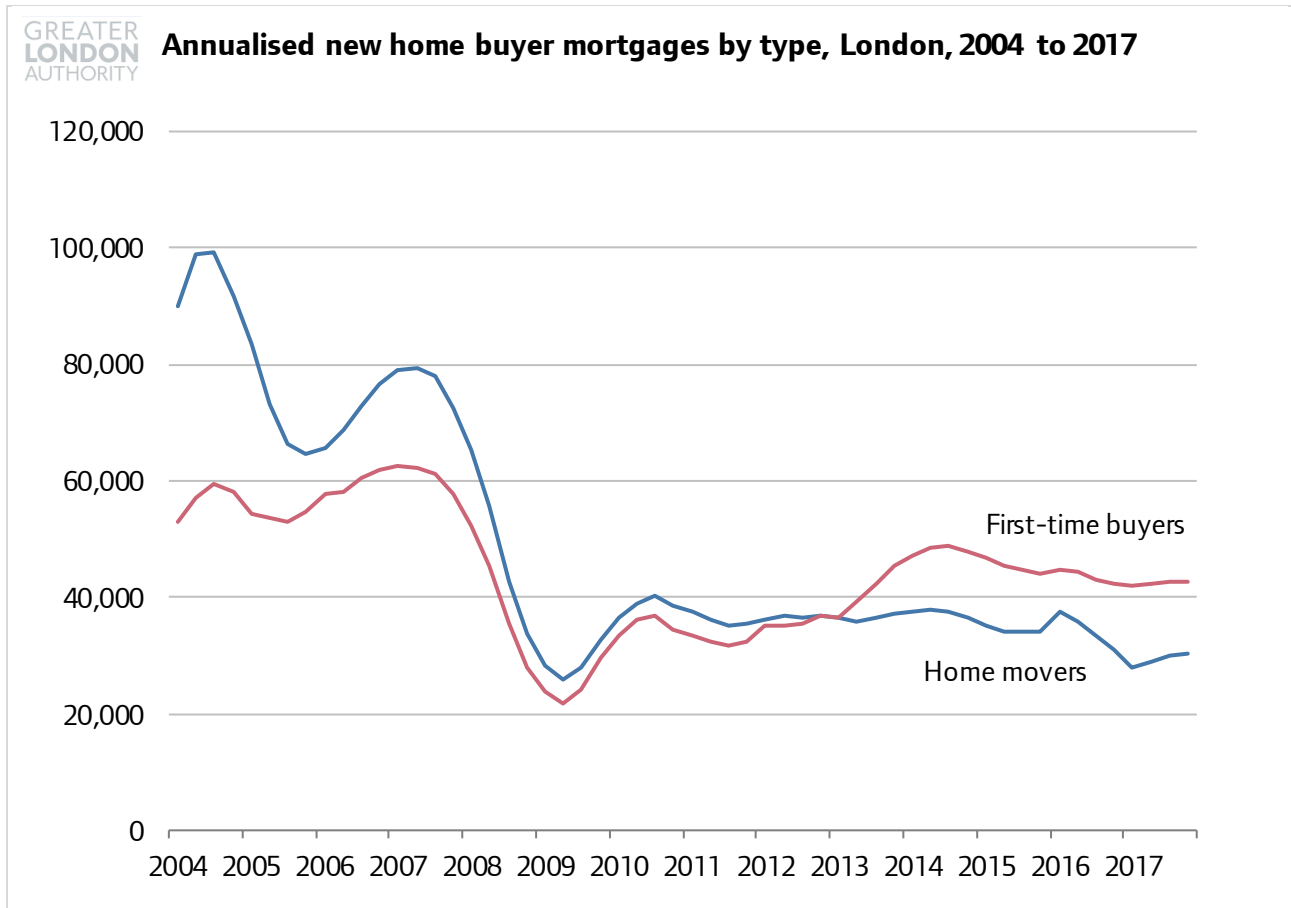


- House prices have increased in every region of England since 2004, so that the distributions of local authority average prices per square metre have all shifted to the right in the chart above. Prices per square metre in London increased by far the most of any region, leading to a widening gulf between it and other regions.
- In 2004, the average price per square metre in London varied from £2,310 in Barking and Dagenham to £8,190 in Kensington and Chelsea, but by 2016 these figures had risen to £5,970 and £19,440 respectively.
- The top 19 most expensive local authorities by price per square metre are all in London, with Elmbridge (Surrey) the 20th most expensive non-London area.
- Barking and Dagenham, the cheapest borough in London, is still more expensive than the priciest local authorities in the South West, Midlands or North.

Sources and notes

- ONS, *House price per square metre and house price per room, 2016*
- Chart produced using R packages 'tidyverse', 'readxl', 'gggridges' and 'viridis'

4.8. The level of new home buyer mortgage lending continue to be subdued, with new home mover mortgages close to the levels last seen during the crash

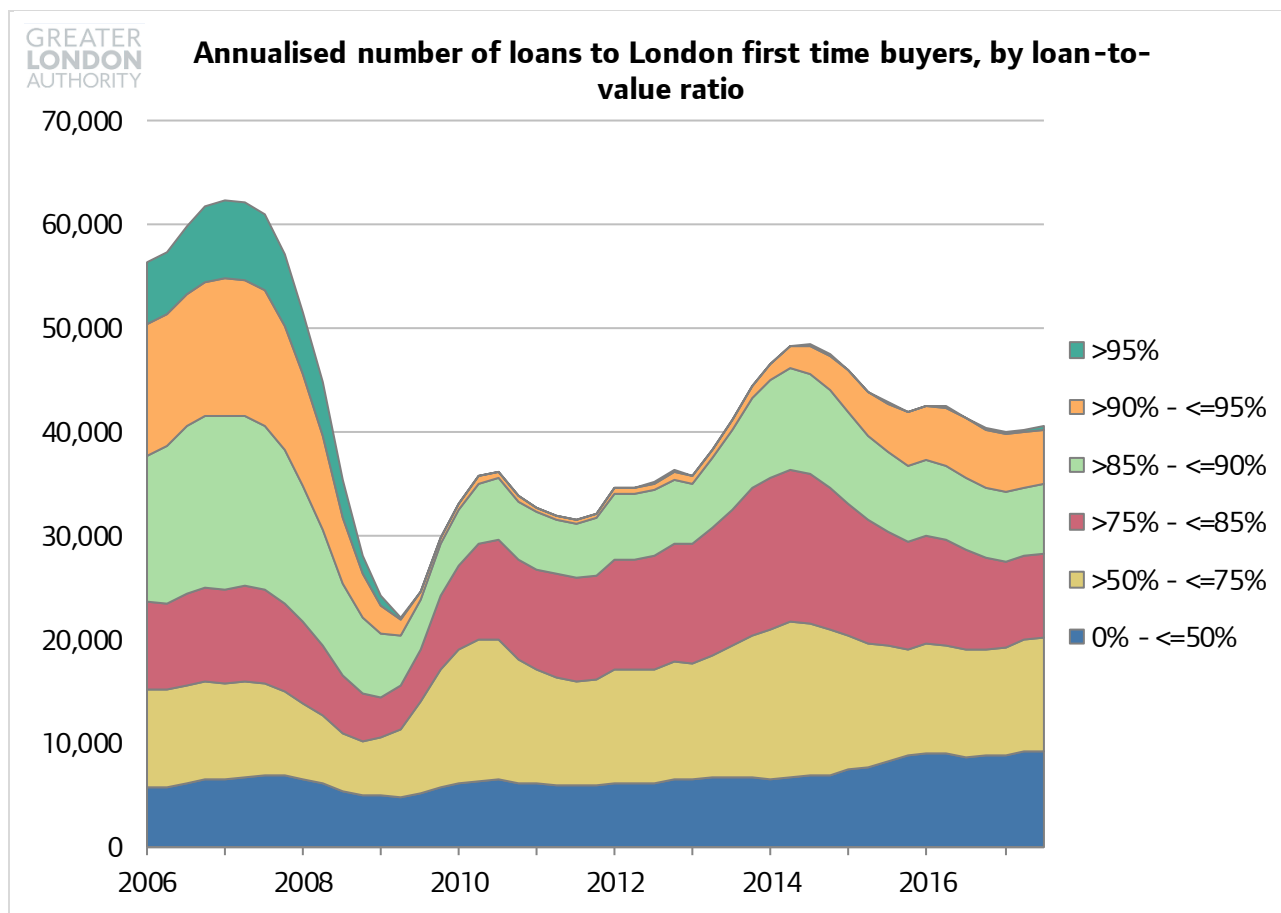


- In 2017 there were 42,800 new loans to first-time buyers in London, up 1% from 2016, and 30,500 to home movers, down 2%.
- While lending to first-time buyers has recovered partially after 2009, the level of lending to home movers is very subdued. 2,000 fewer home mover loans were made in 2017 than in 2009.
- The number of home mover loans has fallen by a fifth (19%) since the second quarter of 2016.

Sources and notes

- UK Finance, Mortgage lending statistics

4.9. First-time buyers in London are generally borrowing lower shares of their home’s value than they were before the crash...

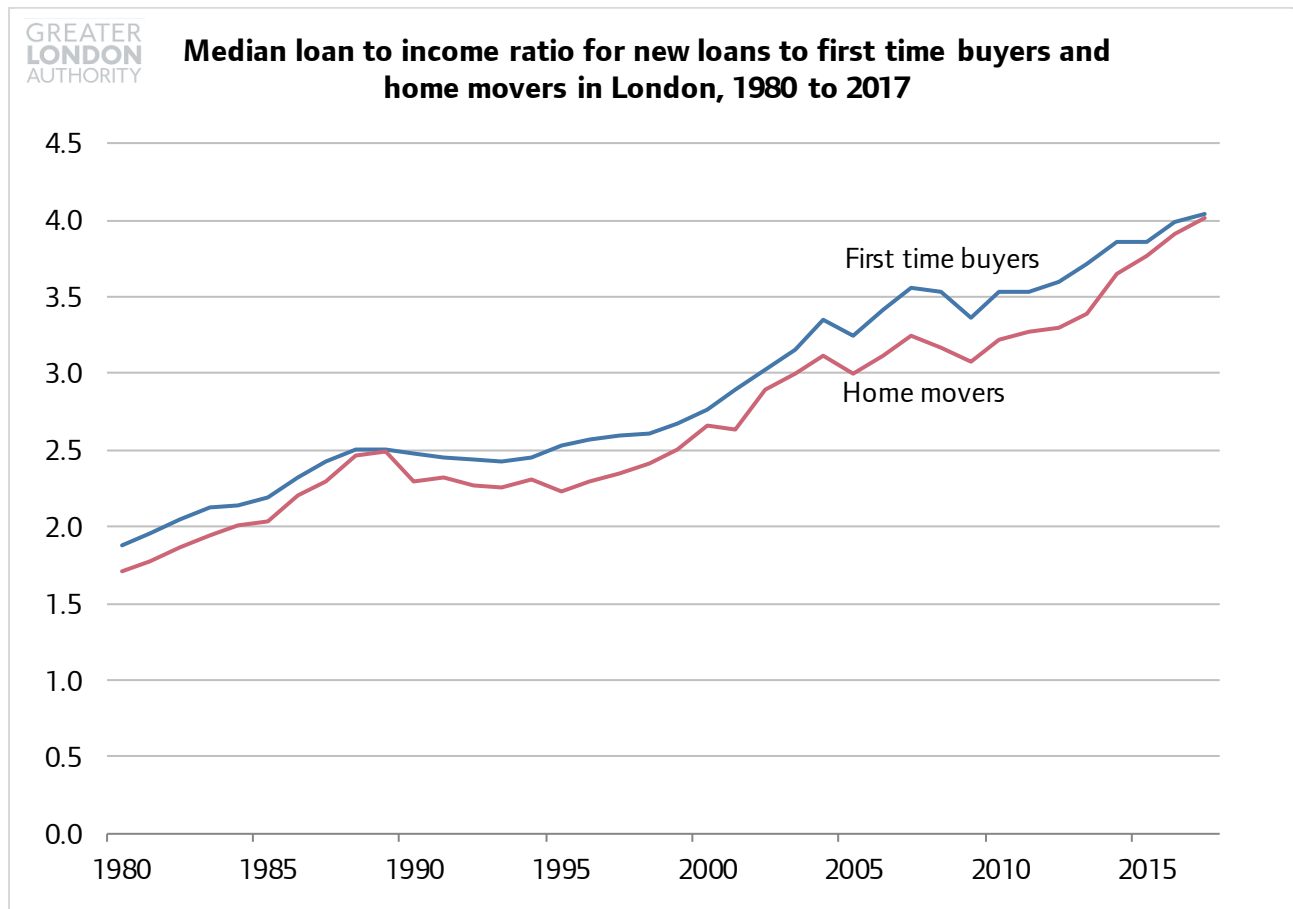


- The availability of mortgage loans with high loan-to-value ratios (LTVs) fell dramatically in the wake of the 2007/08 financial crisis. Loans with LTVs of more than 90% comprised a third of all lending to first-time buyers in London in 2005/06, but this share fell to just 1% in 2010/11 and 2011/12.
- In the last two years the proportion of loans at LTVs of between 90% and 95% has risen again, reaching 14% in the year to September 2017. Loans at LTVs of more than 95% are still virtually non-existent.
- Loans with LTVs of 50% or less have risen significantly in both absolute and percentage terms since 2014/15, and in the last year comprised 23% of total first-time buyer mortgage loans. This is primarily driven by the Help to Buy policy, which in London now provides government-backed equity loans of up to 40% of the property value, thereby reducing the amount to be covered by a mortgage.

Sources and notes

- FCA, Mortgage lending statistics provided to GLA

4.10. ... but are borrowing much higher multiples of their income

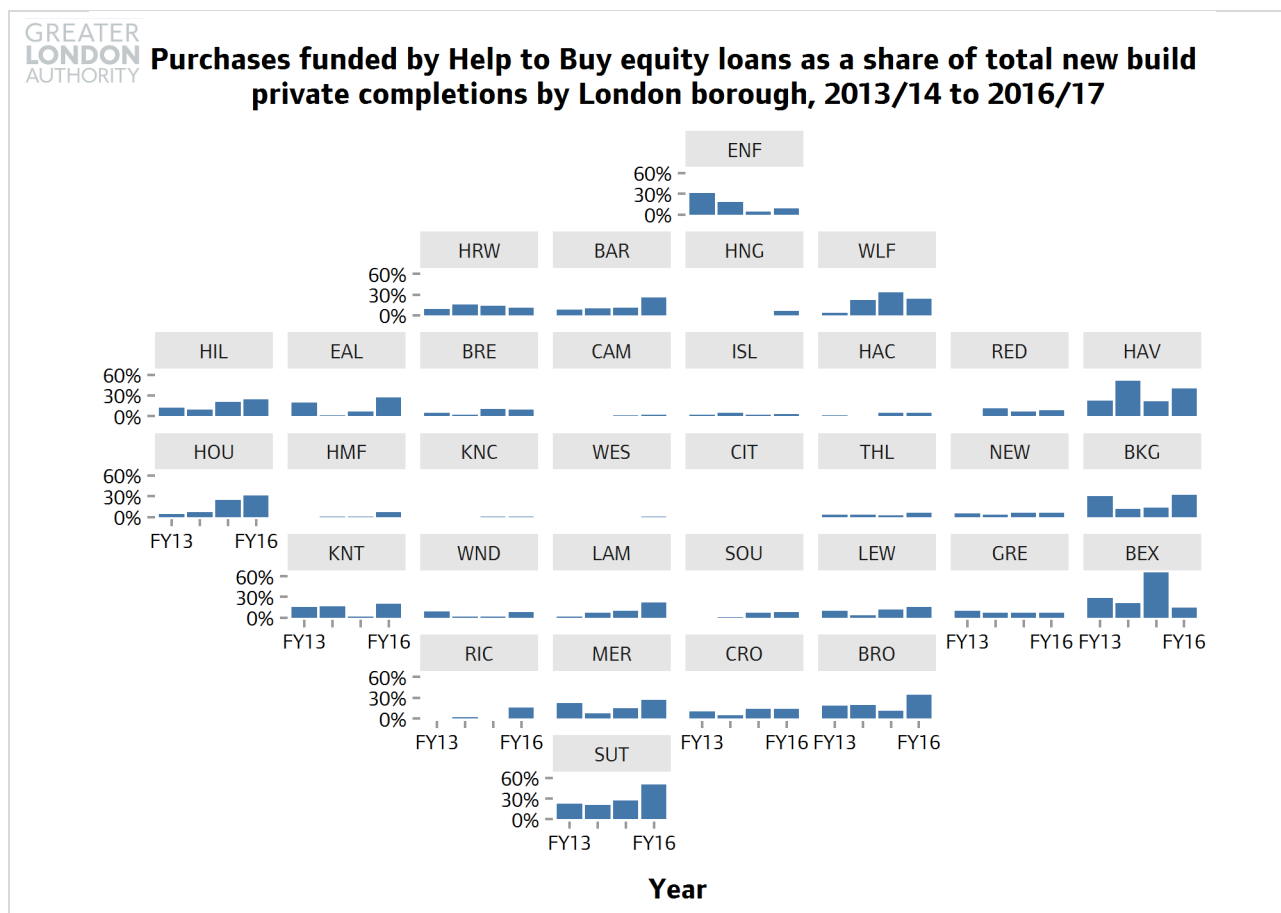


- The typical first-time buyer in London borrowed 4.04 times their income in 2017 up from just 1.88 in 1980.
- Home movers, who usually bring some equity from the sale of their previous home, have typically borrowed at a somewhat lower income ratio than first-time buyers. However, the two have now converged. Home movers in London borrowed an average of 4.02 times their incomes in 2017, up from 3.93 in 2016 and 1.71 in 1980.
- The Bank of England recommended in June 2014 that mortgage lenders do not extend more than 15% of new residential mortgages at loan to income ratios at, or greater than, 4.5. This is expected to progressively constrain further increases in median loan-to-income ratios for buyers in London.
- London's typical loan to income ratios are also higher than the national average. Across the UK as a whole, the typical first-time buyer borrowed 3.63 times their income in 2017.

Sources and notes

- UK Finance, *Mortgage lending statistics*
- Annual data is used for all years except 2017, where the average of the first three quarters is used

4.11. Sales supported by Help to Buy London account for an increasing share of the total in many outer London boroughs

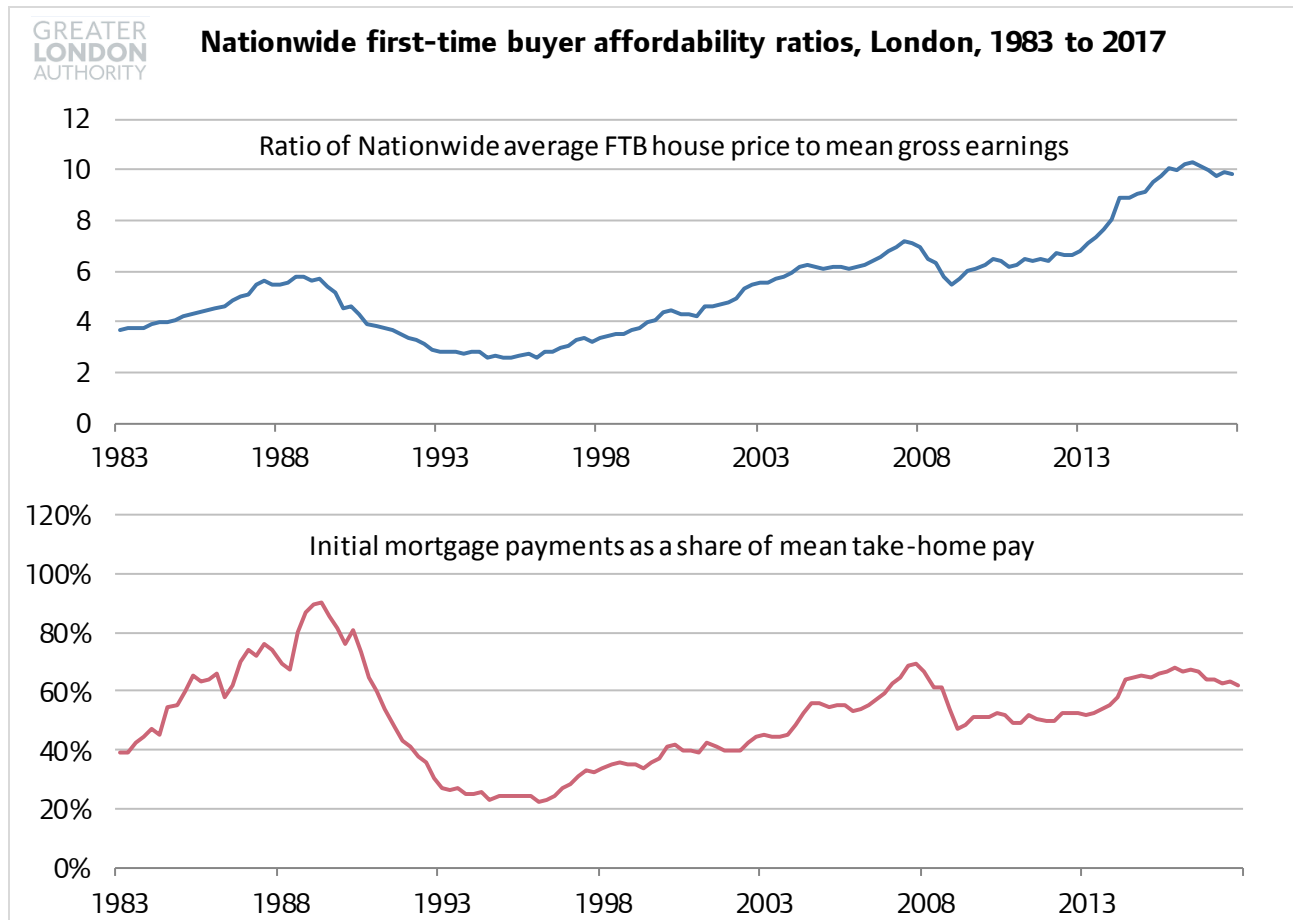


- In 2016/17, there were 2,990 homes bought in London with assistance from the government’s Help to Buy equity loan scheme, with an average loan value of £152,300. The typical income of households buying with assistance from Help to Buy London was around £66,500.
- The number of Help to Buy equity loan purchases in 2016/17 is equivalent to 13% of the number of new build private completions in London in that year (up from 9% in 2015/16). The Help to Buy London share of the homeowner market may actually be larger, as some of these new homes would have been bought by investors and rented out.
- By this measure Help to Buy London plays a particularly significant role in outer London, accounting for over a quarter of sales in several boroughs.

Sources and notes

- GLA analysis of London Development Database and MHCLG Help to Buy equity loan statistics
 - Chart produced using the R packages ‘tidyverse’, ‘readxl’ and ‘geofacet’

4.12. Low interest rates since 2009 cushioned the impact of rapidly rising house prices on the affordability pressures faced by first-time buyers in London ...

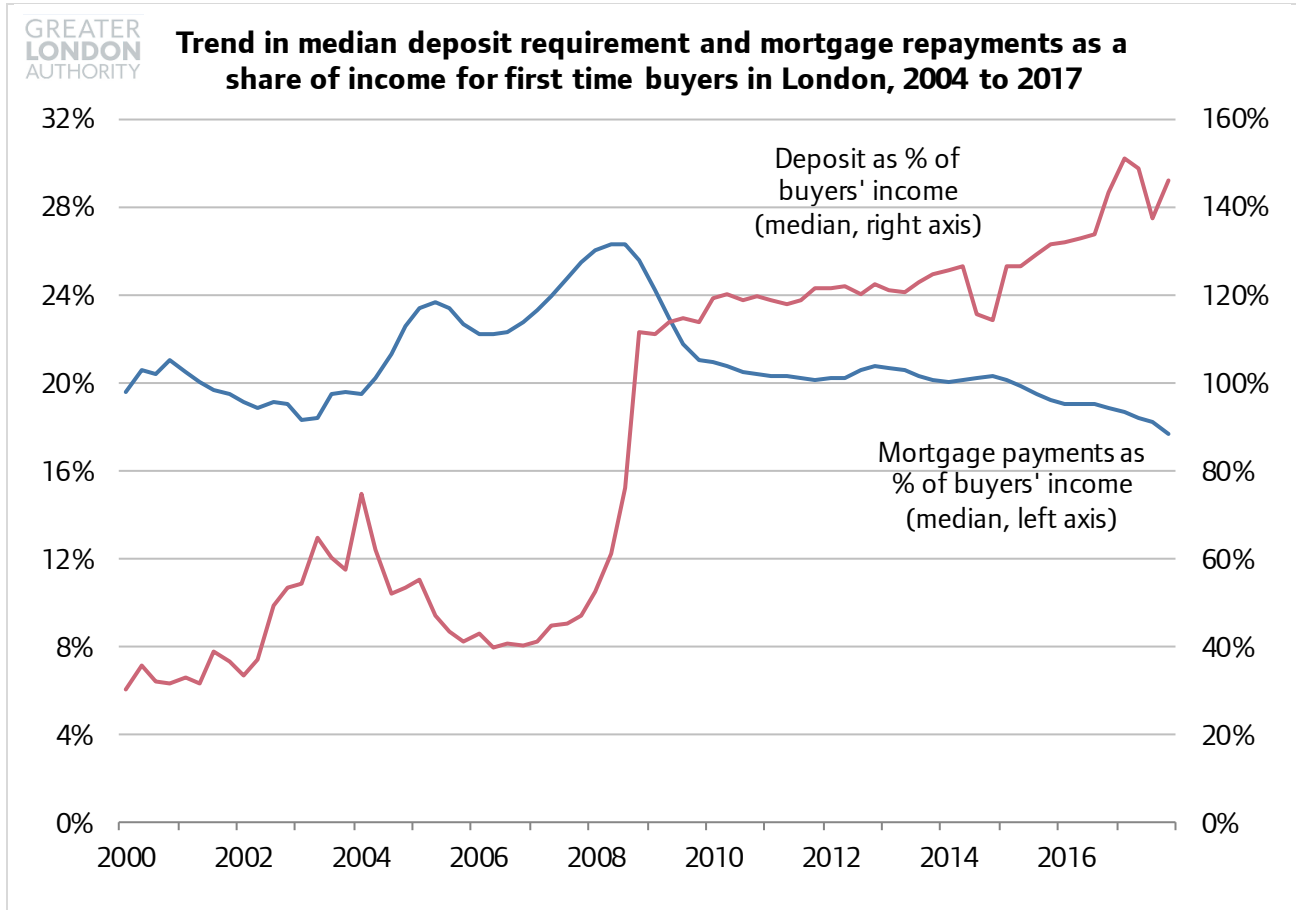


- This chart compares trends in two measures of housing affordability for first-time buyers in London.
- The first is the simple ratio of average first-time buyer houses to average earnings, while the second compares estimated mortgage payments to average take-home pay.
- Based on the price to earnings ratio, there has been a dramatic deterioration in affordability over recent decades, with first-time buyer prices rising from 2.6 times average earnings in 1995 to 10.3 times in 2016. This has levelled off slightly in 2017, to 9.8 times earnings, but the ratio is still high by historical standards.
- However, when interest rates are accounted for the trend is much less dramatic. While affordability has still deteriorated sharply in London over the last twenty years, it is not as bad as 1989, when mortgage payments were estimated at 90% of average take-home pay (compared to 68% in 2017).

Sources and notes

- Nationwide, House Price Index
- Both measures use mean earnings for a single full-time worker on adult rates, from the New Earnings Survey and the Annual Survey of Hours and Earnings
- The mortgage costs measure estimates mortgage payments based on a 90% LTV mortgage at prevailing interest rates, and take-home pay based on prevailing tax and national insurance rates

4.13. ... but buyers can only take advantage of low interest rates if they can put down a suitable deposit, with deposit requirements continuing to increase relative to incomes

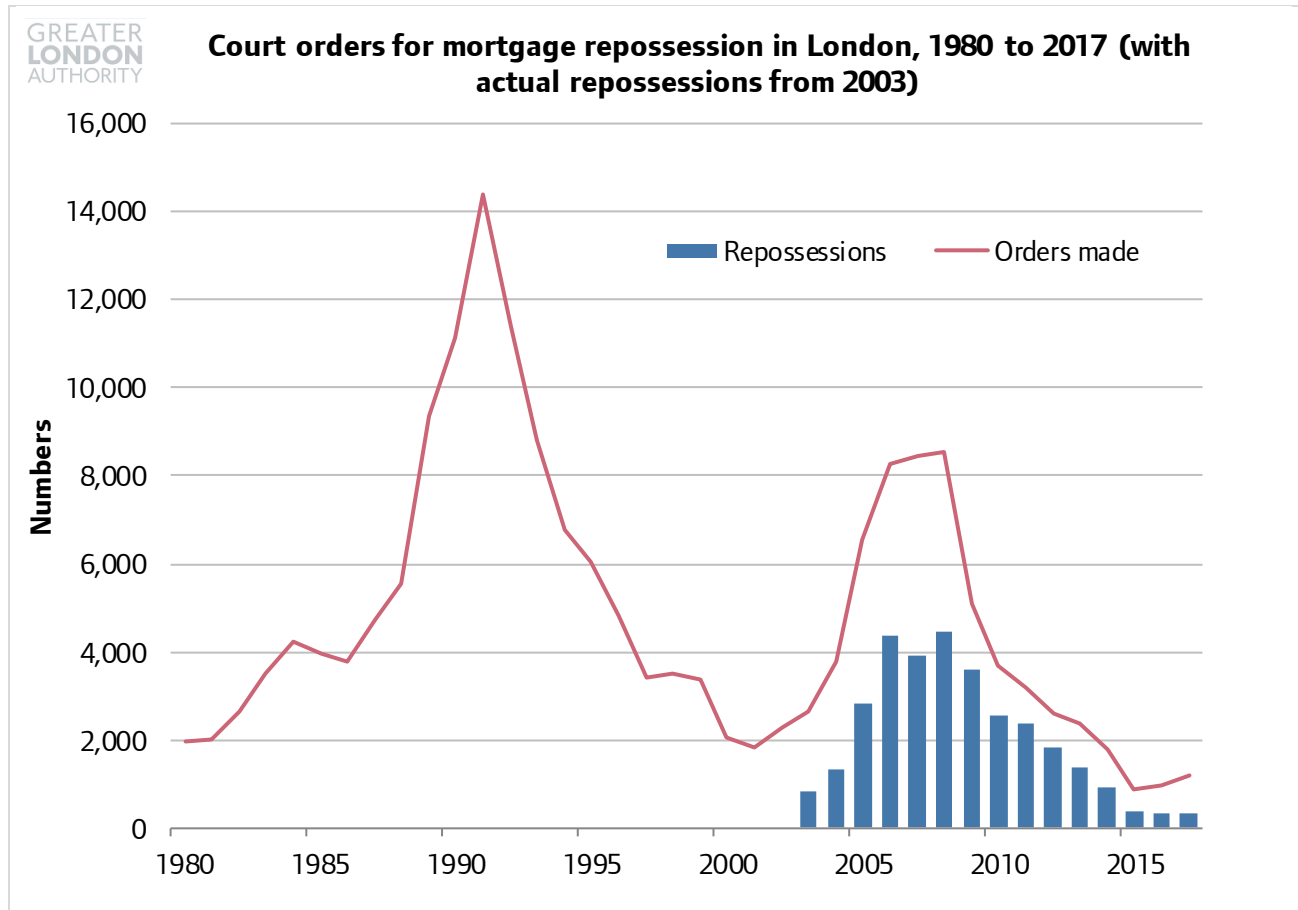


- The average deposit paid by first-time buyers in London in 2017 was £96,000, 145% of the annual income of the typical first-time buyer household.
- The average income of first-time buyer households in London in 2017 was £66,000 per annum, significantly above the average income for all households. Deposit requirements are therefore actually an even higher percentage of the average income for all households, reducing the accessibility of homeownership to those households on average incomes.
- Mortgage payments as a percentage of buyers' incomes were 18% in 2017. This is down from a peak of 26% in 2008, and is the lowest average mortgage repayment burden since 1995.

Sources and notes

- UK Finance, Mortgage lending statistics

4.14. There were just 333 mortgage repossessions across all of London in 2017, the lowest annual figure on record ...

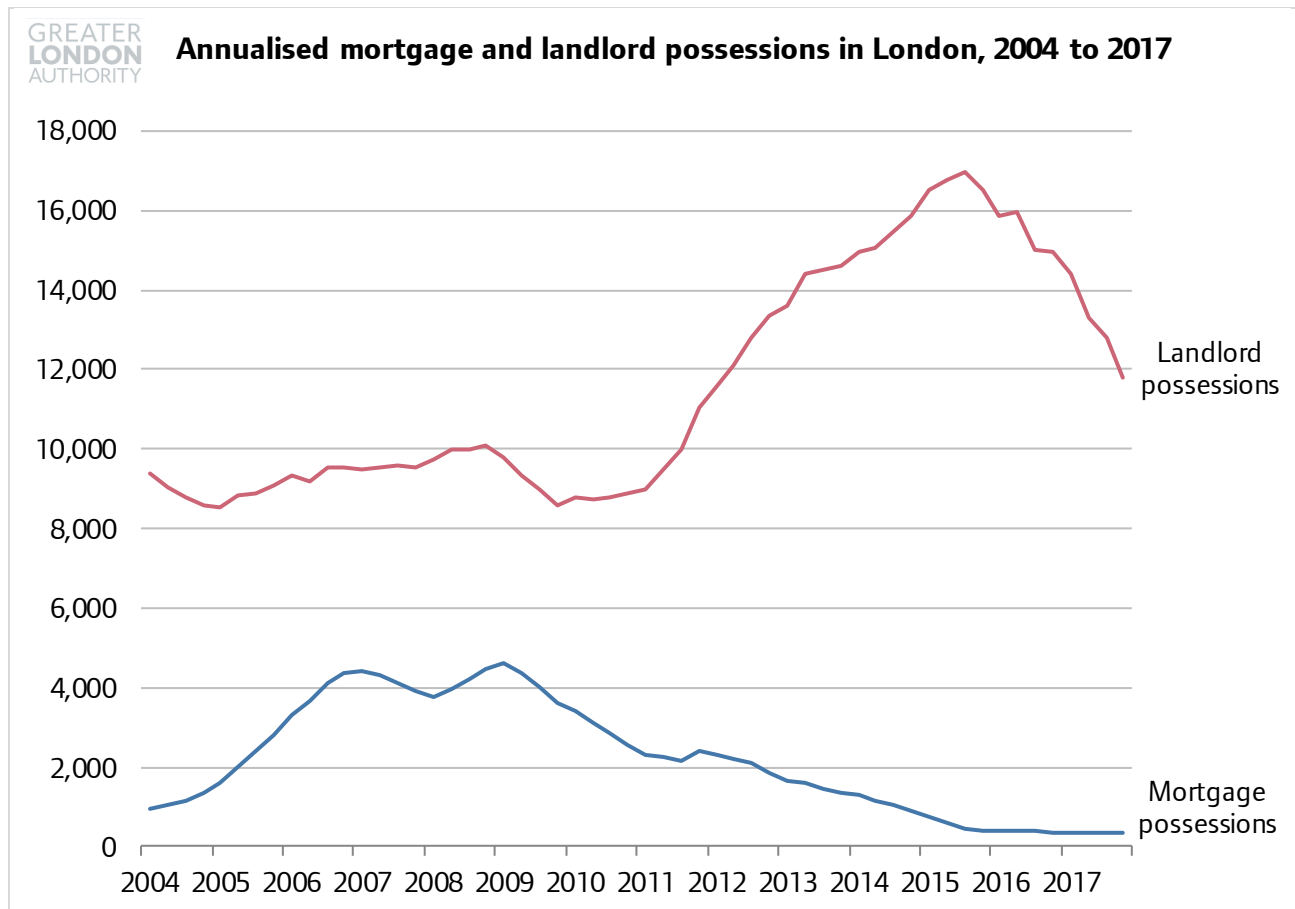


- The very low mortgage interest rates of recent years have contributed to extremely low levels of mortgage repossession in London, with just 333 homes repossessed in 2017, the lowest figure on record.
- The number of court orders made for repossession in 2017 increased marginally for the first time since 2009, but by historical standards is still very low.
- The 'twin peaks' of annual repossession orders in London (14,400 in 1991, and 8,500 in 2008) coincided with the two most recent housing market 'crashes'.

Sources and notes

- Compiled by GLA from:
- 1990-95 from *Housing Review 1996/97*
- 1996 -2014 from *UK Housing Finance Review / Housing Review (various years)*
- 2015 onwards from *Ministry of Justice statistics*

4.15. ... but the number of rented homes in London repossessed by landlords is substantially higher

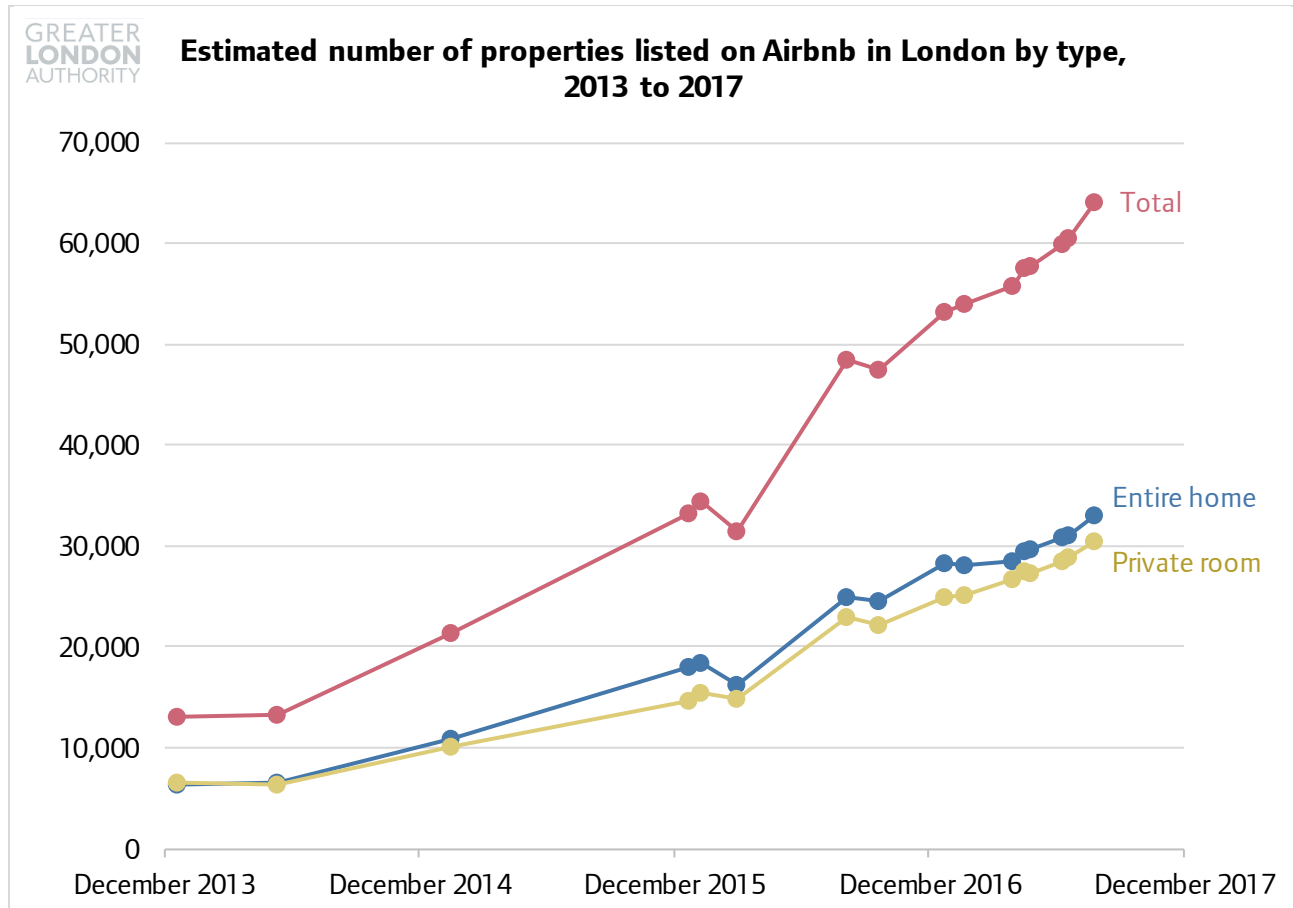


- In 2017 there were 12,100 home repossessions carried out by county court bailiffs in London, only 330 of which were repossessions of mortgaged homes, with the remainder being rented properties being taken into possession from tenants by social or private landlords.
- Landlord repossessions in London almost doubled between 2009 and 2015, reaching a high of 16,990 in the year to September 2015, before falling significantly to 11,800 in 2017.
- These figures exclude any repossessions carried out without the involvement of county court bailiffs, so the total number of repossessions is likely to be higher than shown here.

Sources and notes

- Ministry of Justice statistics

4.16. There were 64,100 London properties listed on Airbnb in July 2017, up from 48,500 in August 2016

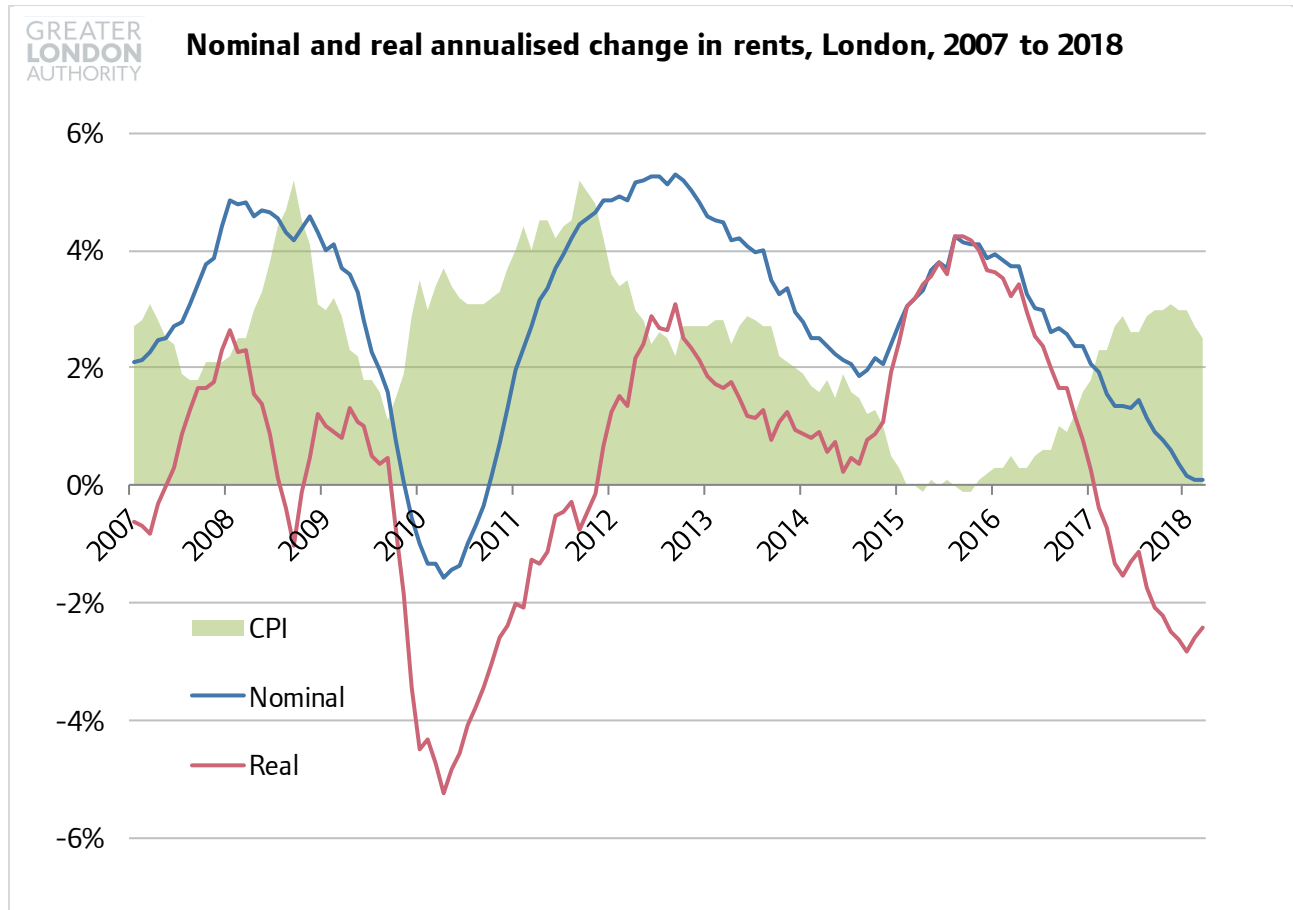


- Several websites cater to the growing market for short-term lettings in London, with Airbnb the clear market leader.
- The number of London properties listed on Airbnb had reached 64,100 by late July 2017, up from 48,500 in August 2016, and 13,100 in late 2013.
- Throughout this period Airbnb listings in London have remained evenly split between entire homes and private rooms in someone's home. In July 2017, entire homes comprised 52% of the listings, with private rooms in someone's home comprising 47% and shared rooms (not shown) just 1%.

Sources and notes

- Data extracted from Airbnb website by Tom Slee (tomslee.net)
- Data was extracted at irregular intervals and has been amended over time in response to changes to Airbnb's website
- The total figure includes a small number of shared room properties (less than 1,000 at any given point in time) and in some months a smaller number for which the property type is not known

4.17. Real-terms growth in average private rents in London has been negative over the last year as nominal growth has fallen and inflation risen

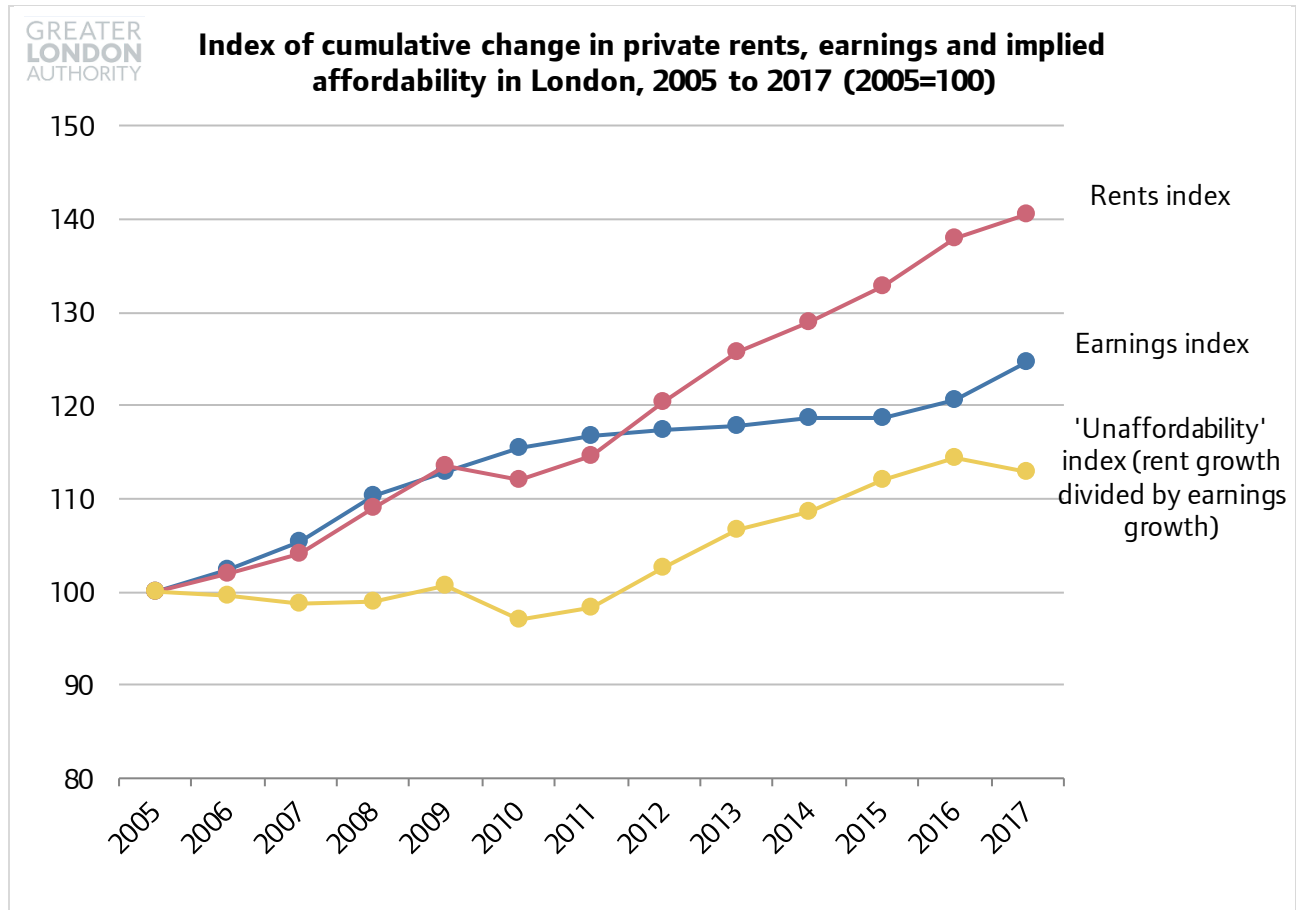


- Average private rents in London rose 0.2% in the year to January 2018, down from a peak growth rate of 4.3% in August 2015, and below the 1.7% rate of growth in the rest of England.
- This was the second lowest growth rate in rental prices among English regions (ahead only of the North East).
- When adjusted for inflation the recent fall in rental growth is sharper still, due to the added effect of increased consumer price inflation, which rose to 3.0% in the latter part of 2017.
- Annual rental growth has been negative in real terms since February 2017.

Sources and notes

- ONS, *Experimental Index of Private Housing Rental Prices, and consumer price inflation data*
- *The ONS index calculates changes in the rents for both new and ongoing tenancies, while most other indices cover new rents only*

4.18. 2017 saw the first improvement since 2010 in the affordability of private rents in London, when compared to trends in average rents

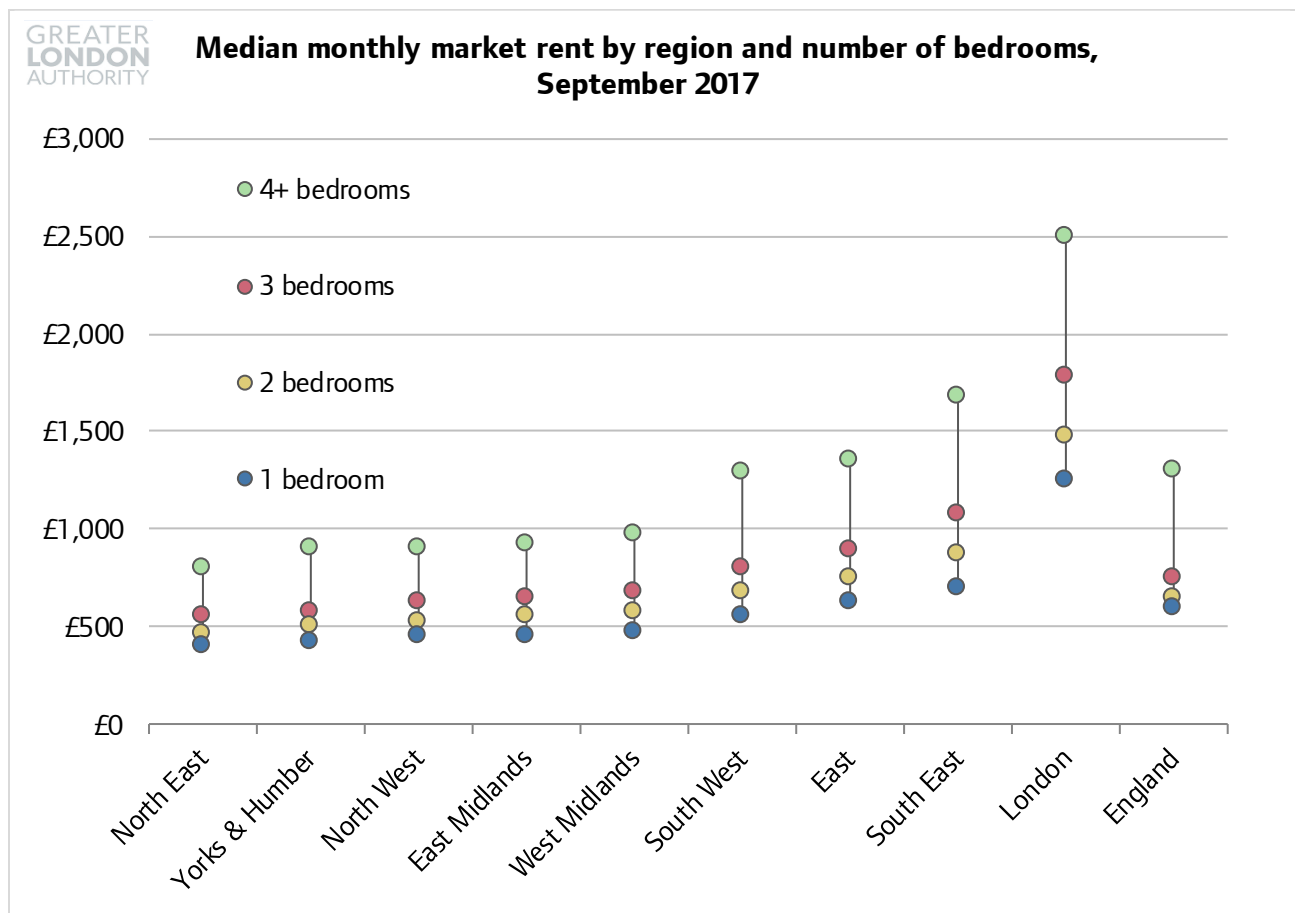


- Between 2005 and 2017 average private rents in London rose 41%, while average individual earnings rose just 25%, implying a worsening in affordability (with the 'unaffordability' index above simply the cumulative change in rents divided by the cumulative change in earnings).
- Rents tracked earnings very closely between 2005 and 2009 and then dropped in 2010, before going on to increase for six consecutive years. In 2017, earnings increased by 3% and rents by 2%, the first improvement in affordability since 2010.

Sources and notes

- Earnings: Median full-time weekly earnings by place of work, London. From ONS Annual Survey of Hours and Earnings, republished on London Datastore
- Rents: ONS Index of Private Rental Housing Prices, April each year to match ASHE data (Jan 2011=100)
- 'Unaffordability' index: Rent index divided by median weekly earnings

4.19. London has by far the highest average private sector rents of any region in England

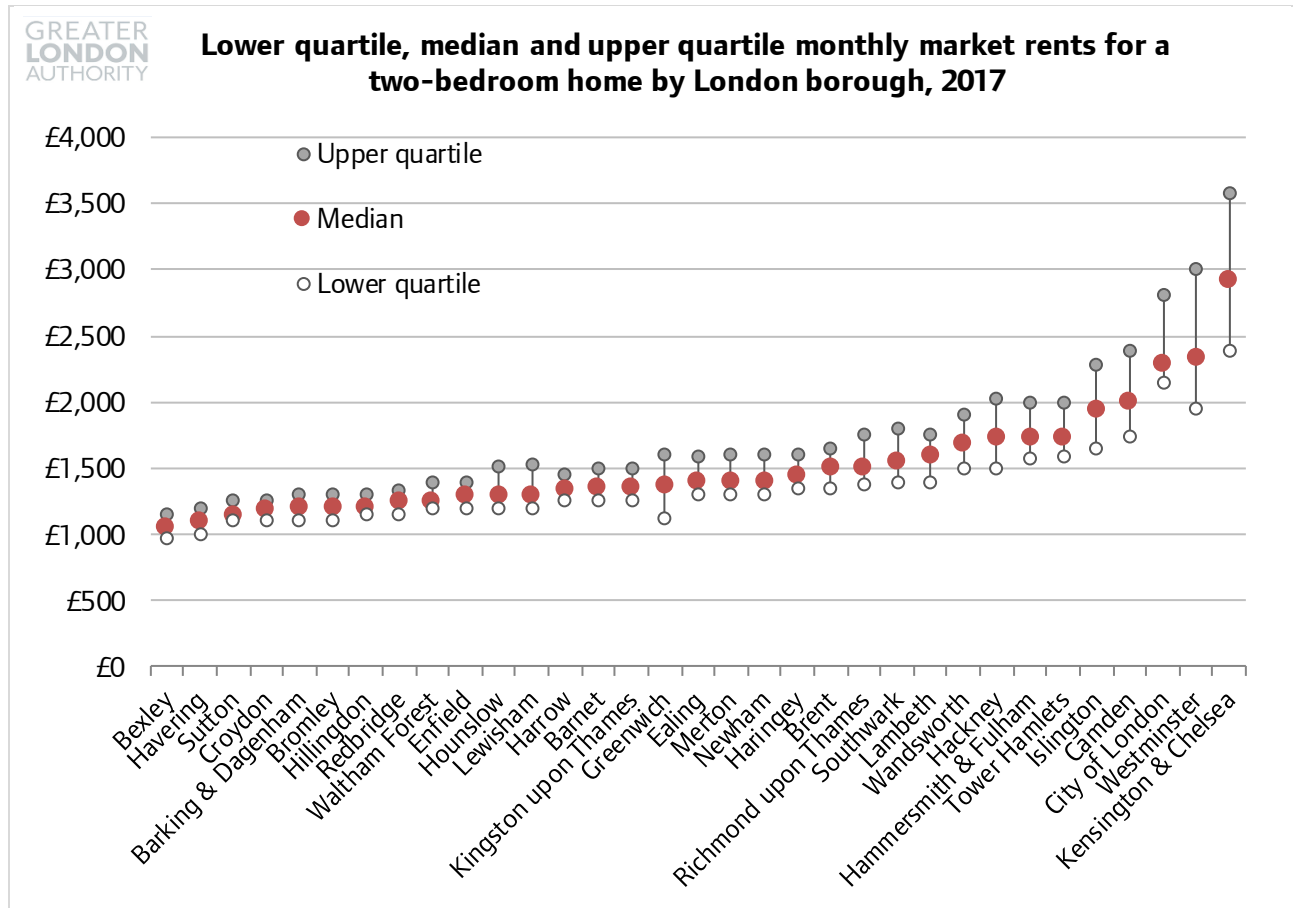


- The median rent for a privately rented home in London (excluding any cases where the tenant receives Housing Benefit) is £1,433, more than twice as high as the median in England as a whole (£675).
- London's rents are so much higher than those of other regions that the median rent for a one-bedroom home in the capital (£1,250) is around the same as the national median rent for a home with four bedrooms or more (£1,300).
- It should be noted that these statistics exclude any cases where the tenant receives Housing Benefit. As the average private rent for households on Housing Benefit is below the overall average, excluding these cases is expected to inflate the average reported.

Sources and notes

- Valuation Office Agency, Private Rental Market Statistics
- These figures exclude any cases where the tenant receives Housing Benefit

4.20. There is also huge variation in monthly market rents within London. Moreover, within the most expensive boroughs, there is substantial difference between the top and bottom of the market

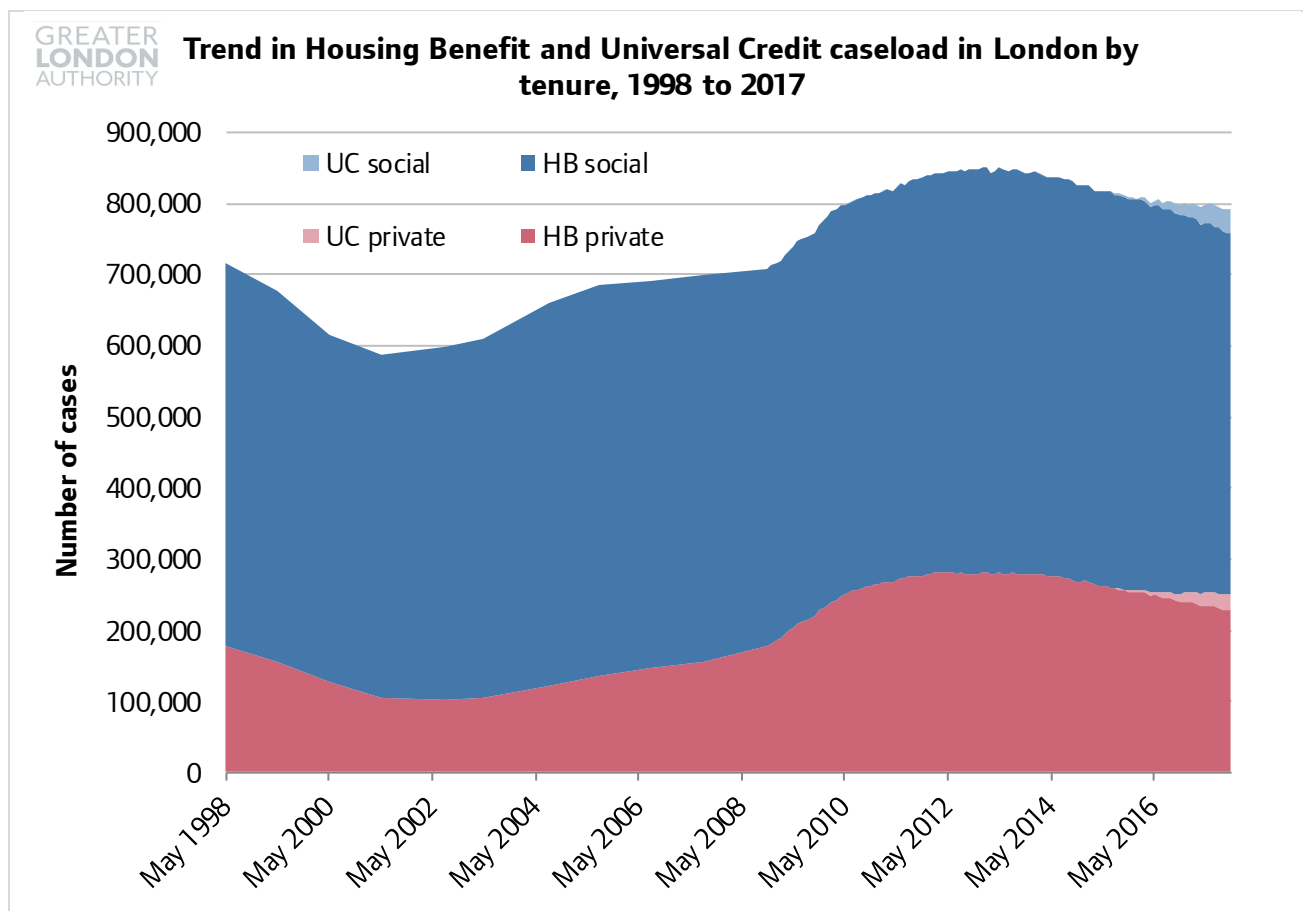


- The lowest median monthly rent for a two-bedroom home is £1,050 in Bexley, while the median rent in Kensington and Chelsea is around three times higher at £2,925.
- Richmond-upon-Thames was the outer London borough with the highest median private rent for a two-bedroom home (£1,500). Lewisham was the inner London borough with the lowest median private rent for a two-bedroom home (£1,300).
- 23 boroughs had medians within £500 a month of each other (£1,050 in Bexley, £1,550 in Southwark). The remaining 10 boroughs had a gap of over £1,300 between their medians (Lambeth £1,600 and Kensington and Chelsea £2,925).
- Expensive boroughs also tend to have a wider distribution of rents, as shown by the range between the lower and upper quartile figures.

Sources and notes

- Valuation Office Agency, *Private Rental Market Statistics*
- As with the previous chart, these figures exclude any cases where the tenant receives Housing Benefit

4.21. The number of Housing Benefit recipients in London has fallen in recent years, partially offset by an increase in Universal Credit recipients



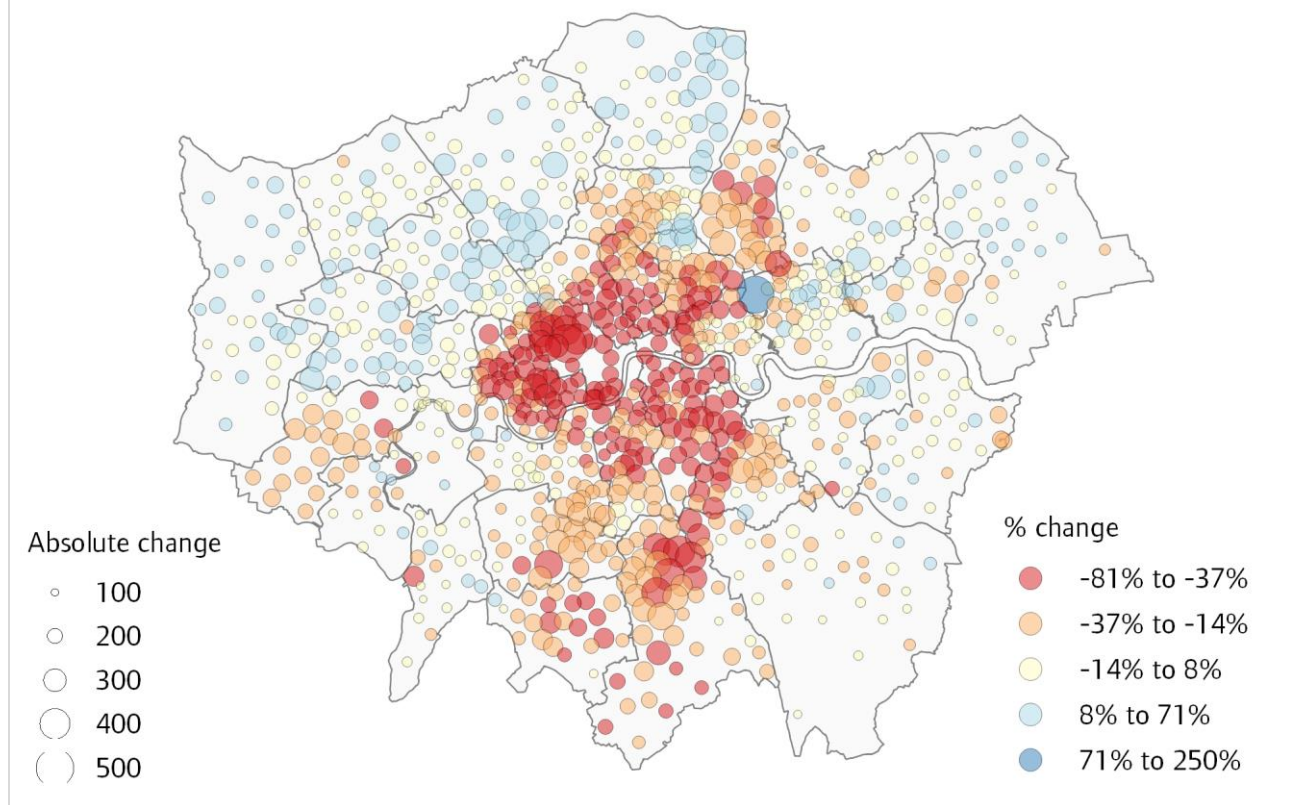
- The number of Housing Benefit recipients in London grew from 587,000 in 2001 to a peak of 849,000 in 2013, before falling to 734,000 in November 2017. 506,000 recipients are in social housing, while 228,000 rent privately.
- Some of the fall in the Housing Benefit caseload is due to the roll-out of Universal Credit for new claimants. In November 2017 there were 57,000 renting households in receipt of Universal Credit in London, 34,000 of them in social housing and 23,000 in the private rented sector.
- Adding together Housing Benefit recipients and households receiving Universal Credit gives a total of 791,000, of which 541,000 are social housing tenants and 251,000 private tenants.

Sources and notes

- Compiled by GLA from:
- 1998 to 2001: UK Housing Review
- 2002 to 2017: DWP, Housing Benefit caseload statistics and Stat Xplore
- Housing Benefit recipients are measured in terms of benefit recipients and Universal Credit recipients in terms of households

4.22. In the last six years the number of Housing Benefit cases in the deregulated private rented sector has fallen in much of inner London and risen in parts of outer London

Change in deregulated private rent Housing Benefit caseload by London Middle Super Output Area, May 2011 to May 2017

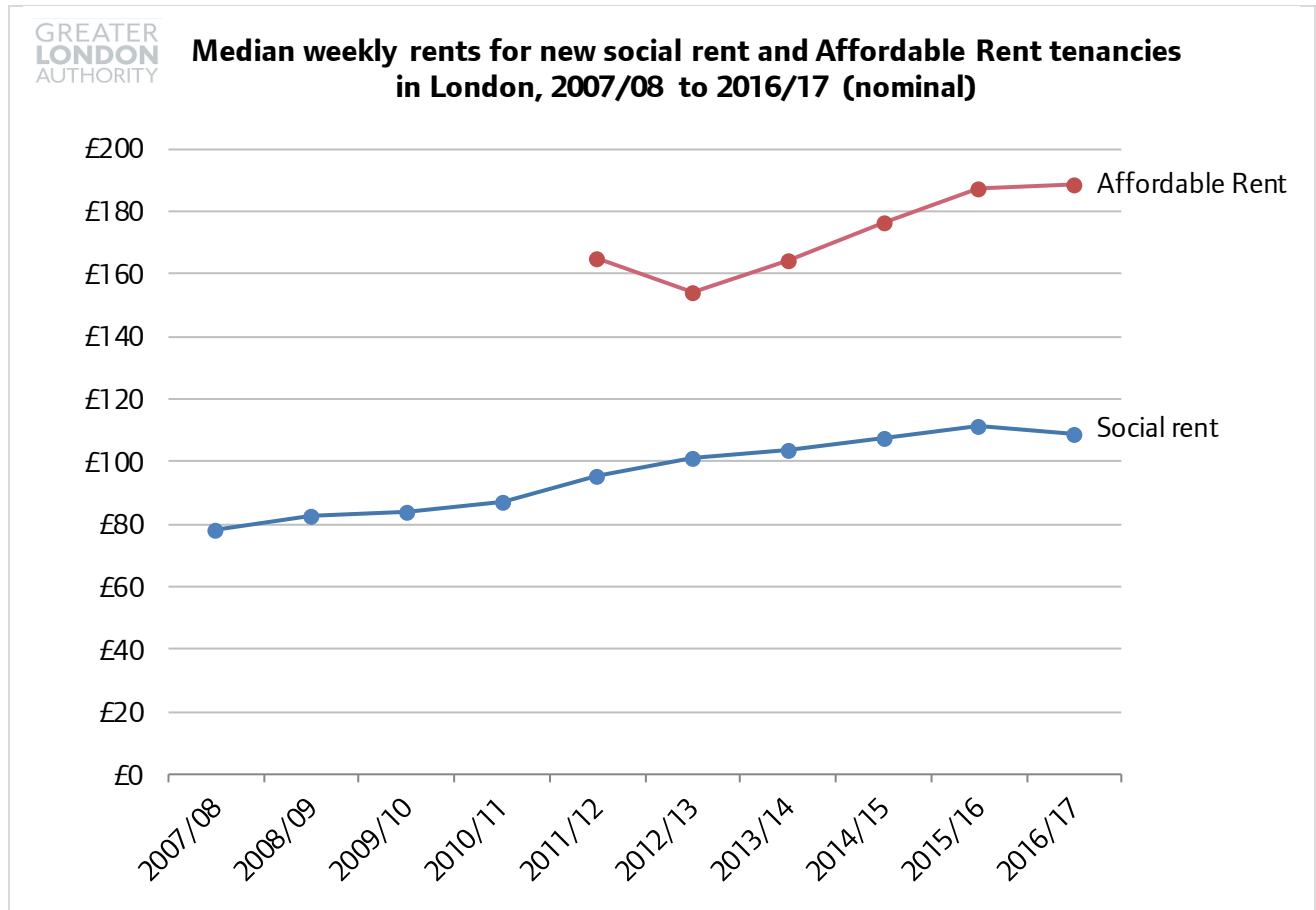


- Between May 2011 and May 2017, the number of Housing Benefit recipients in London's deregulated private rented sector fell 12% from 259,040 to 228,750.
- There were some sharply divergent trends at neighbourhood level, with falls of several hundred in some inner London areas (with one area in Westminster seeing a drop of 515 cases) and significant increases across a swathe of (mostly north and west) outer London. The biggest single increase was of 490 cases in the Stratford area of Newham, probably due to a significant increase in the number of homes in this area over the period.
- The falling caseload in high-cost areas is likely due in large part to a reduction in benefit payments and other welfare reforms, while growth in the caseload could be due to new development (as in Stratford), movement of benefit recipients, rising rents, or falling incomes.

Sources and notes

- DWP, Stat Xplore
- Unlike the previous chart, this map excludes the small number of Housing Benefit recipients who still live in regulated rent properties

4.23. Average rents for new social rented tenancies decreased in the last year to £109 a week, while the average weekly rent for an Affordable Rent tenancy increased to £189 a week



- Rents for new general needs social housing tenancies rose substantially between 2007/08 and 2015/16, largely because until recently they were determined by a formula that ensured they rose above inflation. 2016/17 was the first of four years of legislated rent reductions of 1% within the sector, which will continue until 2019/20.
- Affordable Rent tenancies were introduced in 2011/12, and can be let at rents of up to 80% of the equivalent market rent. The average rent for a new Affordable Rent tenancy was £189 in 2016/17, up 1% from 2015/16.
- Private registered providers' median weekly rents for new social rent properties continue to be around a fifth higher than those of local authorities. The median social rent for housing associations was £121 a week in 2016/17, and for local authorities was £102 a week. This has been the case since at least 2007/8.

Sources and notes

- MHCLG, *Social Housing Lettings in England 2016/17, CORE summary tables*
- Weekly rent excludes supplementary charges such as service and support charges
- In 2016/17, new social rent tenancies were more likely than new Affordable Rent tenancies to have additional service and support charges
- New lettings data includes homes being re-let and homes being let for the first time. Homes being let for the first time have higher rents, on average.

5. Housing need

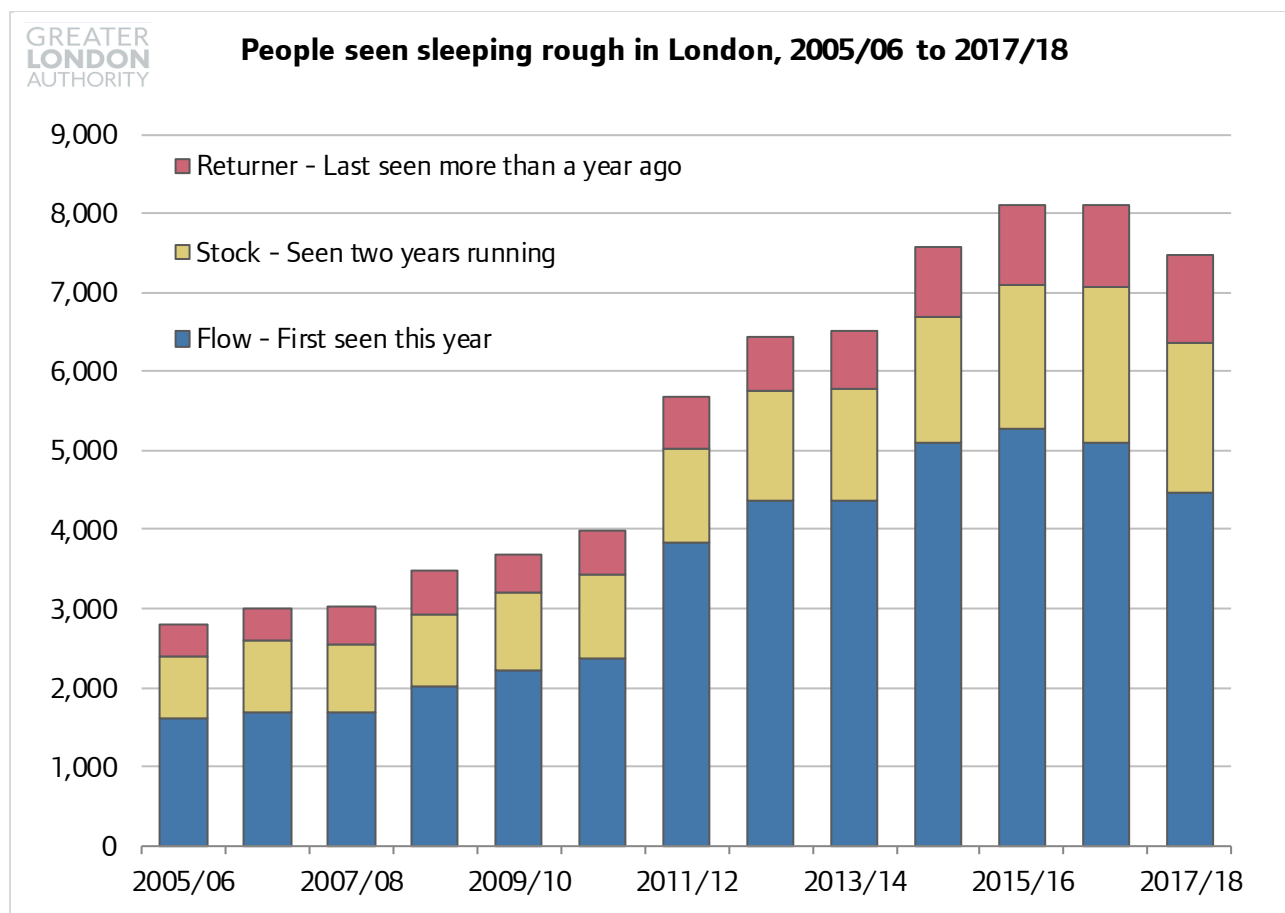
7,478 people were seen sleeping rough in London in 2017/18, 8% fewer than in 2016/17 (5.1). The proportion of those seen sleeping rough for the first time, who spend only one night on the streets, was 72% in 2017/18, the same proportion as in 2016/17 (5.2). 54% of the people seen sleeping rough in London in 2017/18 were from the UK, while 23% were from Central and Eastern Europe (5.3). Most rough sleepers who have been assessed have a support need related to alcohol, drugs and/or mental health (5.4).

18,060 households were accepted as statutorily homeless in London in 2016/17, down 6% in a year but nearly double the figure in 2009/10 (5.5). The most common reason given for homeless households in London losing their last home in 2016/17 was the end of an assured shorthold tenancy (mostly in the private rented sector) (5.6). In addition to those accepted as homeless, 29,720 cases of homelessness were prevented or relieved in London in 2016/17, mostly where households were helped to remain in their current home (5.7).

The number of homeless households living in temporary accommodation in London at the end of December 2017 was 54,370, the same as the year before (5.8), while only around a fifth of homeless households in temporary accommodation in London leave it within a given year (5.9).

Just under 8% of households in London are overcrowded, a figure that has fallen slightly in the last few years (5.10). More than a third of children in social housing and over a quarter of children in private rented housing are overcrowded (5.11).

5.1. 7,484 people were seen sleeping rough in London in 2017/18, 8% fewer than a year before

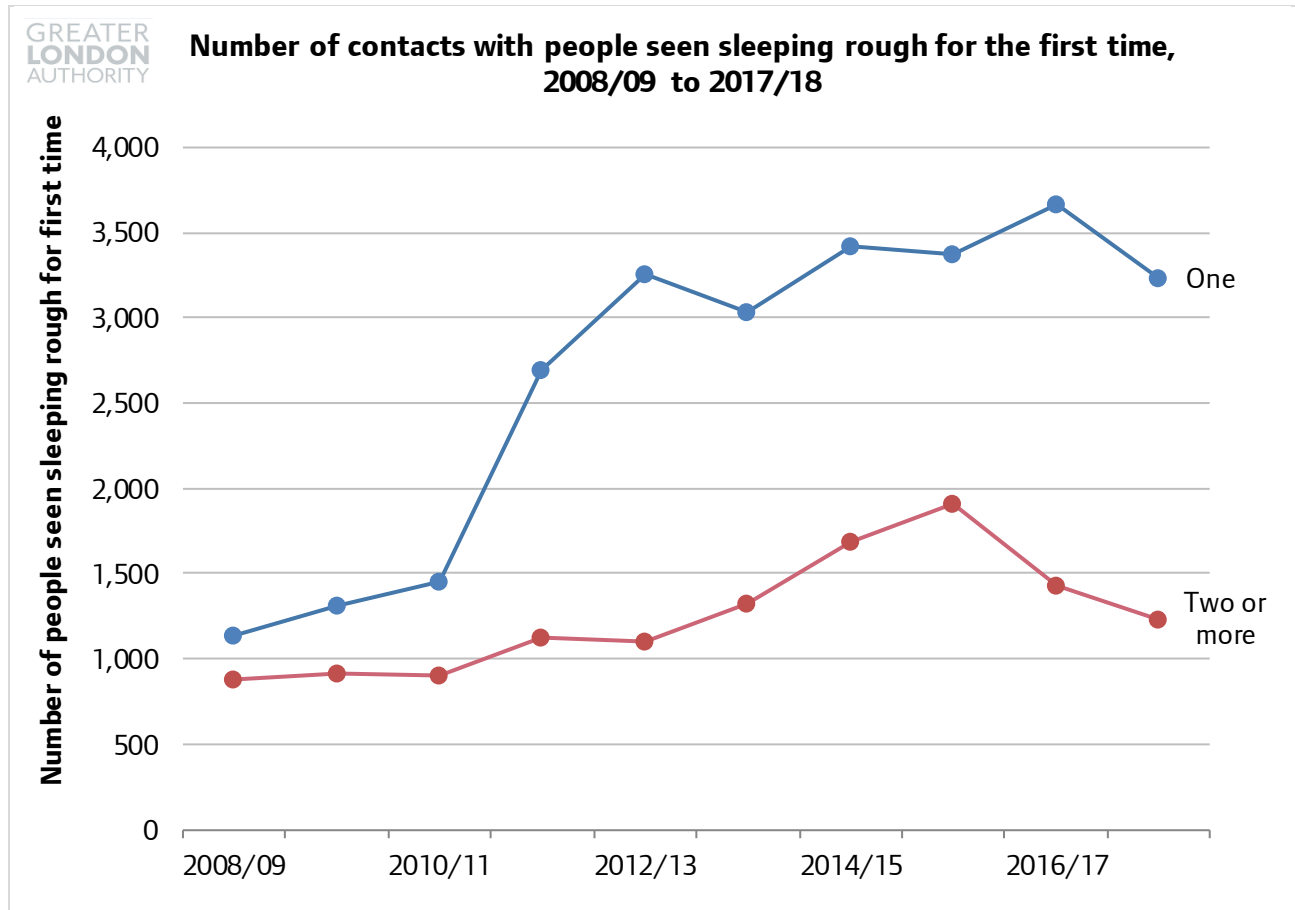


- 7,484 people were seen sleeping rough in London in 2017/18, 8% fewer than in 2016/17 (8,108).
- By far the largest group in 2017/18 were the 4,456 people seen sleeping rough for the first time. This 'flow' of new people onto the streets fell by 13% in the last year, but has more than doubled since 2007/08.
- The 'stock' figure, which measures the number of people seen sleeping rough two years in a row, fell by 3% in the last year, to 1,909, but has more than doubled since 2007/08.
- The 'returner' figure, which represents those who were last seen sleeping rough more than a year ago, grew by 8% in the last year, to 1,119, and has almost trebled in the last decade.

Sources and notes

- St Mungo's and GLA, 'Street to home' and CHAIN reports

5.2. 72% of people seen sleeping rough for the first time in 2017/18 spent only one night on the streets, the same proportion as in 2016/17

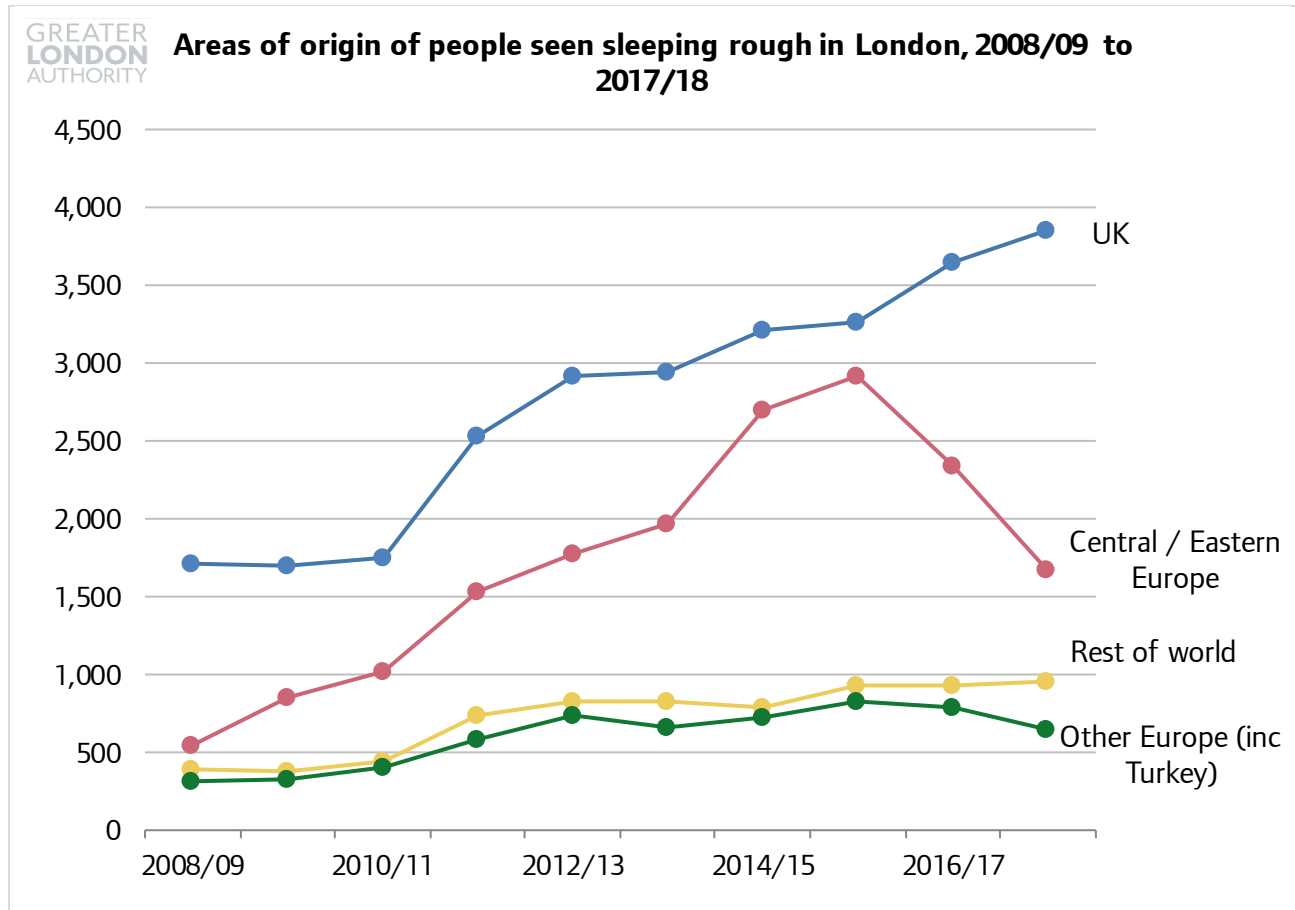


- 3,229 people, 72% of those new to the streets in 2017/18, were seen sleeping rough only once in the year, up from down from 3,666 in 2016/17, although the same in percentage terms.
- 1,227 new rough sleepers were seen more than once in 2017/18 (28% of the total), the fewest number since 2012/13. Of this group, most were seen between two and five times, and the number of new rough sleepers seen more than 20 times during the year has fallen from 54 in 2012/13 to 13 in 2017/18.

Sources and notes

- St Mungo's and GLA, 'Street to home' and CHAIN reports

5.3. The number of people from Central and Eastern Europe seen sleeping rough in London continues to fall sharply, while the number from the UK continues to rise

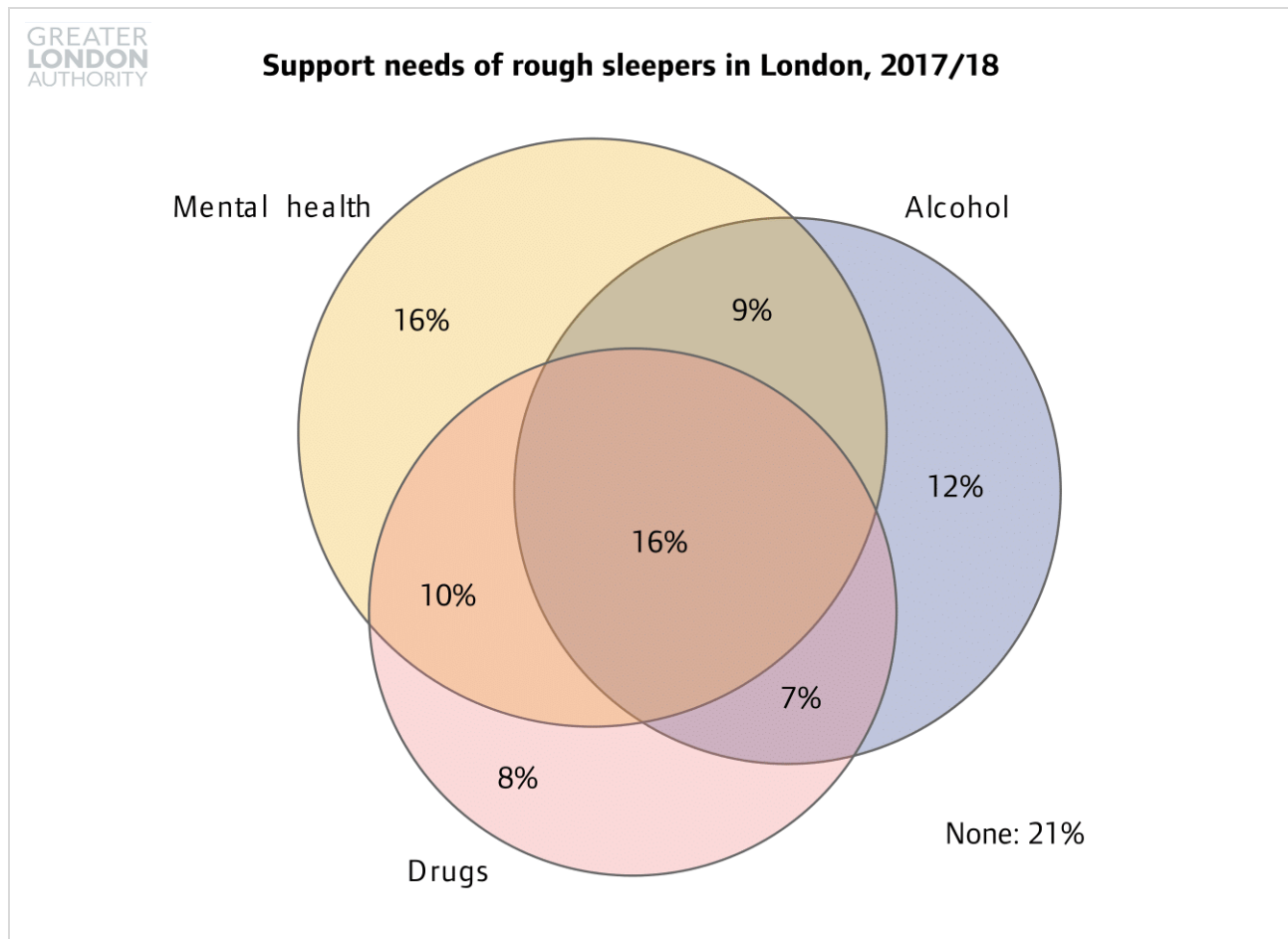


- People from the UK accounted for 3,862 of those seen sleeping rough in London in 2017/18, 54% of the total. This is more than twice the number seen in 2008/09, and also the highest share of the total since then.
- The number of people from Central or Eastern Europe seen sleeping rough grew rapidly from 545 in 2008/09 to 2,924 in 2015/16. However, this number has fallen sharply since, to 1,677 in 2017/18 or 23% of the total. This is the lowest percentage share since 2008/09.
- 1,599 people seen sleeping rough in 2017/18 were from the rest of the world, 22% of the total. This share has held steady over the years.

Sources and notes

- St Mungo's and GLA, 'Street to home' and CHAIN reports

5.4. Most rough sleepers have a support need related to alcohol, drugs and/or mental health

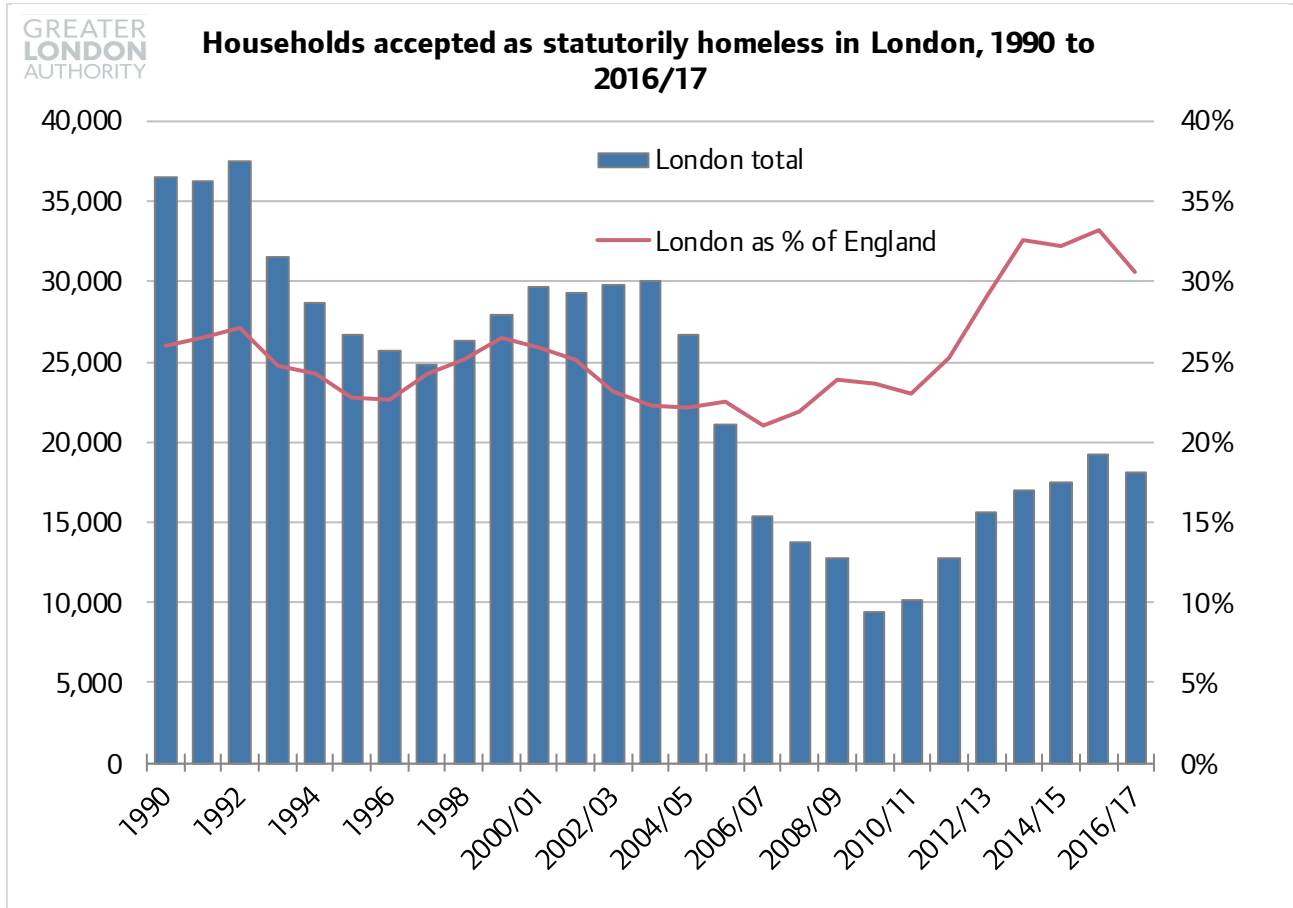


- 51% of people seen sleeping rough in London in 2017/18 whose support needs were assessed were recorded as having a support need relating to mental health, 44% to alcohol and 42% to drugs.
- There was considerable overlap between these support needs, with 16% of people having support needs related to all three. 21% of those assessed had no support needs in these categories.
- The proportion of people with an alcohol-related support need has fallen from 52% in 2010/11. The proportion with a drug-related support need has increased from 32% and the proportion with a support need related to mental health from 38%.
- 36% of people seen sleeping rough in 2016/17 have been in prison, 11% have lived in care and 7% are former armed forces members (most of the latter category are non-UK nationals).

Sources and notes

- St Mungo's and GLA, 'Street to home' and CHAIN reports
- Chart produced using R package 'venneuler' and Inkscape

5.5. 18,060 households were accepted as statutorily homeless in London in 2016/17, down 6% from the year before, but nearly double the figure in 2009/10

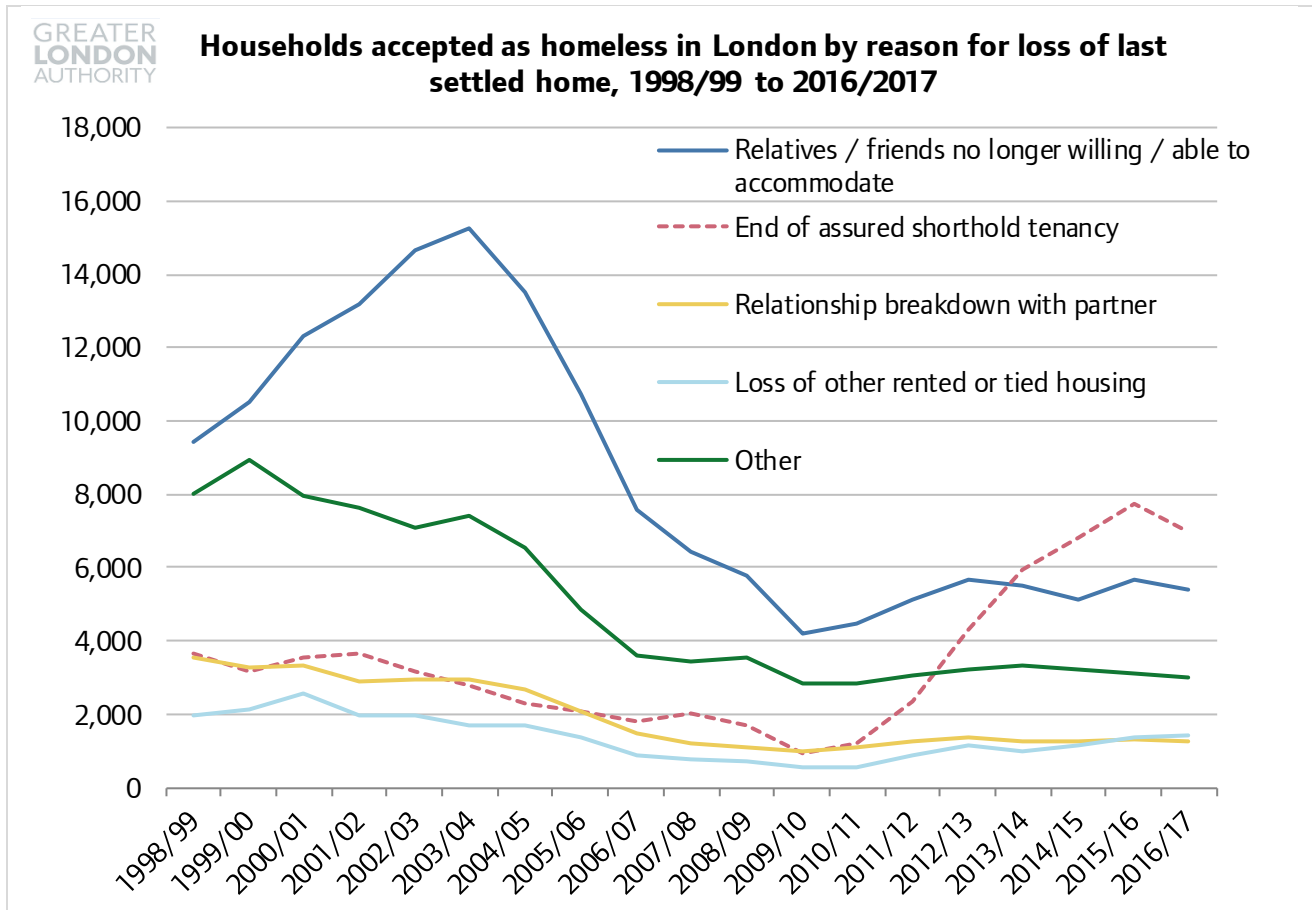


- There were 18,060 households accepted as statutorily homeless by London boroughs in 2016/17, down 6% from 19,170 in 2015/16 but nearly double the low of 9,460 in 2009/10. However, this is still well below the peak of 37,550 in 1992.
- London accounted for 31% of all homelessness acceptances in England in 2016/17, down slightly from a peak of 33% in 2015/16.

Sources and notes

- MHCLG, live table 784; UK Housing Review 1999/00; UK Housing Finance Review 1995/96

5.6. The most common reason given for homeless households in London losing their last home is the end of an assured shorthold tenancy (primarily in the private rented sector)

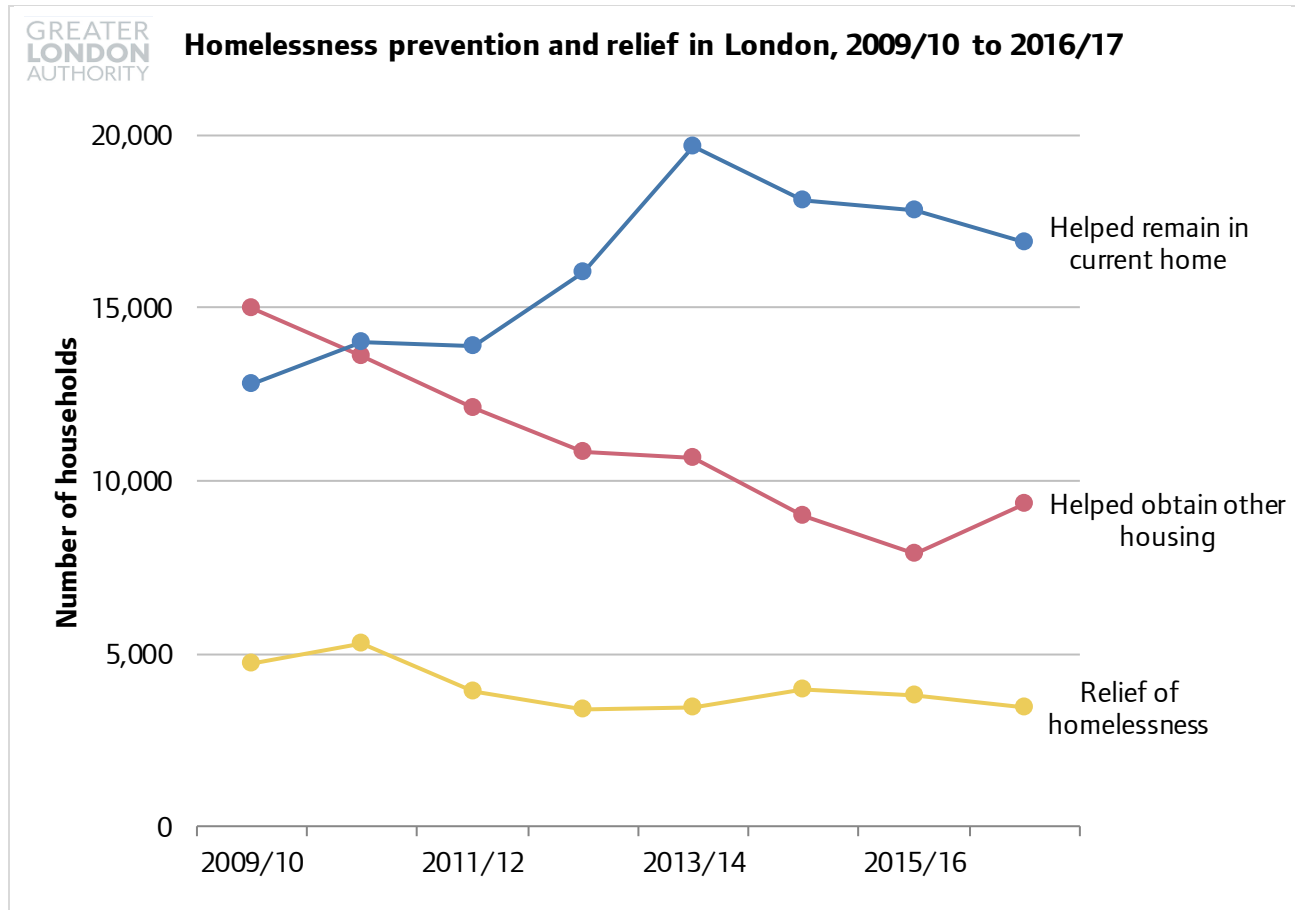


- When households are accepted as homeless the reason they lost their last settled accommodation is recorded. Until recently the most common single reason in London was that friends or relatives of the household were no longer willing or able to accommodate them.
- Since 2009/10 the number of households accepted as homeless after the end of an assured shorthold tenancy (the majority of which are in the private rented sector) has increased rapidly, reaching 7,760 in 2015/16 or 40% of the total (compared to 31% in England as a whole). These figures fell to 6,990 in 2016/17, 39% of the total.

Sources and notes

- MHCLG, live table 774

5.7. In addition to those accepted as homeless, 29,720 cases of homelessness were prevented or relieved in London in 2016/17

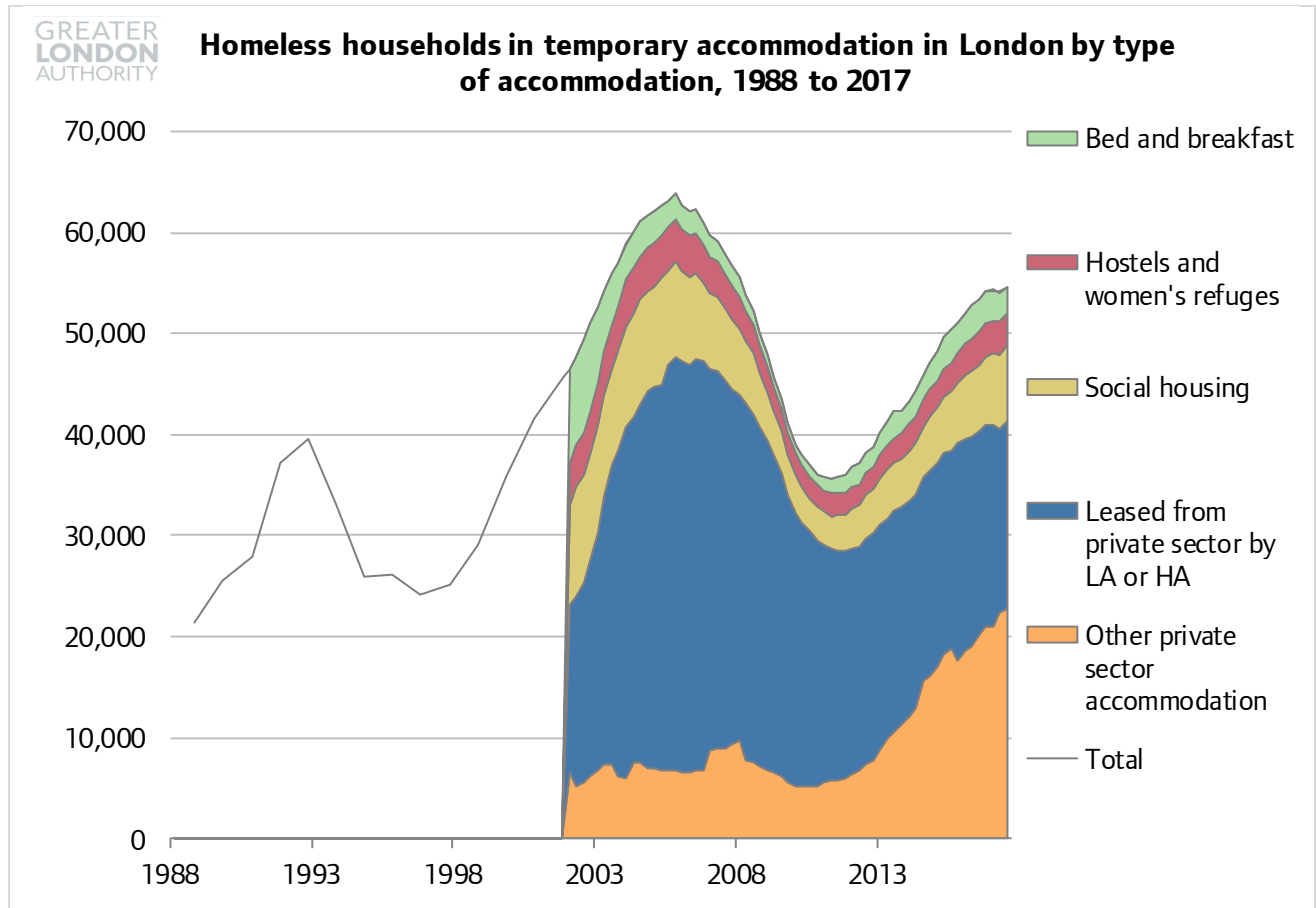


- Homelessness prevention involves helping people to obtain other accommodation or remain in their current home, thereby avoiding homelessness. Homelessness relief refers to cases where a homeless household is helped to secure accommodation without being accepted as statutorily homeless.
- In 2016/17, London boroughs prevented homelessness in 26,250 cases and relieved homelessness in 3,470 cases, for a total of 29,720. This was up slightly from 29,520 in 2015/16, but down from a peak of 33,750 in 2013/14.
- The number of households who were prevented from becoming homeless through help to obtain other housing increased in 2016/17 for the first time in several years, from 7,880 to 9,360. The number helped to remain in their current home fell slightly from 17,820 to 16,890.

Sources and notes

- MHCLG, live table 792

5.8. The number of homeless households living in temporary accommodation in London was 54,370 in December 2017, the same as in December 2016

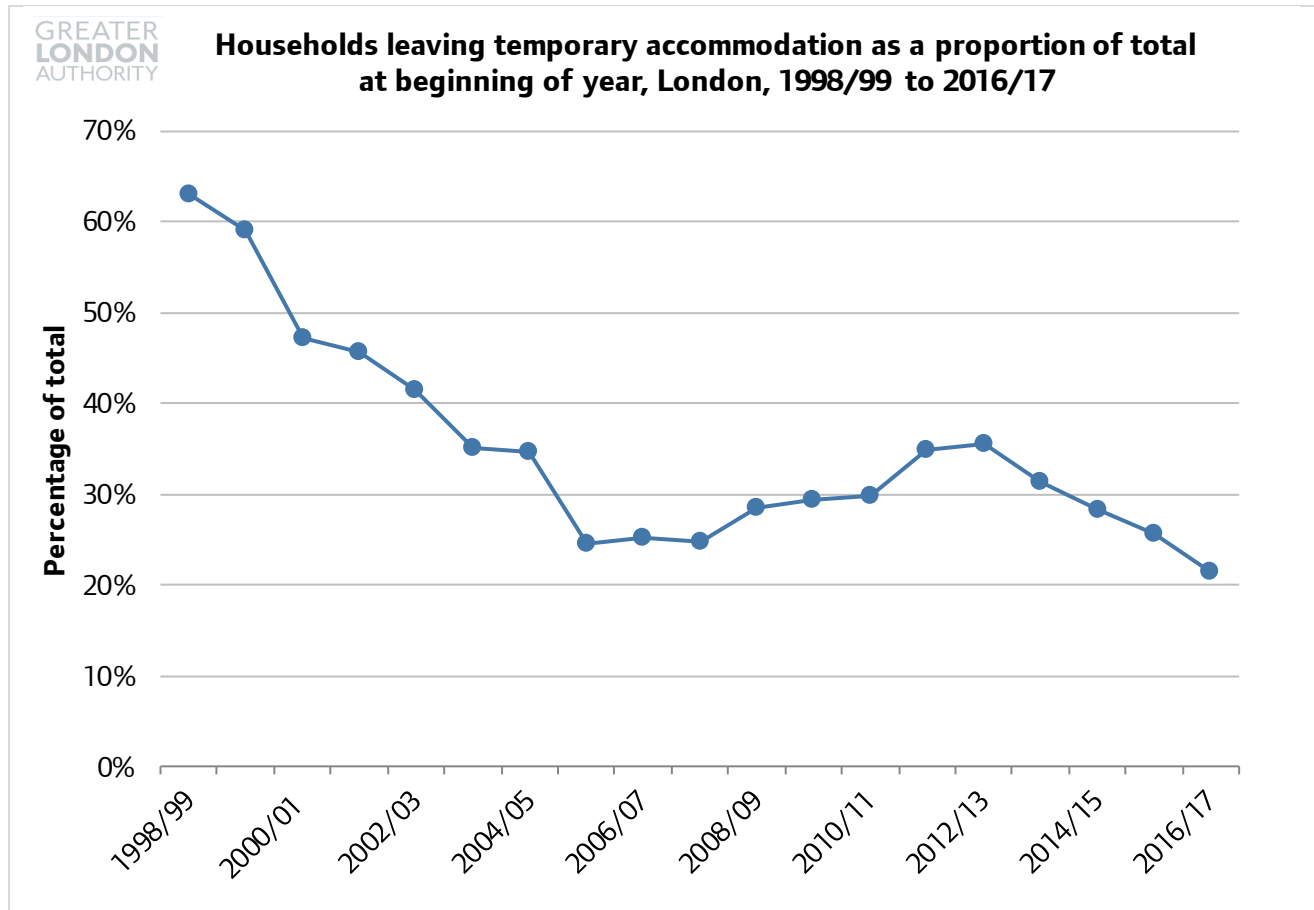


- In December 2017 there were 54,370 homeless households in temporary accommodation arranged by London boroughs, more than double the lowest recorded point in late 1988.
- 19,730 of these households, or 36% of all households accommodated in temporary accommodation, were accommodated outside of their home borough.
- 34% of the households in temporary accommodation in September 2017 were in accommodation leased from private sector landlords. 42% were in other private sector accommodation, 5% in hostels and women's refuges, 5% in bed and breakfast hotels, and 14% were in social housing being used as temporary accommodation.
- The number of households in bed and breakfast accommodation (2,530) has more than doubled since the end of 2010, but has fallen by 20% since December 2016.

Sources and notes

- MHCLG, live table 775

- 5.9. Equivalent to only a fifth of homeless households living in temporary accommodation in London were able to leave it in 2016/17

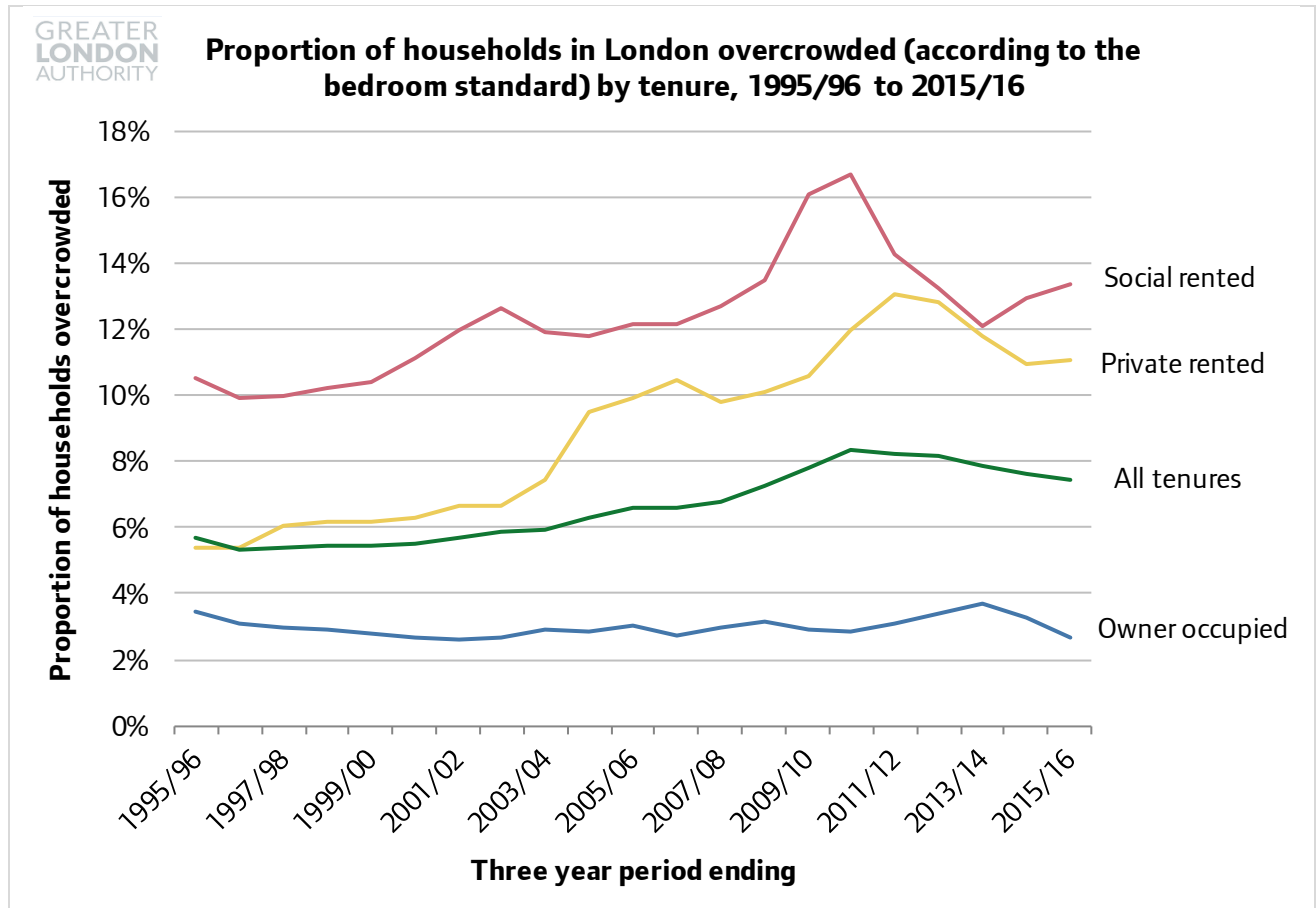


- 10,930 homeless households left temporary accommodation in London in 2016/17, equivalent to 21% of the total in temporary accommodation at the start of the year. This is the lowest figure on record in both absolute and proportional terms.
- Of those households who left temporary accommodation in 2016/17, 31% had been in temporary accommodation for under six months, 16% for between six months and a year, another 19% for between one and two years, and 34% for more than two years.
- Between 2009/10 and 2012/13, the proportion staying over two years fell from 50% to 27%, only to increase again since then.

Sources and notes

- MHCLG, live table 779

5.10. 7.5% of households in London are overcrowded, a figure that has fallen slightly in the last few years

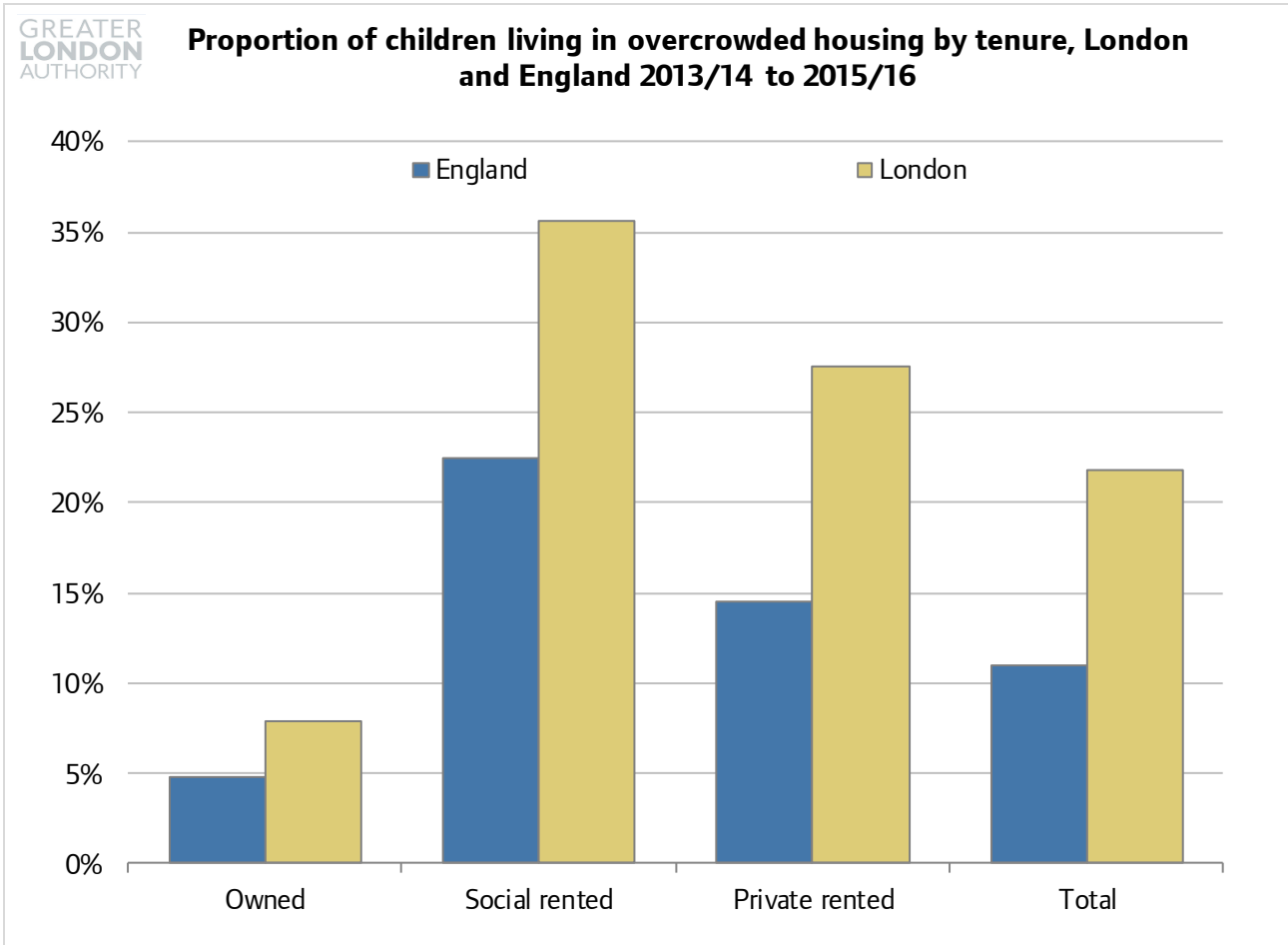


- 7.5% of households in London are estimated to be overcrowded according to the 'bedroom standard', which compares the size and composition of households to the bedrooms available.
- The overall overcrowding rate has risen since the 1990s due to growing overcrowding in private and social rented housing. The proportion of overcrowded homeowner households has held relatively steady at around 3% over the period.
- In the last few years, overcrowding among renting households has fallen, for social tenants from a peak of 17% in 2010/11 to 13% in 2015/16, and for private tenants from 13% in 2011/12 to 11% in 2015/16.

Sources and notes

- MHCLG, data from Survey of English Housing and English Housing Survey
 - 2006 Government definition of bedroom standard and rolling three-year averages used

5.11. More than a third of children in social housing in London and over a quarter of those in private rented housing in London live in overcrowded conditions



- Around 365,000 children under 16 in London, or 22% of the total, live in households that are considered overcrowded according to the bedroom standard. This is compared to around 1.1 million (11% of the total number of children) in England as a whole.
- Childhood overcrowding rates vary widely by tenure. 8% of children in owner occupied housing, 36% of those in social rented and 28% of those in private rented housing in London are overcrowded. This is compared to 5%, 23% and 15% respectively across the entire country.

Sources and notes

- English Housing Survey, 2013/14 to 2015/16

- Three-year average used

6. Mobility and decent homes

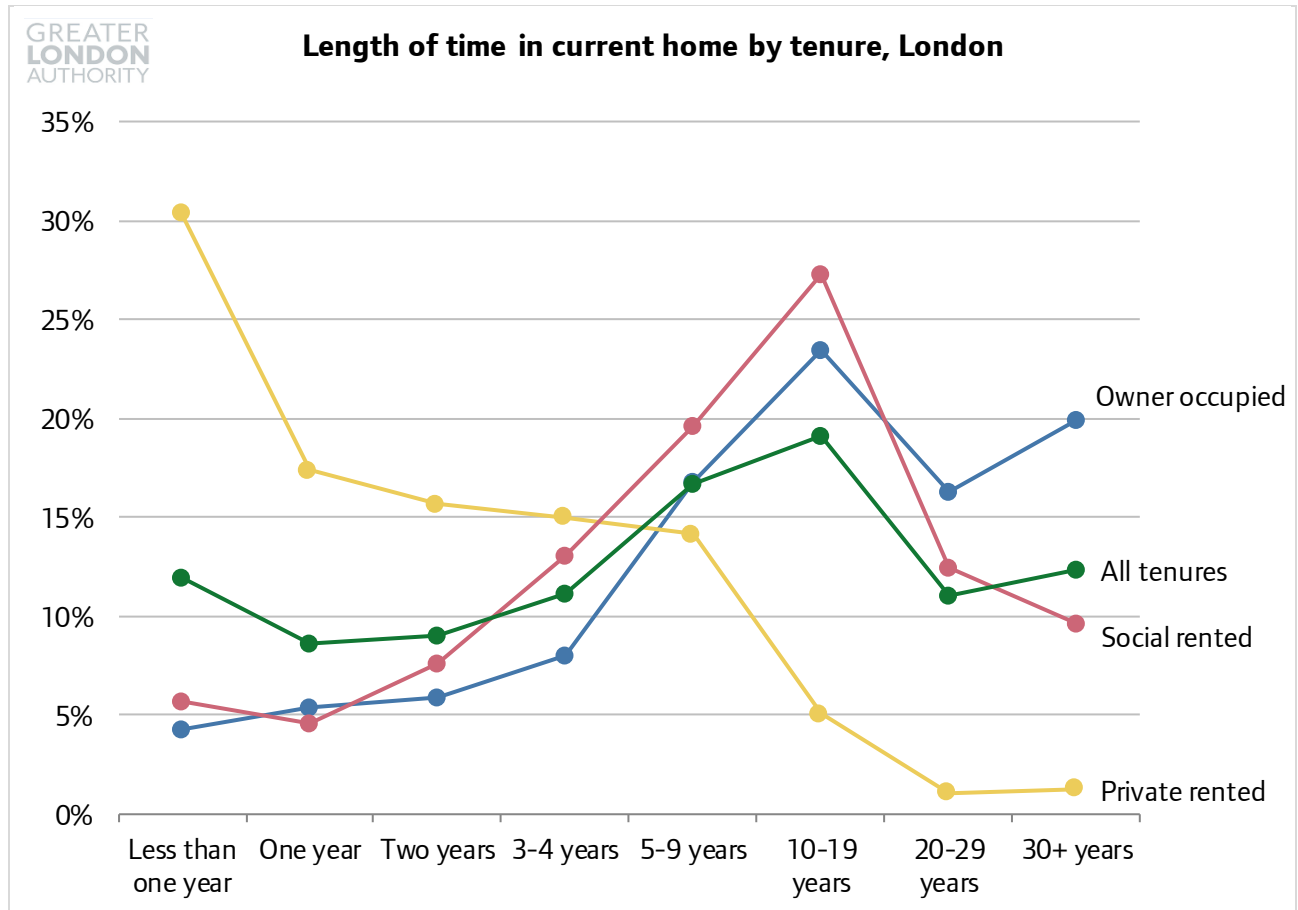
Around one in eight London households and one in three private tenants have lived in their current home for less than a year **(6.1)**. More than two thirds of all moves in London in the last year were either into or within the private rented sector **(6.2)**. The most common reasons given by households moving home in London are to move to a better neighbourhood, to a larger home or for work **(6.3)**.

The Mayor's Housing Moves programme enabled 246 social housing tenants to move between boroughs in 2017/18 **(6.4)**, while nearly 2,000 social rented homes in London have been freed up through the Seaside & Country Homes scheme since 2007/08 **(6.5)**. Meanwhile, the proportion of home-owning households that are under-occupying their homes has risen steadily over time **(6.6)**.

The proportion of newly approved homes meeting Lifetime Homes and wheelchair accessibility standards has fallen significantly in recent years **(6.7)**. London boroughs have issued almost 10,000 Homes in Multiple Occupation (HMOs) with mandatory licences (the total number of HMOs is greater than this) **(6.8)**. The percentage of affordable homes in London below the Decent Homes standard has fallen from 37% in 2006 to 16% in 2016 **(6.9)**, and the proportion of homes below the standard has fallen across all tenures **(6.10)**. However, the number of affordable homes which are below the standard rose slightly in 2017, due to an increase in council homes below the standard **(6.11)**. Older homes have far higher estimated bills for basic repairs, with particularly high costs in private rented homes **(6.12)**.

Per capita greenhouse gas emissions from London's housing stock have fallen by two fifths in the last decade **(6.13)**. On average, private sector homes in London are significantly less energy efficient than affordable homes **(6.14)**, but energy efficiency levels have improved significantly in every tenure over the last decade **(6.15)**. Around a tenth of London households are estimated to be living in fuel poverty, just below the national rate, with London's private rented sector exhibiting notably lower levels of fuel poverty than the national average **(6.16)**.

6.1. Around one in eight London households, and nearly one in three private renting households have lived in their current home for less than a year

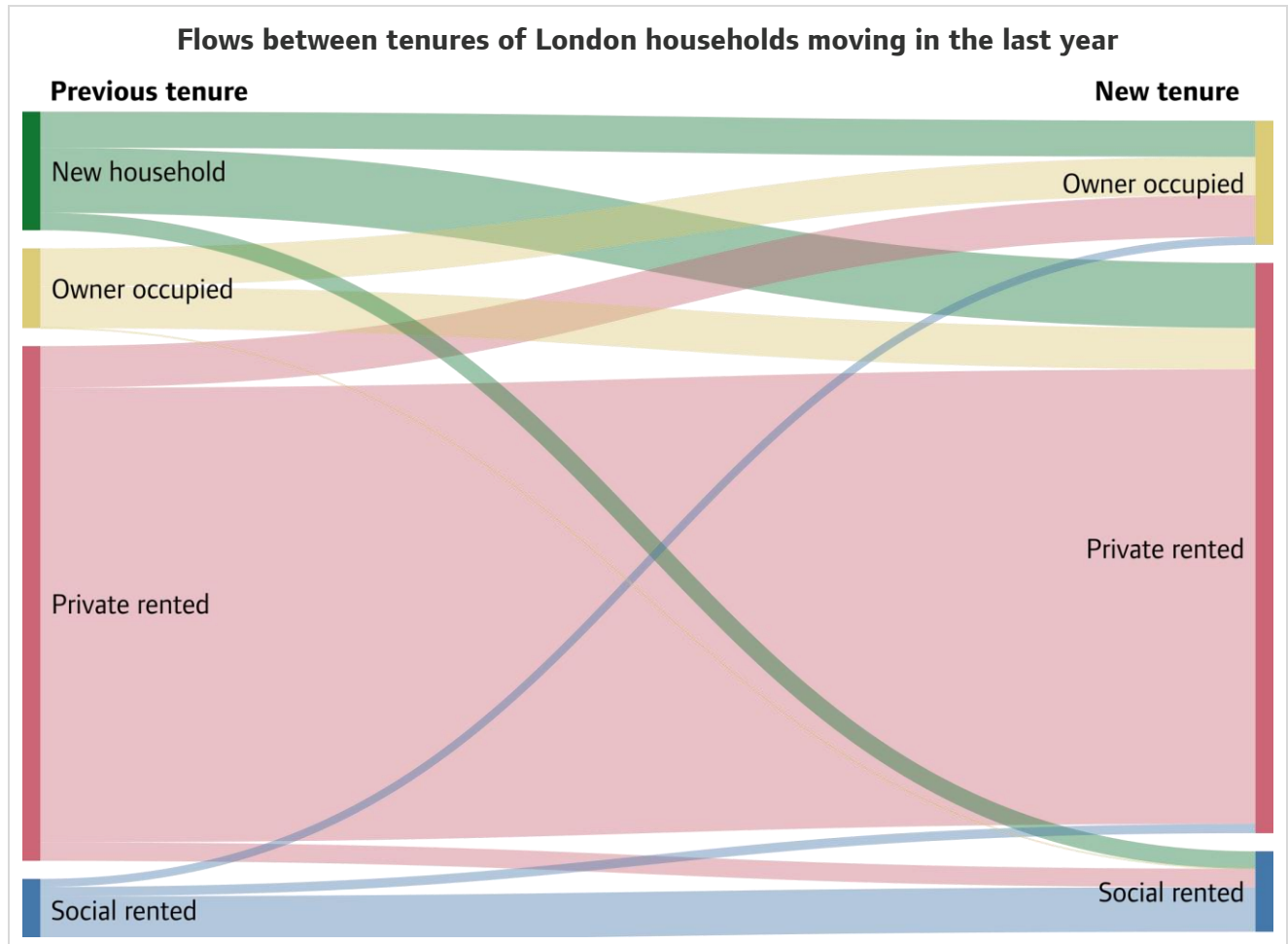


- 12% of households in London moved to a new home in the last year (including those moving to London from elsewhere), while 59% have lived more than five years at their current home, 43% more than ten years, and 23% more than 20 years.
- Mobility is far higher in the private rented sector, where 30% of households have moved in the last year. This compares to just 6% of social renting households and 4% of owner occupiers.
- While mobility rates for individual tenures are similar in London and the rest of England, London has a higher overall mobility rate due to its larger private rented sector.

Sources and notes

- English Housing Survey, 2013/14 to 2015/16

6.2. More than two thirds of all moves in London in the last year were either into or within the private rented sector

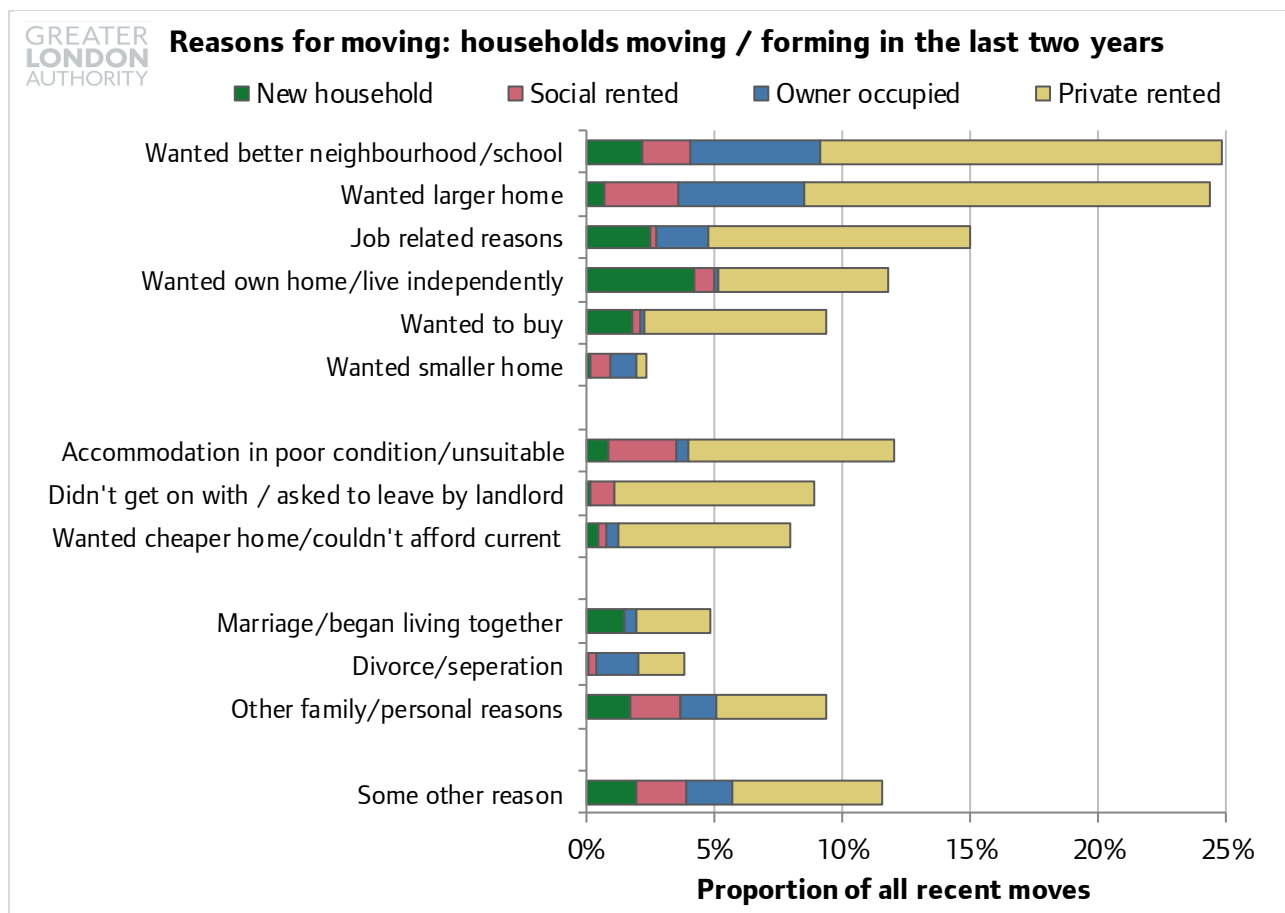


- 12% of households in London moved in the last year (including those who moved to London from elsewhere), and 72% of those moves were either into or within the private rented sector.
- Newly forming households accounted for 16% of moves, 10 percentage points of which were into the private rented sector, 4 percentage points into owner occupation and 3 percentage points into social housing.
- 17% of all moves were into owner occupation, of which the largest number comprised people moving from private renting, and most of the remainder comprising owner occupiers moving within the tenure.
- 11% of moves were into social housing, half of which were within-tenure moves.

Sources and notes

- English Housing Survey, 2013/14 to 2015/16
- Chart created using RAW Graphs

6.3. The most common reasons given by households moving home in London are to move to a better neighbourhood, to a larger home or for work

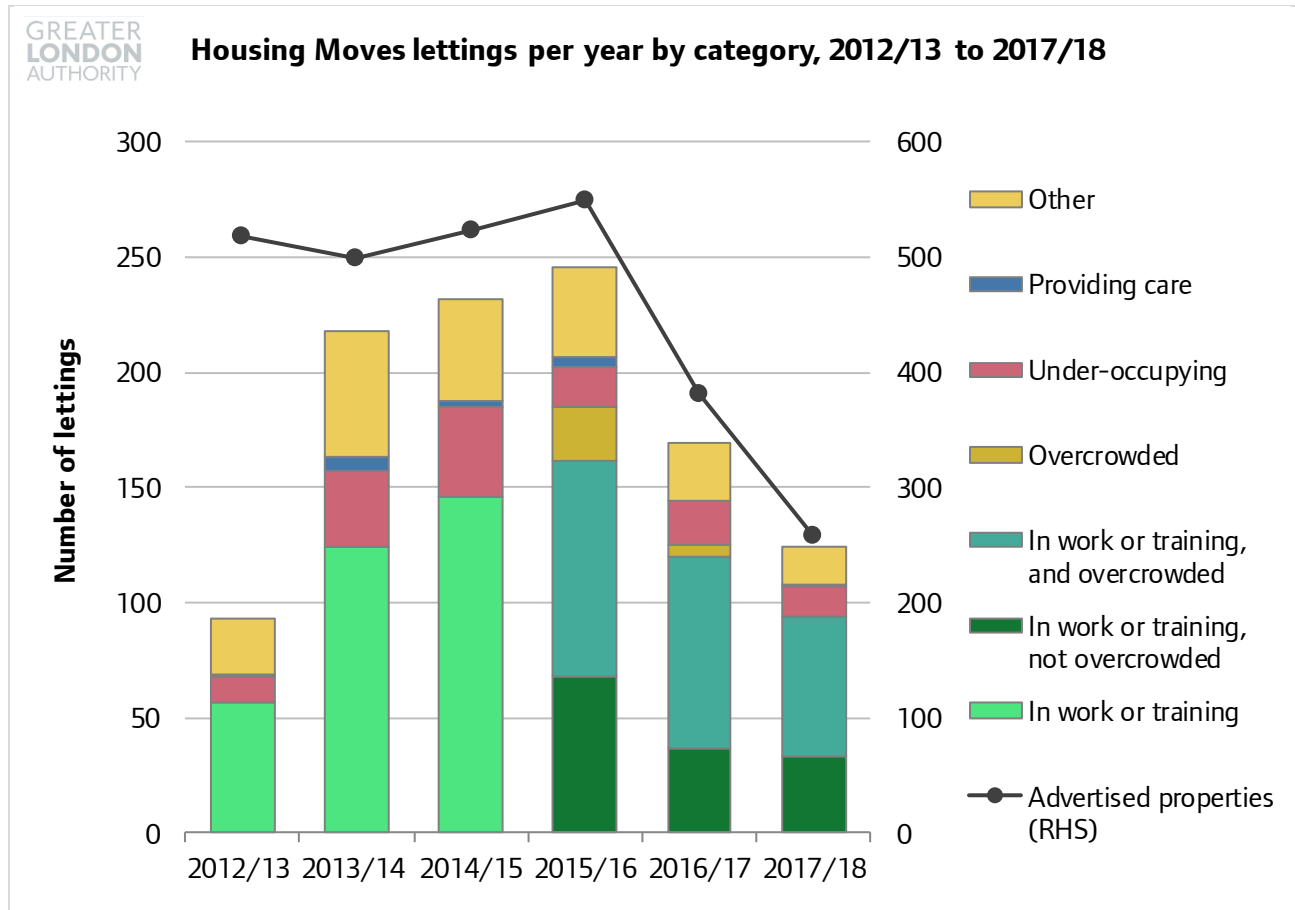


- Households in London who have moved in the last two years give a wide range of reasons for moving (and some give more than one). The three most common are to move to a better neighbourhood, including one with a better school, cited by 25% of newly forming households; to move to a larger home, cited by 24% of newly forming households, and to move for job related reasons, cited by 15% of newly forming households.
- Wanting to live independently is unsurprisingly a major factor for newly forming households, with more than a third (37%) citing it. The most commonly stated reason for households previously in social renting moving is wanting a larger home, cited by a quarter (25%).
- 12% of recent movers left their previous home because it was unsuitable or in poor condition.

Sources and notes

- English Housing Survey, average of 2013/14 to 2015/16
- The tenure breakdown refers to the previous tenure of the household, not the current tenure

6.4. The Mayor’s Housing Moves programme enabled 246 social housing tenants to move between boroughs in 2017/18

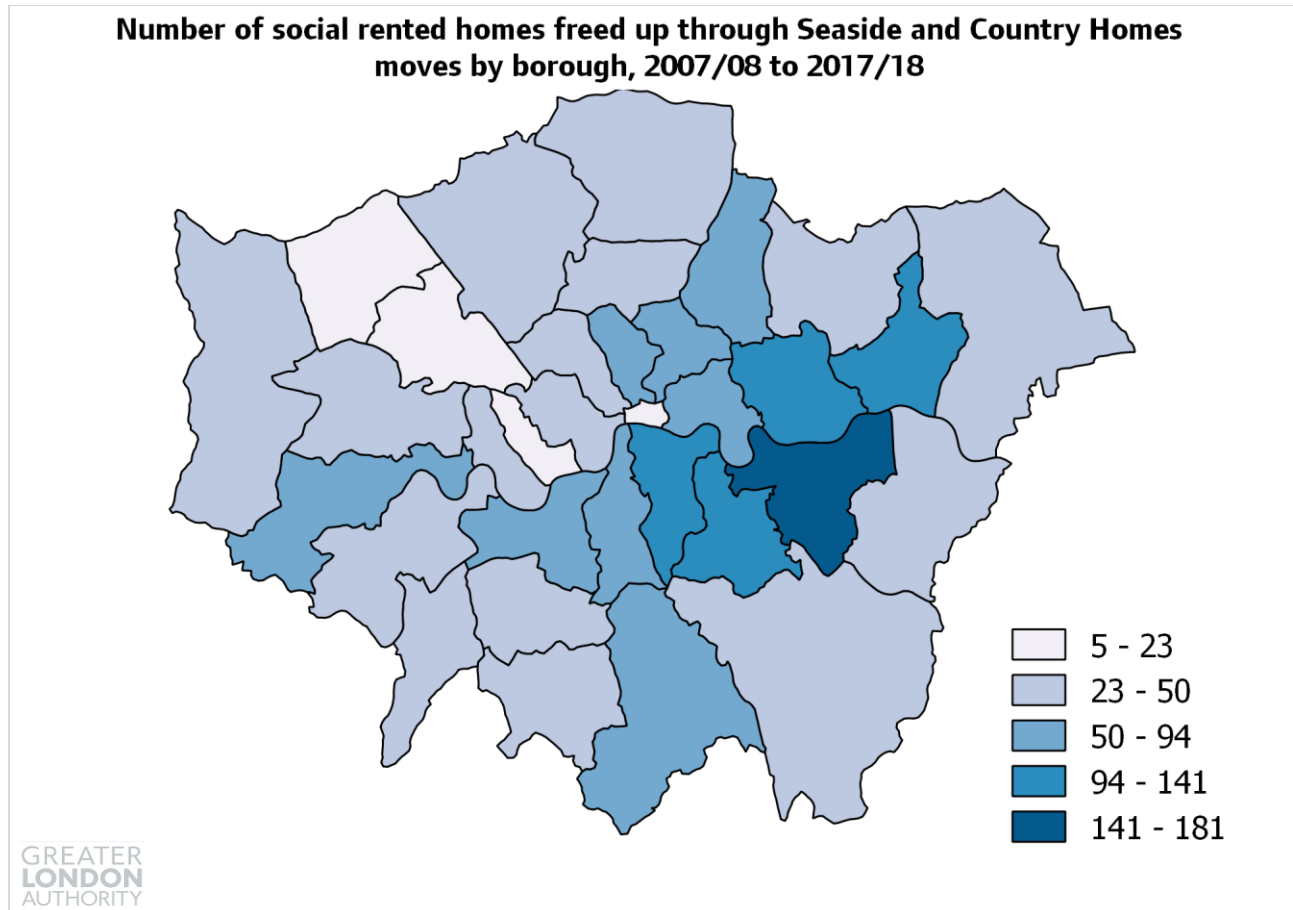


- The Mayor’s Housing Moves programme, launched in May 2012, offers social housing tenants in London the opportunity to move to suitable accommodation in another borough. Since the programme launched, 1,082 households have been helped to move.
- The programme prioritises applicants who fall into a small number of categories. Households in work or training comprise the majority of those moving, accounting for 94 moves in 2017/18. Overcrowded households came next with 61 moves (these households were also all in work and training), followed by under-occupying households (13).
- The number of lettings through the scheme has fallen in each of the last two years. This has primarily been caused by a reduction in the number of properties advertised through the scheme.

Sources and notes

- GLA, Housing Moves programme monitoring data

- 6.5. Nearly 2,000 social rented homes in London have been freed up through the Seaside & Country Homes scheme since 2007/08

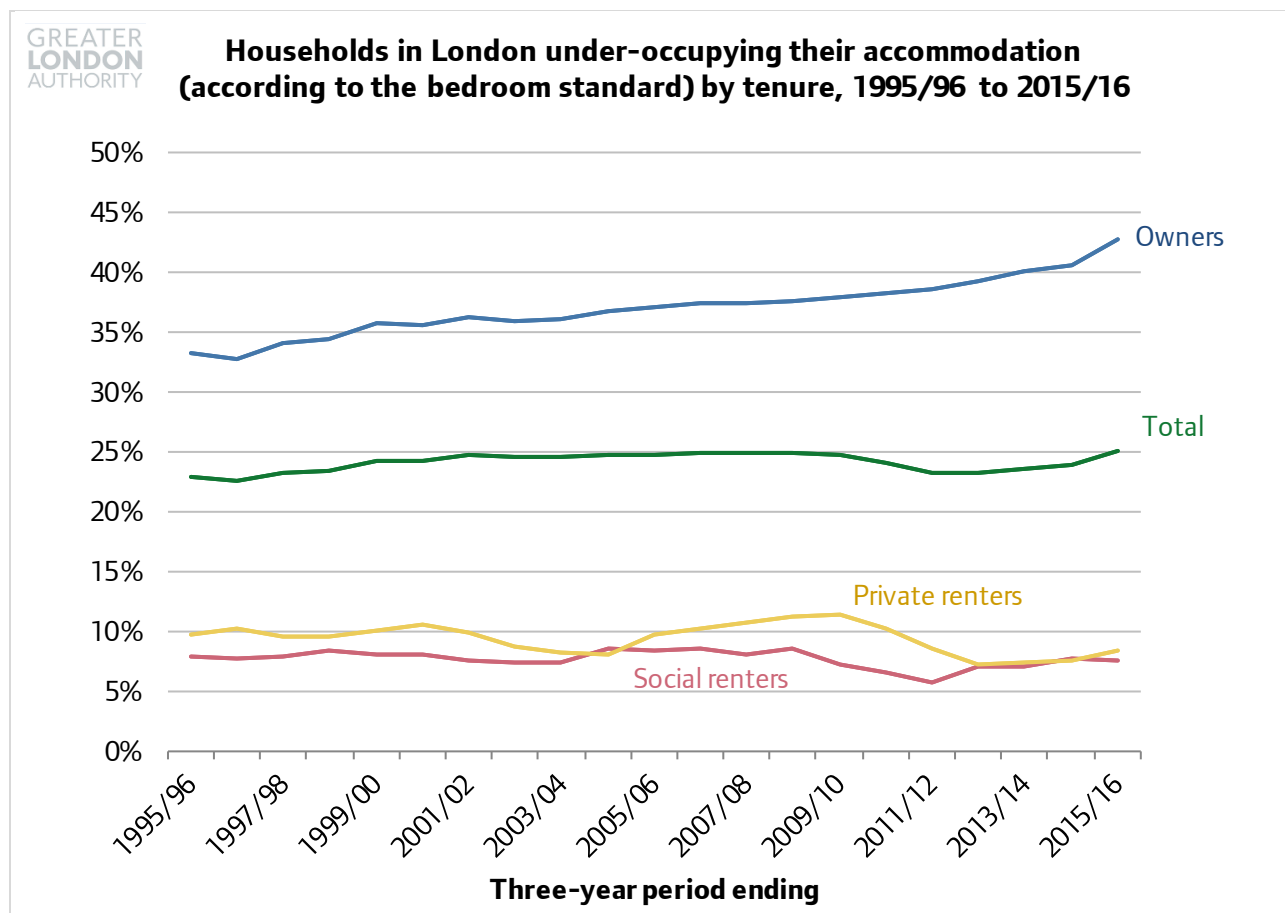


- Between 2007/08 and 2017/18 there were 1,977 social rented homes freed up in London after the tenants moved out through the Seaside & Country Homes scheme.
- The boroughs that have had the most homes freed up are in Greenwich (181), followed by Southwark (141) and Barking and Dagenham (138). The City of London (five), Brent (six) and Kensington and Chelsea (eight) have had the least homes freed up.

Sources and notes

- GLA, Seaside & Country Homes programme monitoring data

- 6.6. 43% of home-owning households in London are under-occupying their homes, up from 33% in the mid-1990s

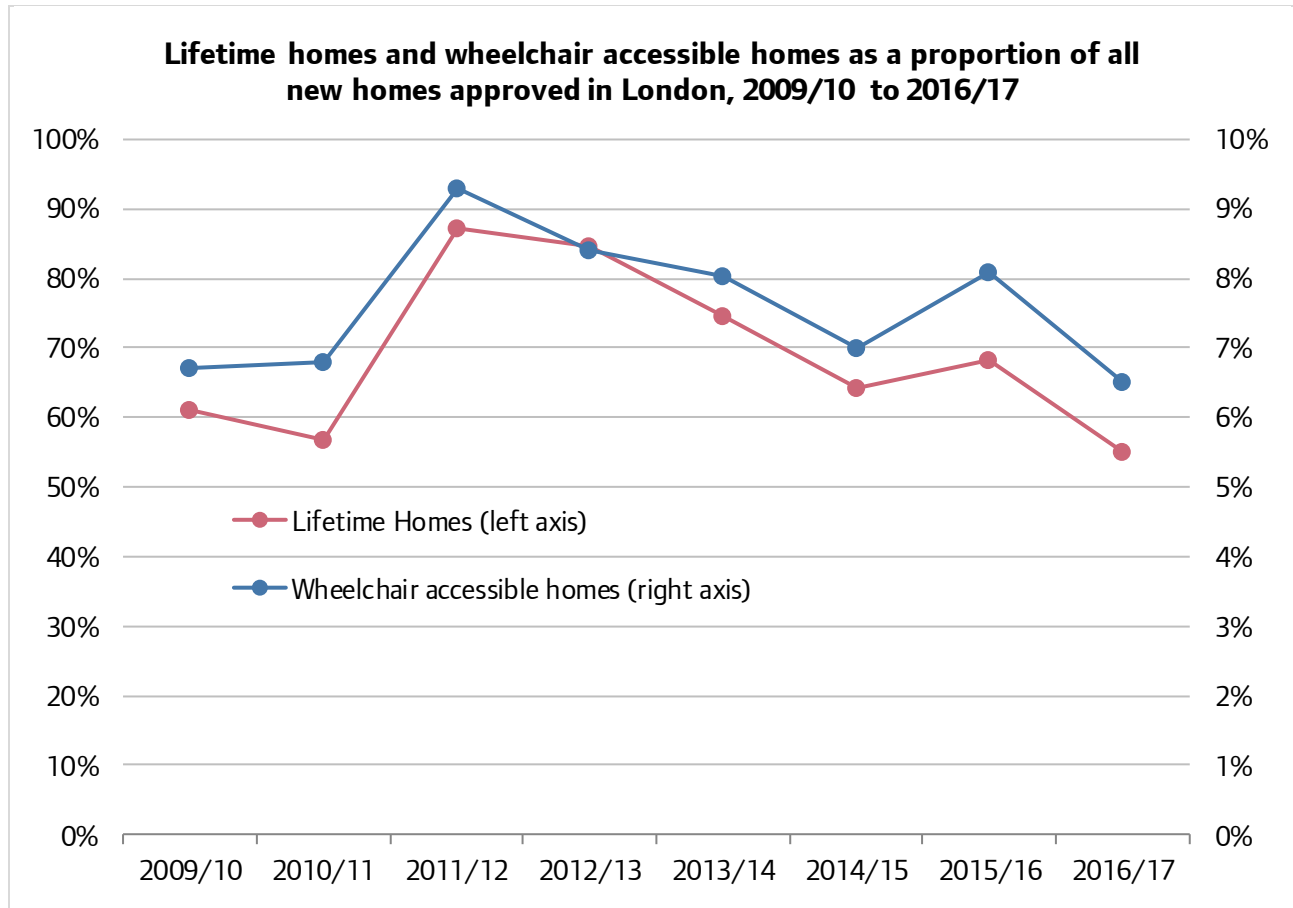


- Over the last two decades the proportion of households that are under-occupying their home in London has remained steady at around a quarter.
- However, this has masked increasing differences at the level of individual tenures. There has been a notable increase in the proportion of homeowner households who are under-occupying, from 33% in the mid-1990s to 43% in the three years ending 2015/16.
- Meanwhile, 7% of social rented households and 8% of private rented households are currently under-occupying.
- These trends are consistent with the picture for England as a whole, where half of home-owning households (52%) have two or more bedrooms than recommended by the bedroom standard.

Sources and notes

- Survey of English Housing and English Housing Survey data, 1993/94 to 2015/16
- Under-occupation is defined as a household having two or more bedrooms than the Government recommended bedroom standard

6.7. The proportion of newly approved homes meeting Lifetime Homes and wheelchair accessibility standards has fallen significantly in recent years

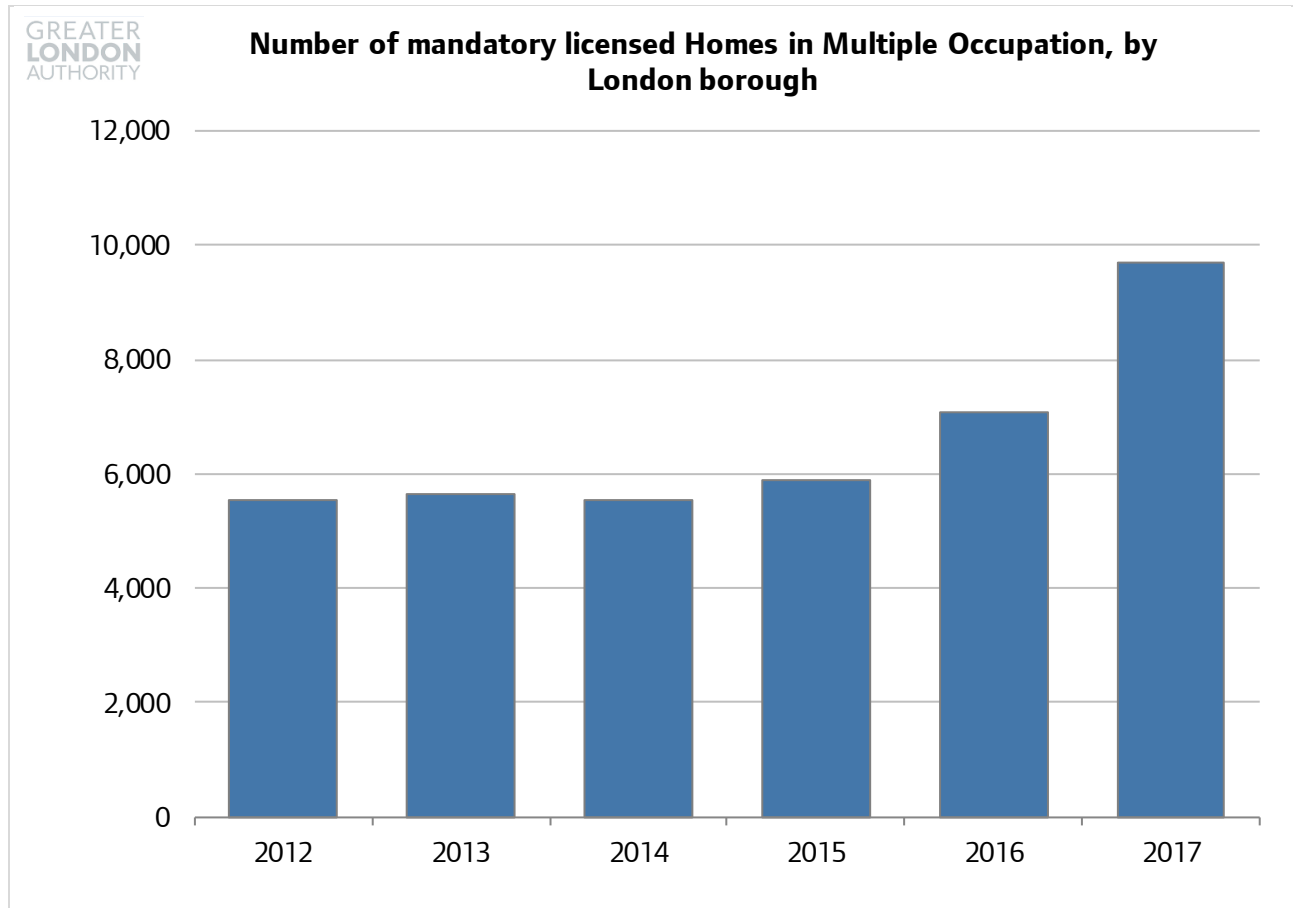


- In 2016/17, 55% of new homes approved in London were designed to the Lifetime Homes Standard, and 7% were wheelchair accessible.
- Both figures have fallen significantly since 2011/12, when 87% of new homes approved were designed to the standard, and 9% were wheelchair accessible.
- These figures include not just new build but also conversions and changes of use, which are challenging to carry out to high accessibility standards. Increased usage of permitted development rights for new residential development also makes it more difficult for councils to require or monitor compliance on change of use schemes. None of the approved new homes involving changes of use or conversions in 2016/17 were Lifetime Homes.
- When conversions and changes of use are excluded, 69% of new build homes approved in 2016/17 were Lifetime Homes and 8% were wheelchair accessible.

Sources and notes

- GLA, London Plan Annual Monitoring Reports
- The Lifetime Homes Standard is a set of design criteria that make homes more easily adaptable as people grow older. The London Plan states that all new homes should be built to the Standard, while 10% should be wheelchair accessible or easily adaptable for residents who are wheelchair users

6.8. London boroughs have issued almost 10,000 Homes in Multiple Occupation with mandatory licences

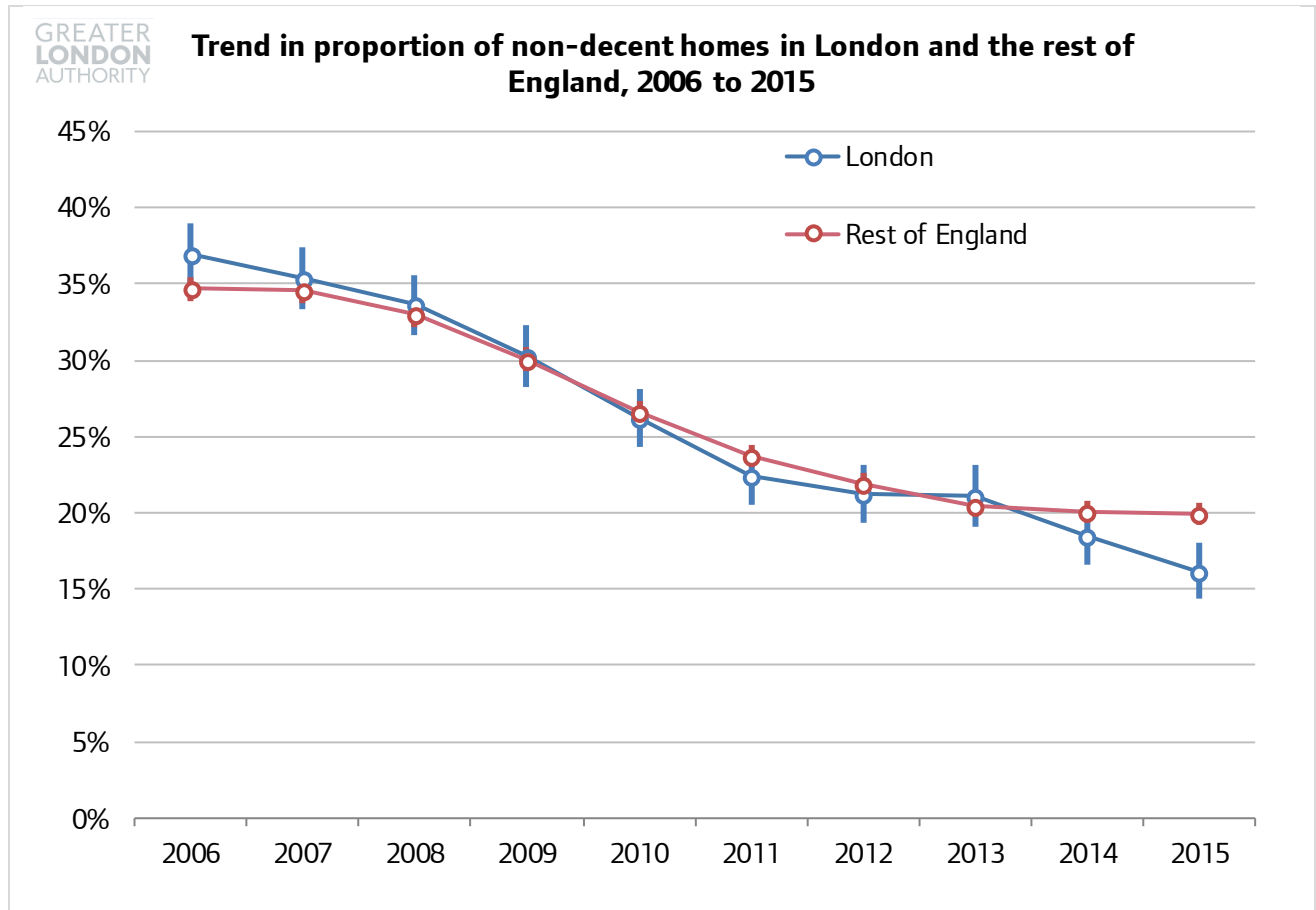


- A House in Multiple Occupation (HMO) is a property rented out by at least three people who are not from the same 'household' (such as a family), but who share facilities like bathrooms and kitchens.
- A HMO must be licensed if it is rented to five or more people who share facilities and who form more than one household, and it is at least three storeys high.
- The number of HMOs that have been issued with mandatory licences in London has risen from just under 6,000 in April 2015 to 9,700 in 2017.
- Note that the number of HMOs that have been issued with mandatory licences are a small sub-section of the total number of HMOs in London.

Sources and notes

- MHCLG, Local Authority Housing Statistics

- 6.9. The proportion of homes below the Decent Homes standard has fallen slightly faster in London than in the rest of England since 2006

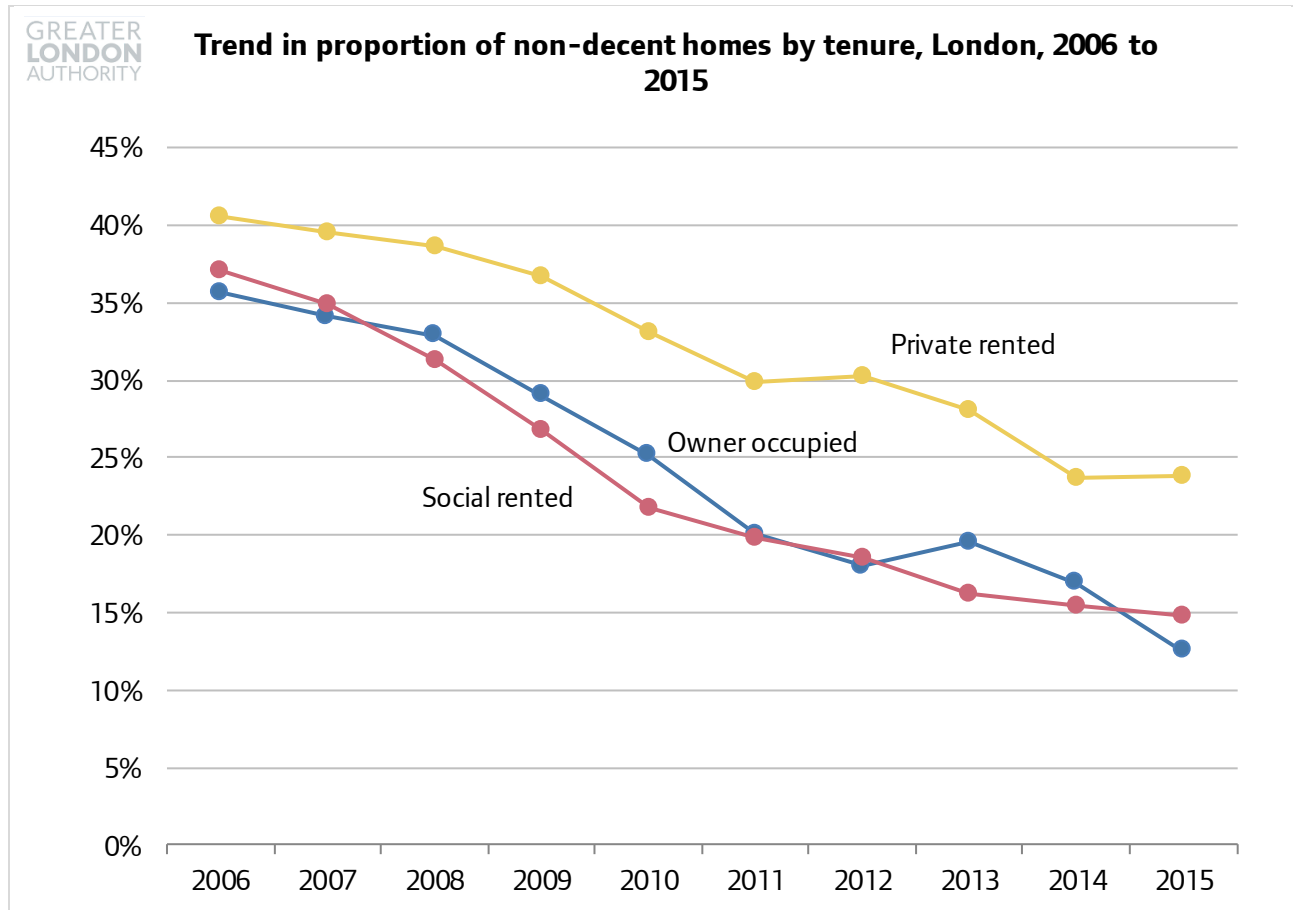


- The proportion of homes in London that fail to meet the Decent Homes standard has fallen from 37% in 2006 to 16% in 2015. According to this data there are around 550,000 homes below the Decent Homes standard in London.
- In the rest of England, the proportion below the standard fell from 35% to 20% over the same period.

Sources and notes

- Survey of English Housing data 2006 to 2007, English Housing Survey stock data 2008 to 2015
- The chart includes 95% confidence intervals

6.10. There have been significant decreases in the proportions of non-decent homes across all tenures in the last decade

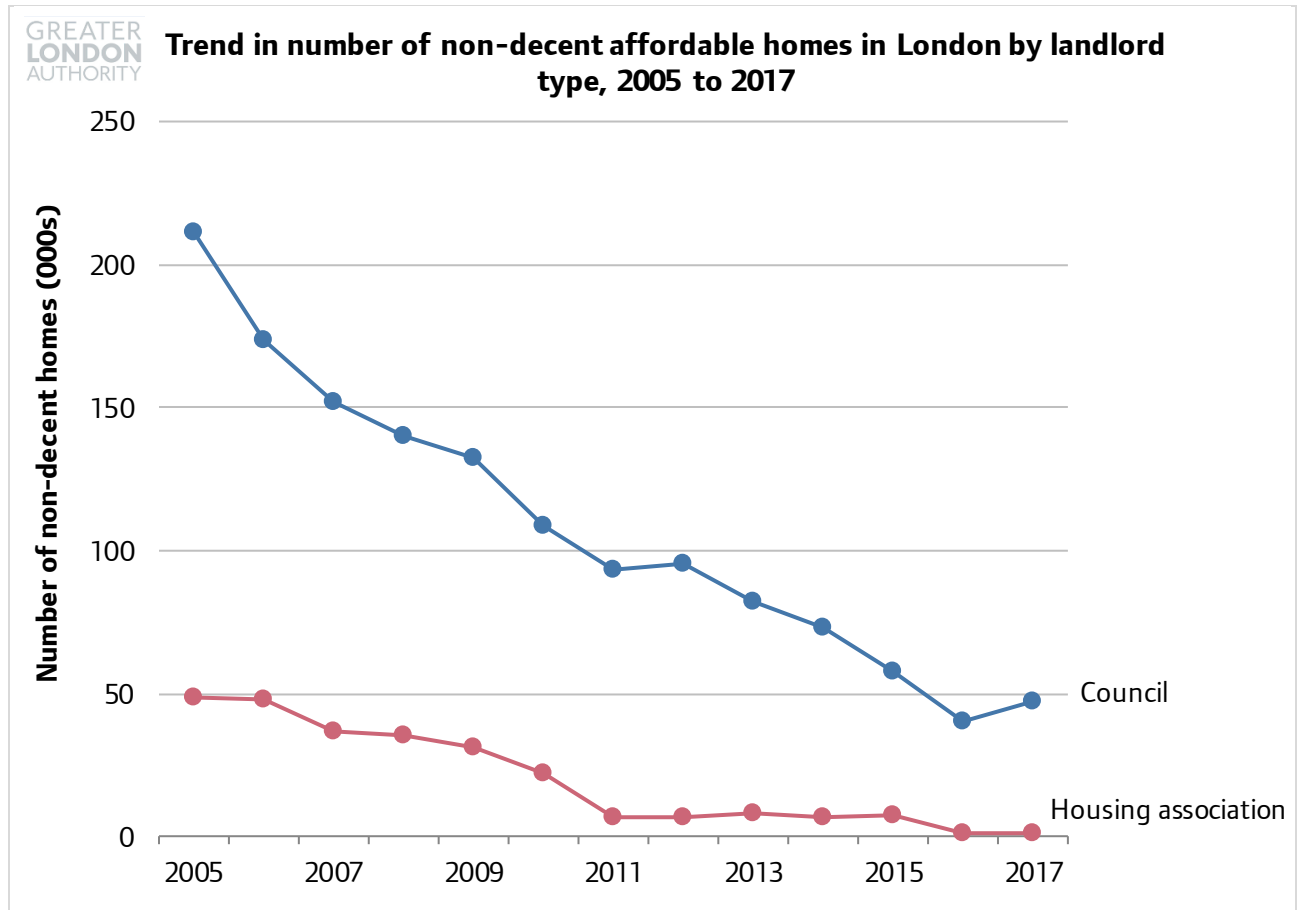


- The proportion of homes below the standard has fallen significantly in each tenure between 2006 and 2015; from 41% to 24% for privately rented homes, 37% to 15% for social rented homes, and 36% to 12% for owner occupied homes.
- Progress in improving dwelling conditions in social housing has slowed in recent years, with the end of the Decent Homes investment programme.

Sources and notes

- Survey of English Housing data 2006 to 2007, English Housing Survey stock data 2008 to 2015
 - Confidence intervals are not shown for reasons of legibility, but throughout the period shown are approximately 3% for both owner occupied and social rented housing, while falling from 5% to 4% for private renting (reflecting the growth of the tenure in recent years)

6.11. The number of affordable homes in London below the Decent Homes standard fell from 260,300 in 2005 to 41,400 in 2016, but rose again in 2017 to 48,600

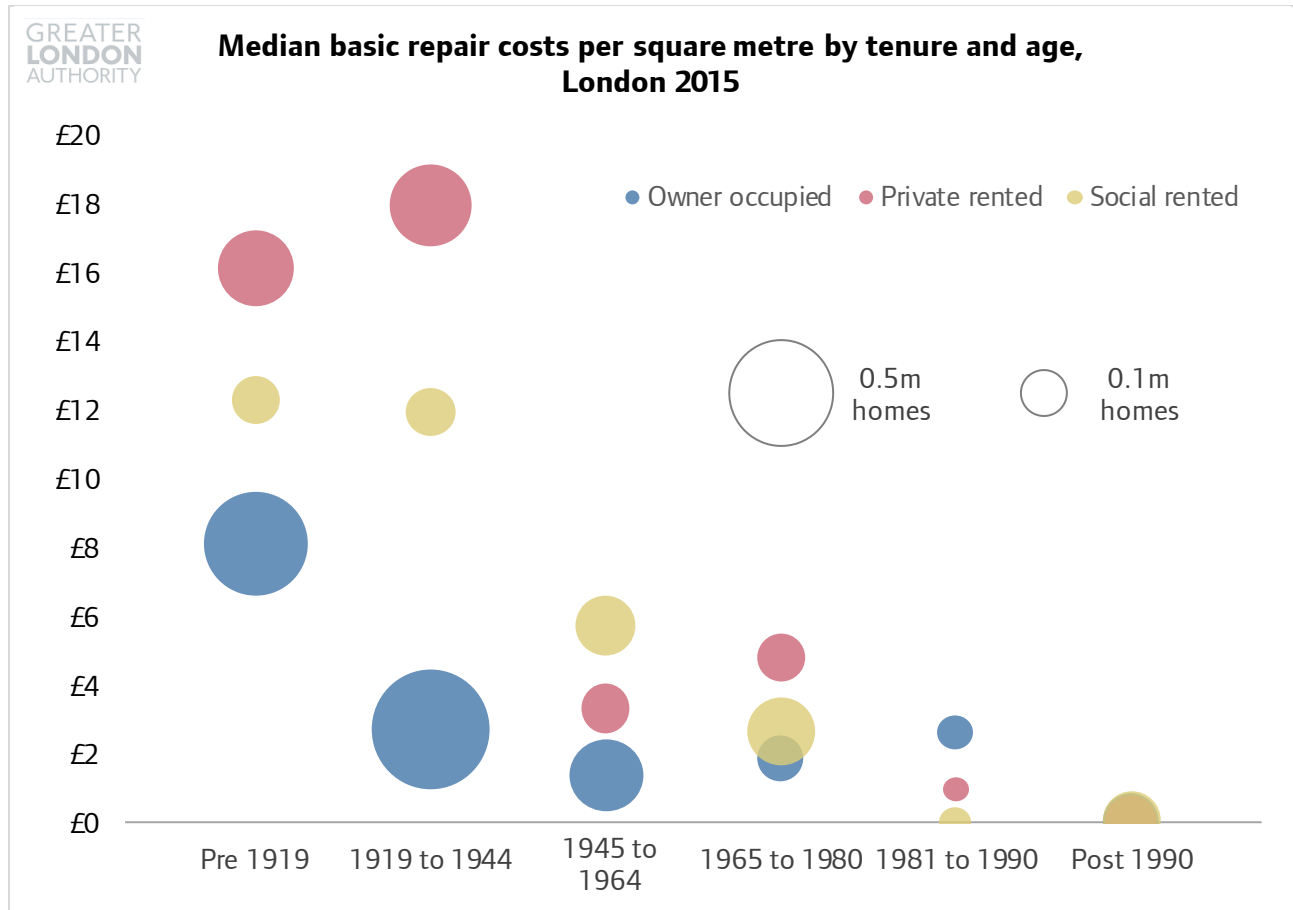


- In April 2017 there were 48,600 council or housing association owned homes in London below the Decent Homes standard. This is up from 41,400 in 2016, but down from 260,300 in 2005 (the first year when data was available for both tenures).
- Since 2005 the number of non-decent housing association homes has fallen from 48,500 to 1,400, while the number of non-decent council homes fell from 211,800 to 40,000 in 2016, only to increase again to 47,200 in 2017.

Sources and notes

- MHCLG, Business Plan Statistical Appendix and Local Authority Housing Statistics data for council homes, Tenant Services Authority Regulatory Statistical Return and Homes and Communities Agency Statistical Data Return for housing associations

6.12. Older homes have far higher estimated bills for basic repairs, with particularly high costs in private rented homes

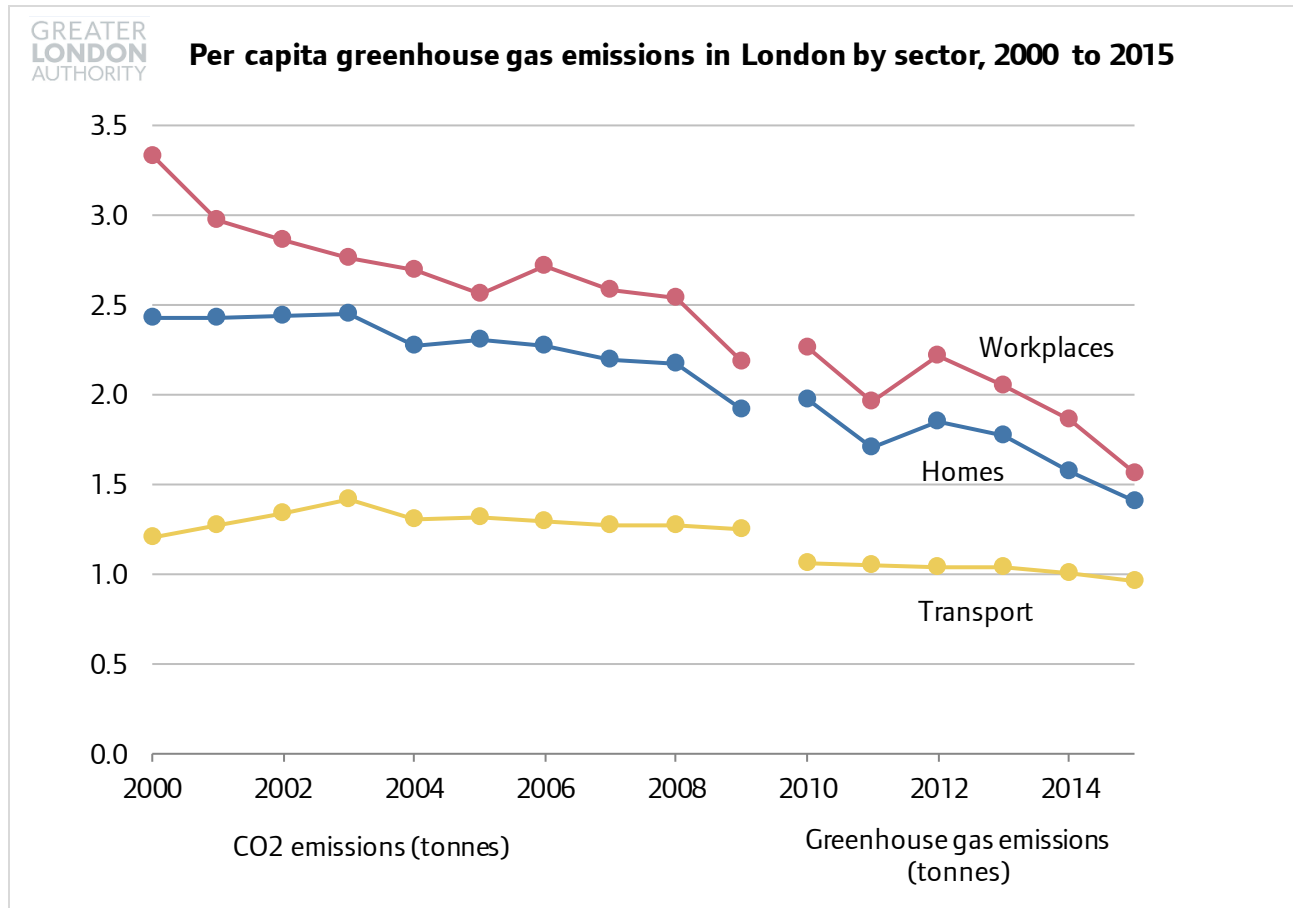


- The total estimated cost of meeting the basic repair costs of homes in London is around £5.4 billion. £4.2 billion of this total bill is attributed to homes built before the end of the Second World War.
- When compared on a cost per square metre, the highest estimated bills are for private rented homes built between 1919 and 1944 at £18 per square metre, compared to £3 per square metre for owner occupied and £12 per square metre for social rented homes built during the same period.
- Homes built since 1990 are generally estimated to require few if any repairs at this point in their lives.

Sources and notes

- English Housing Survey stock data, 2014/15 to 2015/16
- The English Housing Survey defines basic repair costs as any urgent repairs plus additional visible work to be carried out in the medium term (within five years). These do not include replacement of building elements nearing the end of their life where the surveyor has recorded that this action could be delayed by more than five years

6.13. Per capita greenhouse gas emissions from London's housing stock have fallen by two fifths in the last decade

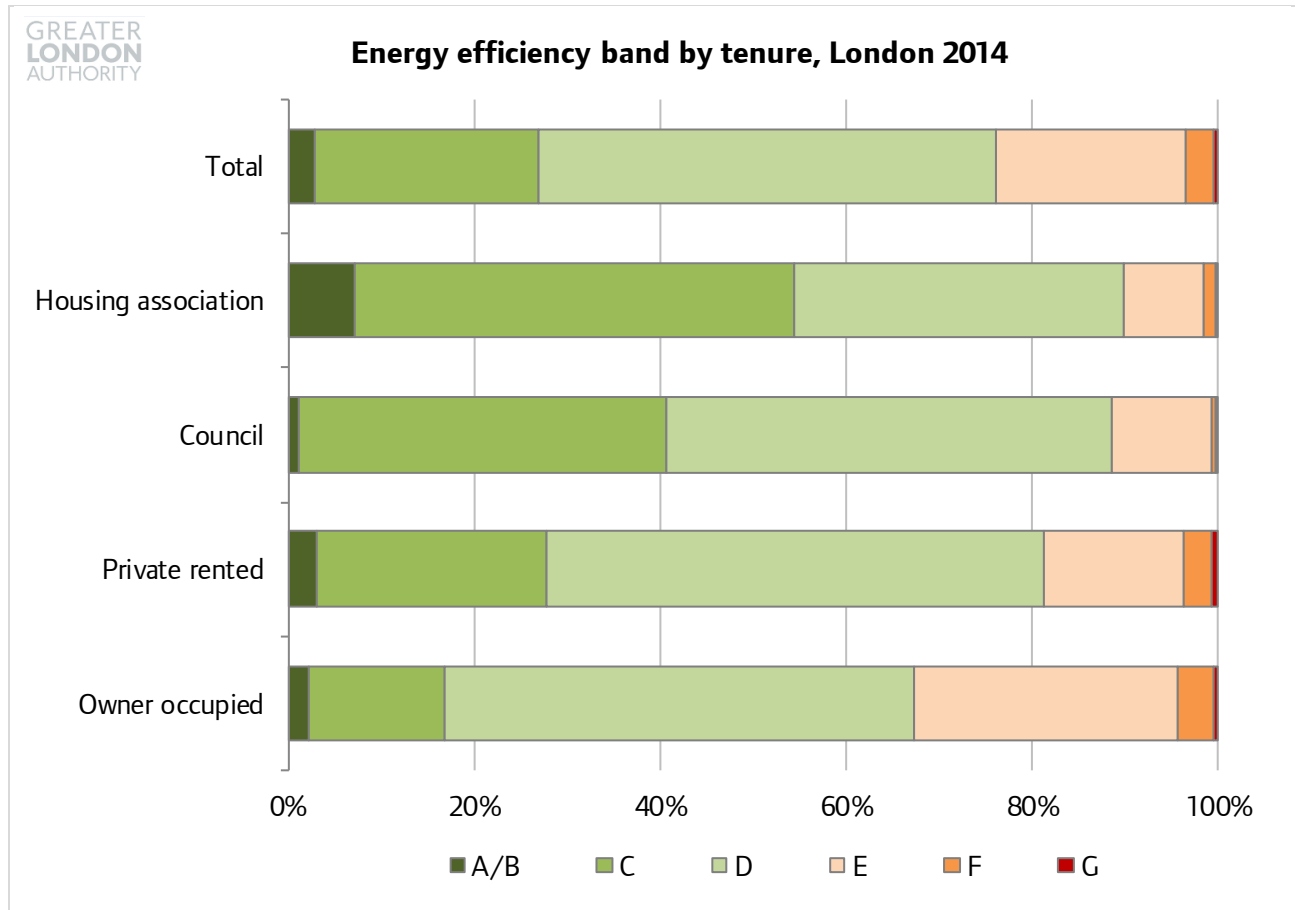


- The GLA's London Energy and Greenhouse Gas Inventory measures greenhouse gas emissions from London's workplaces, homes and transport, with emissions prior to 2009 measured in megatons of carbon dioxide, and from 2010 onwards measured in megatons of carbon dioxide equivalent. This is the reason for the break in the dataset.
- Per capita emissions of greenhouse gases from London's homes were 1.4 megatons in 2015, down from 1.6 in 2014 and 39% lower than the 2005 figure of 2.3.
- Per capita emissions from workplaces have fallen even faster in the last decade, from 2.6 to 1.6 megatons.
- Transport emissions per Londoner have fallen less in recent years, fluctuating around 1.0 megatons per person.

Sources and notes

- GLA, London Energy and Greenhouse Gas Inventory
- Emissions prior to 2009 were measured in megatons of carbon dioxide, and from 2010 onwards measured in megatons of carbon dioxide equivalent. This is the reason for the break in the dataset

6.14. On average, private sector homes in London are significantly less energy efficient than affordable homes ...

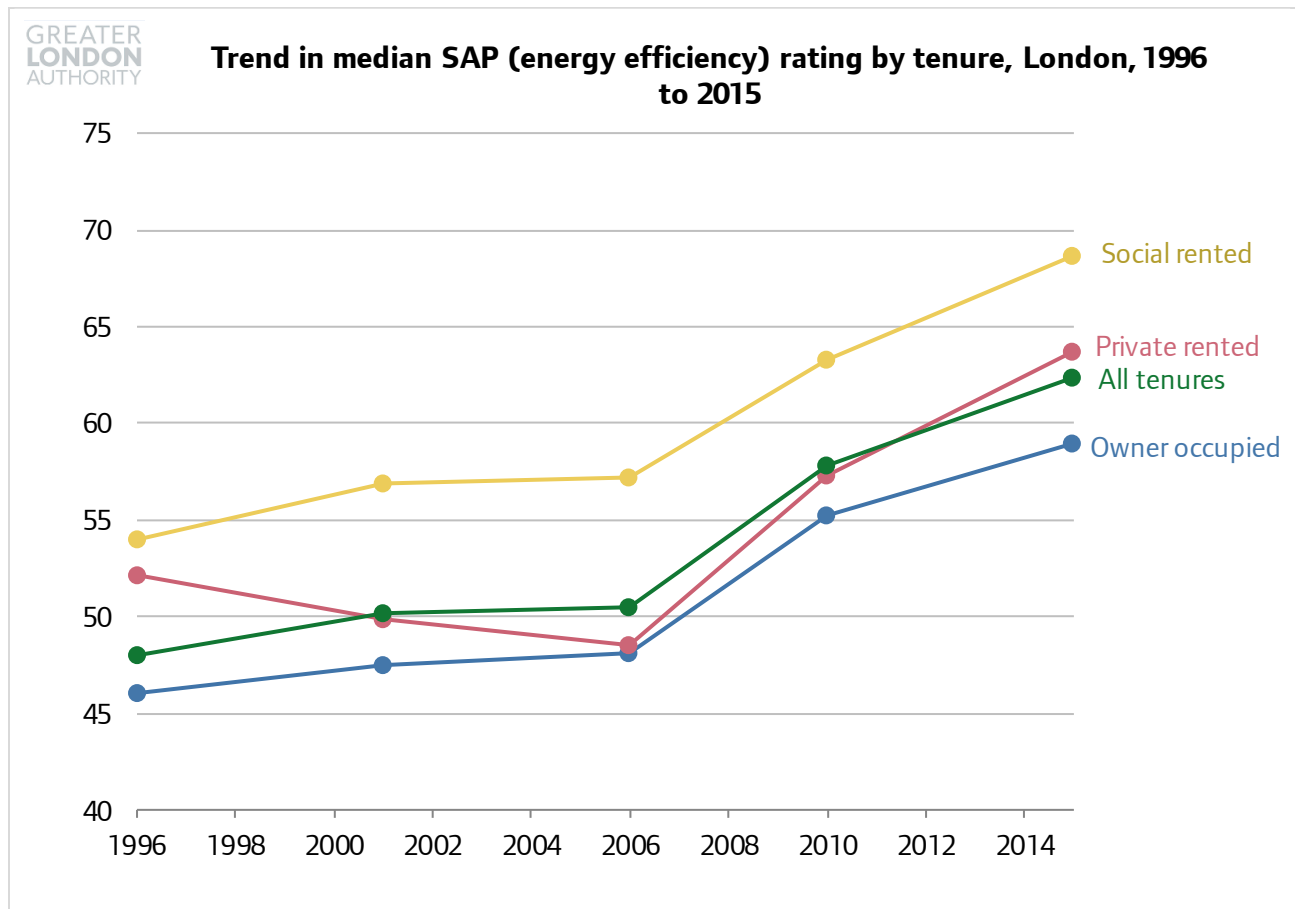


- The energy efficiency of housing is measured by the Standard Assessment Procedure (SAP) according to a banding system in which A-band homes are the most energy efficient and G the least.
- 27% of homes in 2014 were in bands A to C, ranging from 17% for owner occupied homes to 54% for housing association homes.
- At the other end of the scale, around 24% of homes were in bands E to G, varying from 10% of housing association homes to 33% of owner occupied homes.
- These differences by tenure are primarily due to the different composition of each tenure's dwelling stock. Housing association homes are newer on average and more likely to be flats. Owner occupied homes tend to be older, and are more likely to be detached or semi-detached homes, which are usually less energy efficient.

Sources and notes

- English Housing Survey stock data, 2012/13 to 2015/16, four-year average standardised to 2014

6.15. ... but energy efficiency levels have improved significantly in every tenure over the last decade



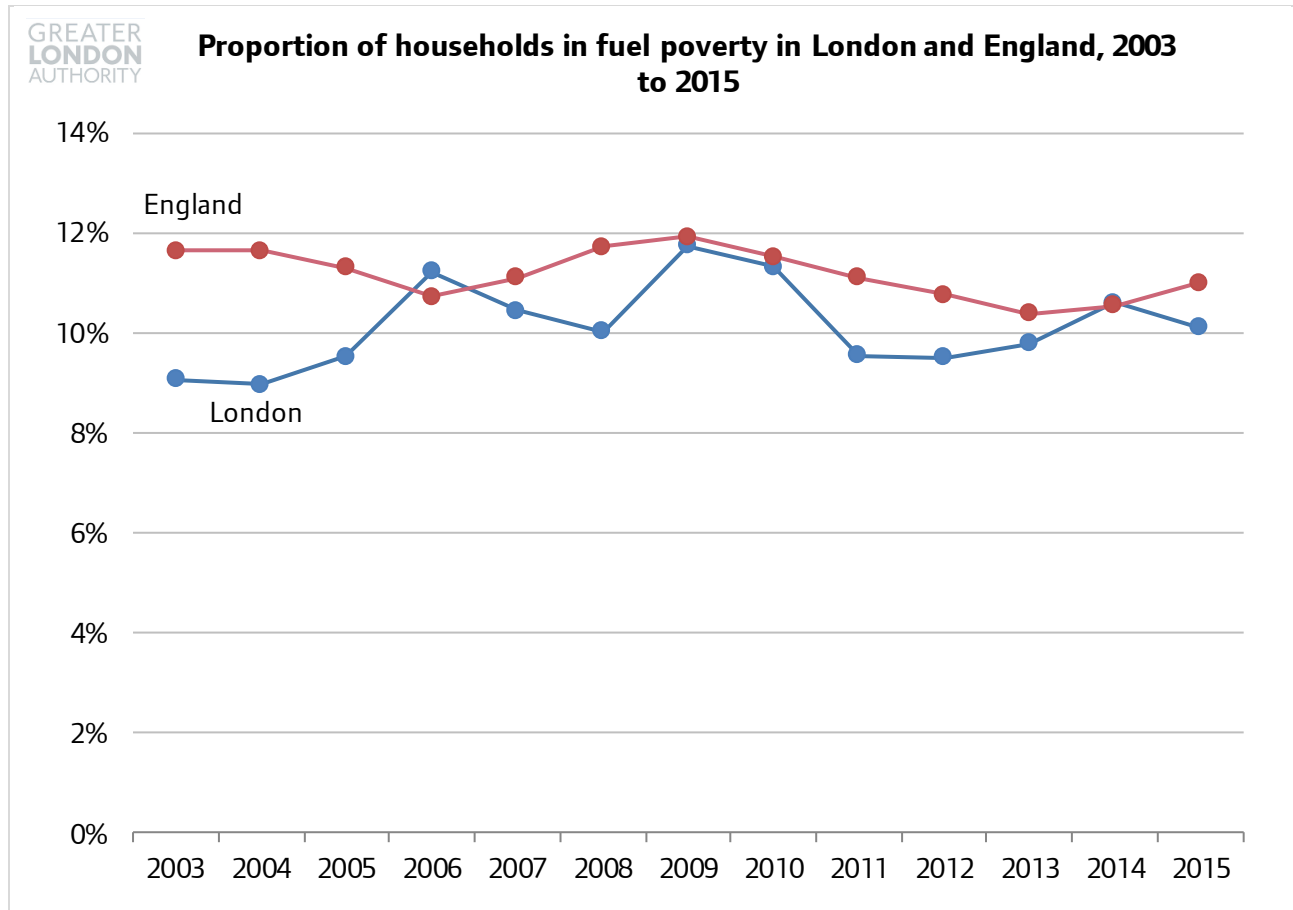
- SAP energy efficiency ratings can also be given in percentage terms (with 100% representing zero energy cost), and this chart tracks these ratings over the last two decades for all homes in London and for each of the three main tenures.
- The median rating for all homes in London was 62% in 2015, up from 48% in 2006.
- Social housing has been the most energy efficient tenure since records began, with the typical rating rising from 54% in 1996 to 69% in 2015. Owner occupied homes are the least efficient at 59% in 2015, though this has increased from 46% in 1996.
- The typical private rented home in 2006 was less energy efficient than in 1996 - perhaps due to the addition of a large number of older homes to the stock through Buy to Let purchases. However, by 2015 the median SAP rating for private rented homes was 63%, up from 52% in 1996.

Sources and notes

- *English House Condition Survey and English Housing Survey stock data, 1996 to 2015*

- *This analysis uses the 2012 SAP definition throughout*

6.16. One in nine households in London are estimated to be living in fuel poverty, the same as the national rate...



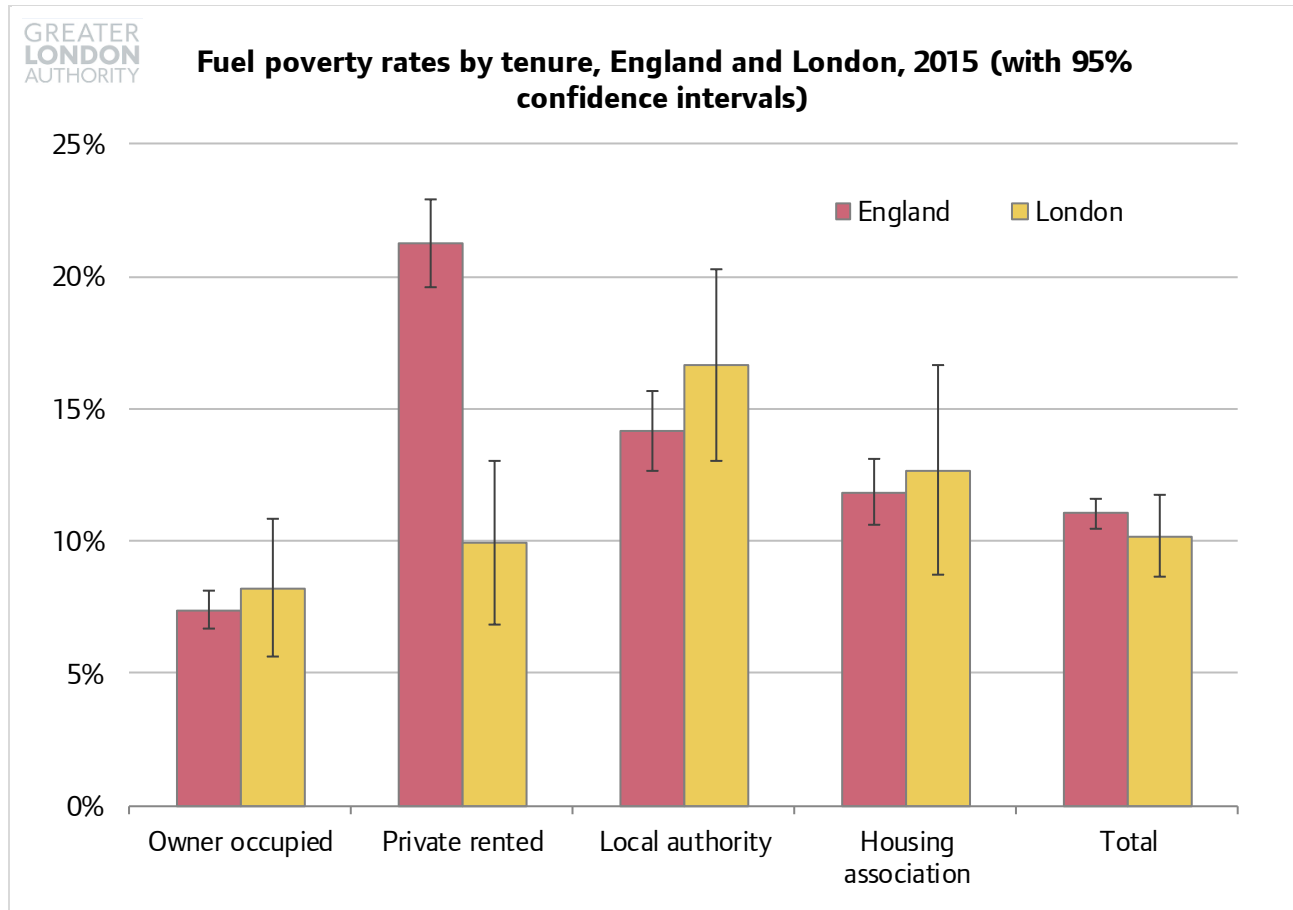
- The government's Low Income High Costs measure defines a household as living in fuel poverty if they have required fuel costs above the national average and would be below the official poverty line if they were to spend that amount (and after taking housing costs into account).
- According to this definition, 11% of households in London are fuel poor, the same as the figure for England as a whole, and up from 9.5% in 2011.
- The fuel poverty rate peaked at 12% in 2009 in both London and England as whole, in large part because of falling incomes.

Sources and notes

-Department for Business, Energy and Industrial Strategy, Fuel poverty statistics

- Fuel poverty is measured according to the 'low income high costs AHC equivalised income' definition

6.17. ...and fuel poverty rates are noticeably lower among privately renting households in London than in the country as a whole



- Around one in ten households in London are in fuel poverty, around the same rate as in England as a whole.
- There are similar rates of fuel poverty in London and England for owner occupied and social renting households. All differences are within margins of error.
- 10% of privately renting households in London are fuel poor, compared to around 21% of those in England as a whole. This may be due to a higher average level of affluence amongst private renting households in London relative to the rest of England, and a slightly younger mix of dwellings.

Sources and notes

- English Housing Survey fuel poverty data

Discontinued charts

Some charts from previous editions have not been included in this edition of Housing in London. In some cases, this was because there were multiple charts on a specific topic, so one has been removed to provide space for analysis of new topics. In other cases, some charts have been removed as the data included has not been updated in the last year, e.g. it contains Census 2011 data.

Below is a list of the charts in Housing in London 2017 which have been discontinued in Housing in London 2018. The reader is encouraged to find these in the 2017 report via the Housing in London webpage <https://data.london.gov.uk/dataset/housing-london> using the below index numbers.

Chart	Description
1.4 Tenure trend	Decadal trend in household tenures, London 1961–2011, with PwC projection to 2025
3.11 Existing and desired types	Types of homes already existing in London (2010–12) and 'most needed' according to Ipsos MORI survey (2016)
4.1 Finding housing and jobs	Public opinion on ease of finding housing and jobs in major European cities, 2015
4.3 Income distributions	Estimated income distribution of recently moving households in London by tenure
4.17 Airbnb map	Distribution of Airbnb listings in London as of October 2016
5.8 Homelessness prevention	Homelessness prevention and relief in London, 2009/10 to 2016/17
6.9 Dwelling age by tenure	Dwelling age by tenure, London 2013
6.10 HMOs	Estimated number of Houses in Multiple Occupation as a proportion of total private sector dwelling stock, 2015
6.11 Decent homes by region	Non-decent homes by region, 2013–15 (with 95% confidence intervals)
6.16 'Visitability' features	Estimated number of 'visitability' features of homes in London for people with mobility problems, by age of property (2013)
6.20 Fuel poverty	Proportion of households in fuel poverty, London and England 2003 to 2015

Appendices

- A1. Sources of data on housing supply
- A2. Sources of data on housing in other international cities

A1. Sources of data on housing supply

Introduction

This note sets out the two measures of housing supply used by the GLA, reflecting the different targets set out in the Mayor's London Plan and London Housing Strategy.

London Plan

The housing provision targets set out in the London Plan are defined in terms of total net housing supply, comprising three components:

- Conventional completions: self-contained homes from new build, conversions or changes of use
- Non-conventional completions: non-self-contained housing such as bedrooms in hostels or halls of residence
- Change in long-term empty homes (those empty for more than six months), where a decrease is an addition to supply and an increase is a subtraction.

Progress against these targets is monitored in the London Plan Annual Monitoring Report, the latest edition of which was published in 2017. The source for conventional and non-conventional completions is the London Development Database, a uniquely detailed database of housing developments created from data provided by London borough planning departments and checked by the GLA. The number of long-term empty homes is monitored using annual statistics reported by the Ministry for Housing, Communities and Local Government (MHCLG), based on local authority Council Tax data.

In 2015/16, the latest year for which data is available, the total net housing supply in London was 38,553, comprising 32,919 conventional completions, 4,564 non-conventional completions and 1,070 long-term empty homes returning to use.

The conventional component of total housing supply is reported by the GLA to MHCLG who publish it as part of their national statistics on the 'Net supply of housing'.

MHCLG also publish quarterly national statistics on house building. These statistics are not strictly comparable to the conventional housing supply statistics published by GLA or MHCLG themselves, as they cover only new build developments and are reported on a gross rather than net basis. They are also known to undercount even new build completions. They can however be a useful indicator of future trends in completions when these caveats are borne in mind.

London Housing Strategy

The affordable housing targets set out in the London Housing Strategy are monitored using MHCLG's national statistics on affordable housing supply. These statistics cover not just new build but also acquisitions of existing private sector homes for affordable housing. They are released on an annual basis with a lag of several months, and combine data from a range of sources including GLA programme monitoring statistics.

The GLA funds the majority of affordable housing supply in London, and publishes its own statistics on its programme on a monthly and annual basis, with a shorter time lag than MHCLG. The most recent GLA statistics show that in 2017/18 there were 12,526 affordable homes started in London with GLA funding, and 5,355 completed. The MHCLG's total for 2017/18, accounting for homes funded from other sources, will be published in winter 2018.

A2. Sources of data on international cities for chart 3.1

Barcelona (2011-16): Housing data from Gobierno De España, Ministerio de Fomento – Estimación del Parque de Viviendas (estimated housing stock); Population data from Instituto Nacional de Estadística – Cifras oficiales de población. Province of Barcelona.

Berlin (2011-16): Amt für Statistik Berlin-Brandenburg – Wohnbestand in Berlin (Berlin housing stock), Melderechtlich registrierte Einwohner (registered residents). Berlin city-state.

Dublin (2011-16): Central Statistics Office Statbank – Housing Stock and Vacancy Rate 1991 to 2016, Population Change 2006 to 2016. County Dublin.

Hong Kong (2011-2016): Government of the Hong Kong Special Administrative Region, Census and Statistics Department, Hong Kong Annual Digest of Statistics 2017 – Stock of permanent quarters by area and type, Mid-year population. Hong Kong SAR.

Lisbon (2011-16): Statistics Portugal – Resident population, conventional dwellings. Lisbon Metropolitan Area.

London (2011-16): Housing data from Ministry of Housing, Communities and Local Government – Housing live table 125; Population data from Office for National Statistics – Mid-year population estimates. Greater London area.

Madrid (2011-16): Data sources identical to Barcelona but the area covered is the Comunidad de Madrid (Autonomous Community of Madrid).

New York (2011-16): NYU Furman Centre – CoreData.nyc, using data from the American Community Survey. New York City.

Paris (2009-14): INSEE – Statistiques locales (Recensement de la population 2009 and 2014). The area used is the City of Paris plus the 'petite couronne' departements of Hauts-de-Seine, Seine-Saint-Denis and Val-de-Marne (Housing in London 2017 used the alternative geographical definition of the 'unité urbaine' to track the housing stock over time).

Seoul (2011-16): Seoul Metropolitan Government, Statistics by Category – Population Trend (resident population), Number of houses by type of housing unit. Seoul special city.

Singapore (2011-16): Ministry of Trade and Industry, Department of Statistics – Number of residential dwellings, Total population by residential status. City-state.

Sydney (2011-16): Australian Bureau of Statistics – 2011 and 2016 Censuses of Population and Housing (private households only). Sydney Urban Centre.

Tokyo (2008-13): Statistics of Japan e-Stat Portal – Japan Housing and Land Survey Results for Prefectures (Prefecture, Shi, Ku, Machi and Mura), 2008 and 2013. Housing data from Table 1, Population data (household members) from Table 2. Tokyo Prefecture.

Toronto (2011-16): City of Toronto, City Stats in Detail – Census 1996 to 2016. Toronto City (excluding the rest of the Greater Toronto and Hamilton Area).

Vienna (2011-16): Stadt Wien – Bewohnte Wohnungen (inhabited homes), Population data. Vienna city-state.