London's economy:
A local authority-level analysis

CONTENTS

INTRODUCTION

While London's economy is performing relatively well in comparison with the rest of the UK, parts of the capital are not doing as well as other parts. There are important economic disparities between boroughs and within boroughs, with pockets of unemployment and deprivation spread across the capital. London's economic disparities can be partly explained by the distribution of jobs and economic sectors across the capital, with the most productive being concentrated in a few boroughs. Housing and transport connectivity are other important dimensions to understand these disparities. Local planning and land use are also parts of the story when it comes to explain spatial economic inequalities, with large areas being used for industrial and commercial purposes and other for residential purposes. However, all these dimensions are intimately intertwined and need to be consider together to fully grasp why some parts of London are falling behind and why others are thriving economically.

Each borough has its own economic history, and each borough faces its own set of challenges and opportunities when it comes to economic development. In this report, we have reviewed ten dimensions of London's economy to tell the story of London's economic successes and inequalities. This summary of London's economy precedes a borough-by-borough analysis, that provides further insight into some of these economic indicators.

This report was produced by Centre for London on behalf of London Chamber of Commerce and Industry, and was written by **Zarin Mahmud**, **Oriane Nermond**, and **Claire Harding** in 2023. All data cited in the report can be subject to revision.

FOREWORDS

Across many metrics, London is an exceptionally successful city. £4 out of every £10 the Treasury receives is from London, despite only 13 per cent of its population living here.

It hosts a number of world leading industries, and welcomes some 200,000 new inhabitants each year. But for London to be truly successful, we know it must provide a good quality of life for all those proud to call it home. Unfortunately, we know that for too many Londoners, the capital is falling short in its offer. Alongside its success, London holds the regions with the highest levels of child poverty, air pollution and wealth inequality in the country, to name but a few of its failings. It is clear that London does not work fairly for everyone.

This paper shines an important light on what it means for a region to be successful. It shows that when we look at London through both traditional and inclusive economic metrics, the boroughs of London are a mixed picture. At Centre for London, we believe that this shows the need for bespoke solutions enabled by strong devolved governance. As we have seen through the impact of recent economic events such as Brexit and Covid, local economies are uniquely constituted, and their ability to mitigate and withstand shocks are different. As we look towards the economic challenges to come in the 21st century, it is clear from work like this that we will need bespoke solutions, to maximise on the business and social opportunities that arise from our changing economy.

The London Chamber of Commerce and Industry has a foundational role in supporting and encouraging London's business community, and leading the development of what the blueprint for successful and responsible business practice is in the capital. We are delighted to have worked on this piece in partnership with the Chamber, and look forward to future-proofing London's success together.

Antonia Jennings, Chief Executive, Centre for London

London is the engine of the UK economy. If that engine stutters, the national economy stalls.

That does not mean, however, that all Londoners are enjoying the wealth that is created in our city With high levels of child poverty and food bank usage across the capital, many areas of the capital need to see economic growth as much as the rest of the country.

That is why London Chamber of Commerce and Industry made the decision to publish this new report, analysing the different economies of our capital city's boroughs. We need solutions to address deprivation and to ensure that all communities benefit from entrepreneurialism and business growth. However, we also need the data and analysis for these solutions to be found. This report is a vital part of that evidence base.

LCCI were also keen to commission this work at a time when the levelling up agenda remained at the forefront of politics. Whilst it may have edged back slightly from the front pages, levelling up is still a key issue for Government, and there is no doubt that it will be for future governments, no matter what name is given to the policy.

Within the levelling up debate, the Government and other commentators have rightly pointed out that London is an enormous generator of wealth in the UK, and that it has outpaced all other regions in the country in several metrics. Our new report shows however that policymakers must not view London as a single entity, where wealth and opportunity are spread evenly. From deprivation to housing costs, access to transport and the levels of benefits claimants, it is clear from our report that not all London boroughs are equal. This work is needed as it shows that London is in need of levelling up too. We cannot overlook the capital when considering measures to boost economic growth in the UK.

Our report also shows the levels of dynamism across London, and why there is a need to keep investing in the capital and ensure London remains a global city. London's leading financial services, technology, and life sciences sectors – to name but a few – can all continue to grow and generate economic growth in the UK. This report should also show policymakers of the need to spread these opportunities across London, and level up the city. We are grateful to Centre for London for producing the report for us.

James Watkins, Head of Policy and Public Impact, London Chamber of Commerce and Industry

1. LONDON'S POPULATION AND DEPRIVATION

London's population was estimated to be around 8.8 million people in 2021. Between 2011 and 2021, London's population grew by 7 per cent. The GLA estimates that London's population could rise to between 9.1m and 9.5m by 2030, and to between 9.1m and 10.3m by 2050, with lower estimates a result of a slowing in London's population growth in recent years due to a range of factors including falling net international migration, the COVID-19 pandemic, and declining birth rates.[1]

Figure 1: Inner London's residential density is two times higher than Outer London's one

POPULATION DENSITY IN LONDON

Number of people per square km, 2021

2000 ▓▓▓▓▓ 16,000
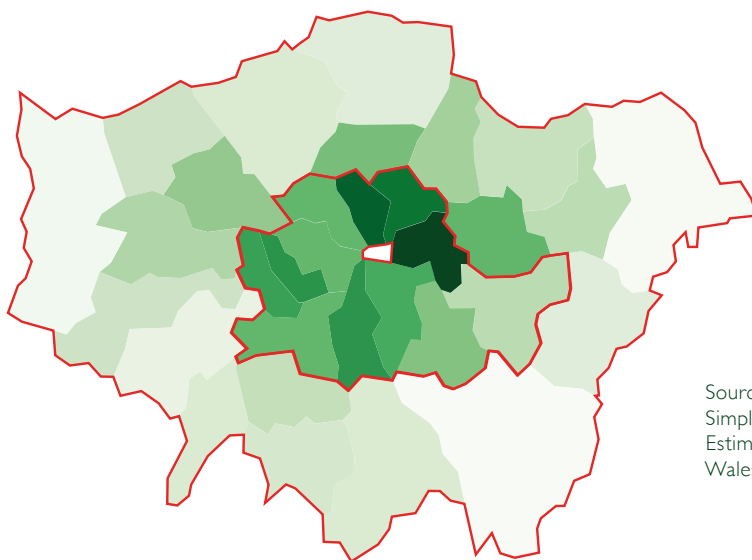
Source: Office for National Statistics (Boundaries), Simple maps (Points), Office for National Statistics, Estimates of the population for the UK, England, Wales, Scotland and Northern Ireland

More than half of its population live in Inner London, despite it representing only 20 per cent of the capital's area. Inner London is more densely populated than Outer London, with 10,000 inhabitants per sq km compared to 4,500 in Outer London.

Croydon has the biggest population in London, with over 390,000 residents. The least populated borough in London is Kensington and Chelsea, with around 140,000 residents.

However, Tower Hamlets is the most densely populated in London, and the most densely populated local authority across England. The borough has over 15,000 people per square km, almost three times London's average density. Other boroughs with a density of over 10,000 per square km include the Inner London boroughs of Islington, Hackney and Kensington and Chelsea. Many outer London boroughs have a population density of less than 5,000 people per square km. The least densely populated borough in London is Bromley, with around 2,000 people per square km.

Kensington and Chelsea is one of only three local authorities in London to have seen its population decline between 2011 and 2021, alongside Westminster and Camden.[2]

However, these estimates are based on data taken for the 2021 Census, which was taken at a time when some people who are more likely to live in these boroughs were more likely to be elsewhere: groups such as students, young professionals, and second home owners. Kensington and Chelsea, which experienced the largest population decline (9 per cent), may have actually experienced a fall in population, having seen a fall in the previous decade. If it did, this is likely to be associated with Kensington and Chelsea having among the highest house prices in the country – a gap that has risen over this decade – increasing the cost of living and resulting in a smaller household sizes.

Figure 1: Inner London's residential density is two times higher than Outer London

POPULATION CHANGE ACROSS LONDON

Population percentage increase by borough, 2011 to 2021
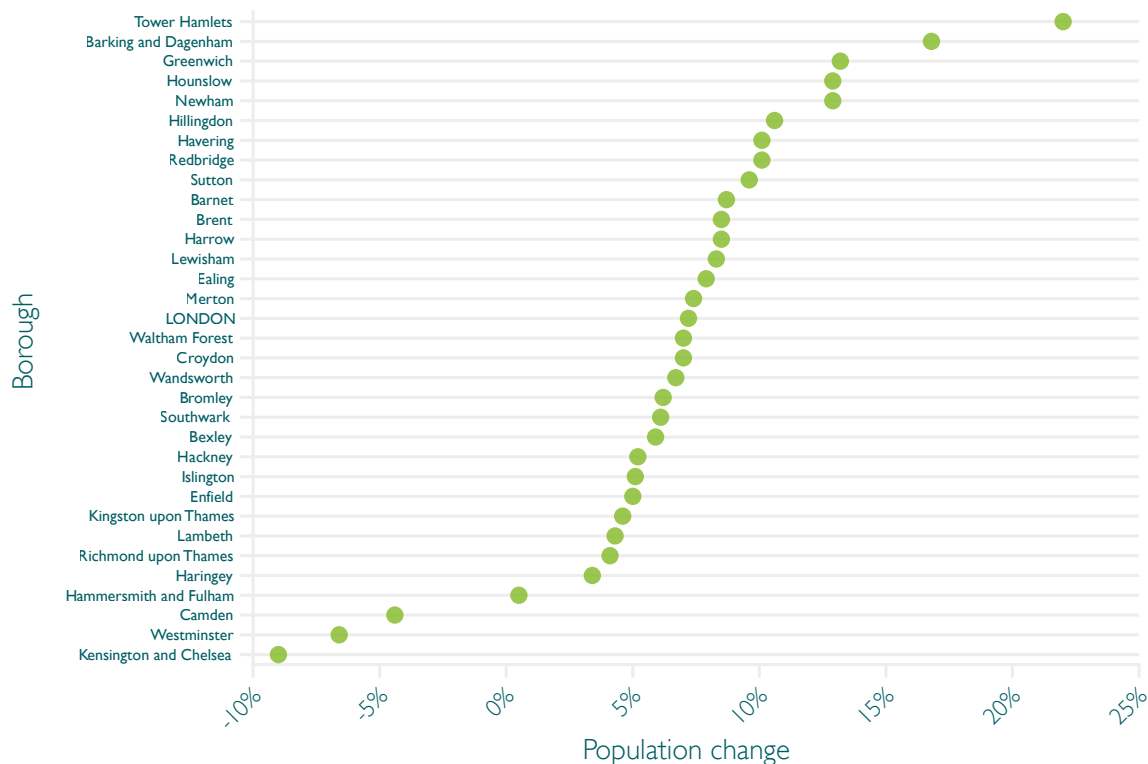
Source: Office for National Statistics, Estimates of the population for the UK, England, Wales, Scotland and Northern Irelands

Tower Hamlets witnessed the biggest population increase of all London boroughs between 2011 and 2021, with a 22 per cent increase. This increase was largely driven by international migration, while the borough has had an enormous programme of housebuilding over the period. Other boroughs that had particularly significant increases in their population in this time period were Barking and Dagenham (17 per cent) and Greenwich (13 per cent), which also which also saw significant housebuilding programmes.[3]

The Index of Multiple Deprivation (IMD) measures the relative deprivation of one area. In London, there are important disparities between across the boroughs. Figure 3 reveals these important disparities. Furthermore, this distribution follows roughly the distribution of households on Universal Credits, with higher proportion of households on Universal Credits in boroughs with the higher levels of deprivation (see more details in appendix 2).

Figure 3: Barking and Dagenham has the highest level of deprivation across all London boroughs

IMD AVERAGE SCORE FOR ALL LONDON BOROUGHS

9.43% 32.77%
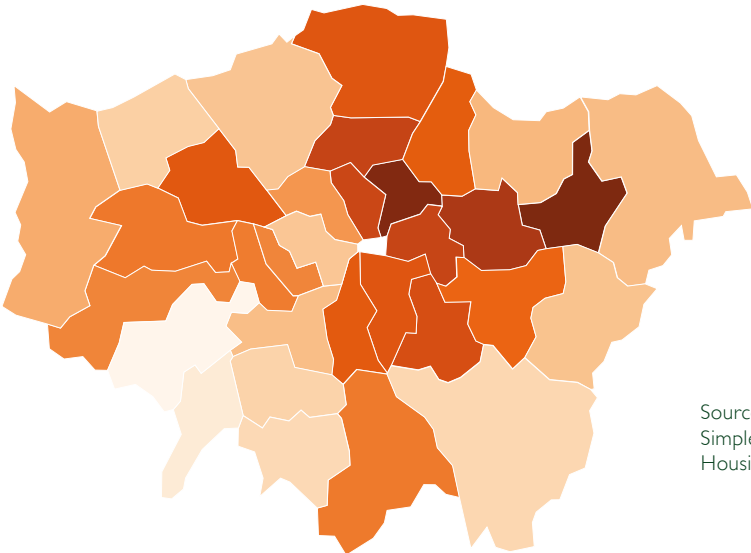
Source: Office for National Statistics (Boundaries), Simple maps (Points), Department for Levelling Up, Housing and Communities

2. THE LABOUR MARKET

Unemployment measures the number people who are not in employment, have been looking actively for a job and are available to start work. An analysis of the Claimant Count is available in appendix 2.

London's unemployment rate has more than halved between 2012 and 2022 from 9.4 per cent to 4.5 per cent, but it has remained higher than the UK rate by around 0.5 per cent over the last ten years. London's population includes groups that tend to experience a higher rate of unemployment, such as young people and those experiencing deprivation, while movements between jobs – termed frictional unemployment – is higher in London than on average across the UK.[4]

London's unemployment rate steadily declined between 2012 and 2019. But in 2020, the economic impact of the COVID-19 pandemic led to a sharp increase in unemployment. In 2022, unemployment declined again to pre-pandemic levels after a sharp increase.[5]

For those who are in work, average earnings in London are higher than the English average – median full time earnings in London in 2023 were £41,200, compared to £35,100 for England as a whole.[6] However, this gap is considerably reduced by the higher cost of living, particularly the cost of housing (see Chapter 10). Indeed, a higher proportion of jobs in London pay less than the living wage (defined by the Living Wage Foundation) than across England as a whole. 13.6 per cent of jobs in London pay below the living wage, compared to 12.5 per cent across England.[7] This could be due to a variety of factors, such as the sectoral or occupational make up of London's job market. One reason might be that London's working population is made up of a greater share of younger workers than England's as a whole, and younger workers are more likely to be relatively low-paid. A considerably greater share of jobs in Outer London pay below the living wage – 21.2 per cent compared to 9.4 per cent in Inner London. This may be due to the greater prevalence in Outer London of some sectors that see a higher proportion of low-paid jobs, such as wholesale and retail trade and construction.[8] Meanwhile, a lower proportion of jobs in Outer London are in the sectors with the greatest proportion of highly paid jobs, such as financial and insurance activities, information and communication, and professional, scientific and technical activities.

People who work are eligible for Universal Credit, which applies a taper rate to their allowance so that every £1 they earn reduces their Universal Credit by 55p. Approximately two in five people on Universal Credit in England are in employment (the same is true in London).[9]

Another way to look at this is that 6 per cent of working age Londoners were in receipt of Universal Credit and in employment in June 2023 – similar to the average across England (5.6 per cent). The proportion of people in work and claiming Universal Credit varies considerably across London's boroughs, from 3.1 per cent in Richmond upon Thames to 8.8 per cent in Barking and Dagenham. This figure varies according to a number of factors, from the employment rate to eligibility for and take up of a variety of benefits, but may be partly indicative of the proportion of working age people who need support in addition to their earnings to make ends meet. In 2022, 20 per cent of London's working age population was economically inactive, meaning that they are not in work and are unable to work or are not looking for a job. The number of economically inactive people is mainly driven by people who are either students or looking after their family or home (57 per cent of the inactive population). The proportion of people who are economically inactive was lower in London (20 per cent) than across the UK in 2022 (22 per cent). Between 2012 and 2022, London's inactivity rate has decreased by almost 5 percentage points.

Over the same period, the level of inactivity in the UK has decreased by 2 percentage points with more people finding work. However, there was an increased number of inactive people throughout the pandemic, mainly due to ill-health and people retiring early.[10]

Figure 4: London's inactivity rate fell below UK levels in 2020

LONDON AND UK INACTIVITY RATES, 2012-2022

Population of working age population (16-64 years old) with 95 per cent confidence interval
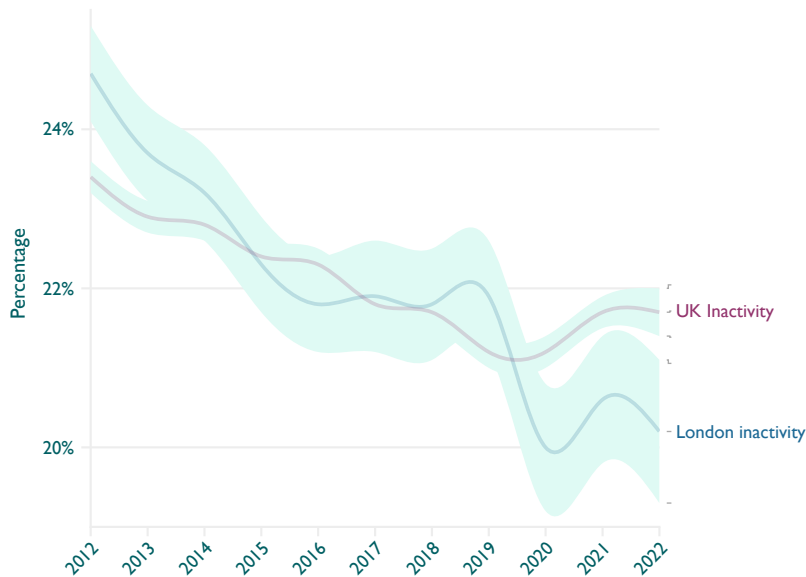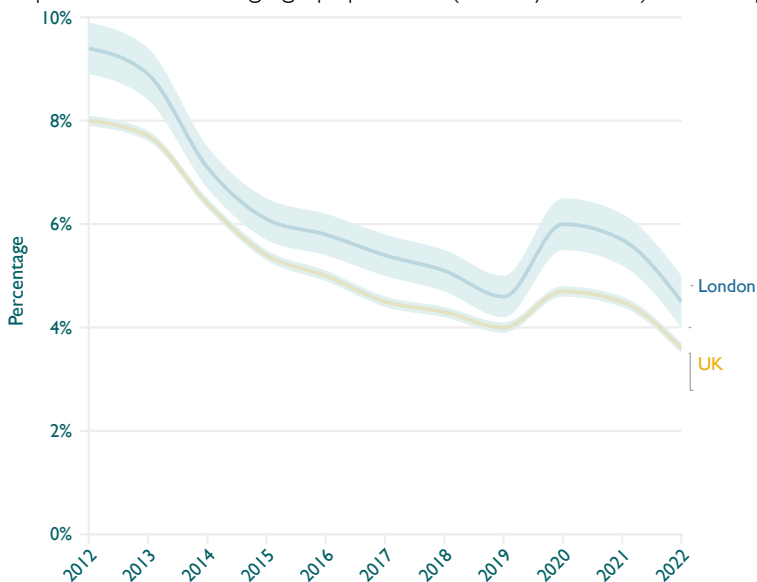

Source: Office for National Statistics, Annual Population Survey

Figure 5: London's unemployment rate halved between 2012 and 2022

LONDON AND UK UNEMPLOYMENT RATE RATES, 2012-2022

Population of working age population (16-64 years old) with 95 per cent confidence interval

Source: Office for National Statistics, Annual Population Survey

Unemployment and inactivity rates vary quite a lot between boroughs. Boroughs in the North and West of the capital tend to have higher rates of unemployment and inactivity than boroughs in the South. In 2022, Brent had the highest unemployment rate and Kingston upon Thames had the lowest. Aside from Brent and

Hackney, all London boroughs had unemployment rates under 6 per cent, with the majority having less than 5 per cent of the working age population unemployed.

Kensington and Chelsea had the highest levels of economic inactivity of all London boroughs, with 28 per cent of 16-64 year olds not active in the labour market in 2022. Other boroughs with particularly high levels of inactivity are Westminster (27 per cent), Camden (25 per cent) and Waltham Forest (25 per cent). The borough with the lowest level of inactivity is Wandsworth, with only 9 per cent of 16-64 year olds economically inactive.

The low rate of economic inactivity in Wandsworth may be related to it being the borough with the lowest proportion of people with no qualifications. Compared to Camden and Westminster, Wandsworth also has a much smaller student population and slightly fewer people who are economically inactive due to being long-term sick or disabled, as a proportion of the borough's population.[11] Some people who are economically inactive want a job and others are happy not working. The ONS collects some information on this.[12]

Figure 6: Unemployment rates vary between boroughs

UNEMPLOYMENT RATE BY BOROUGH IN 2022

Population of working age population (16-64 years old) who are unemployed
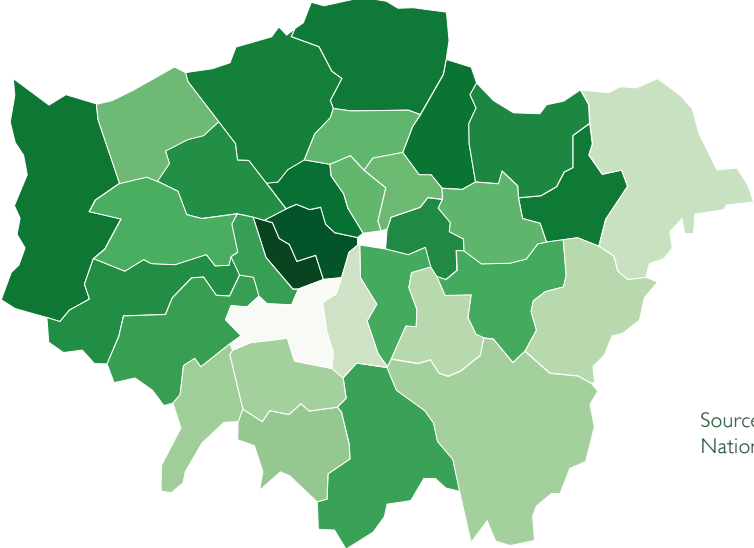
2.8%　　　　　　　　　7%
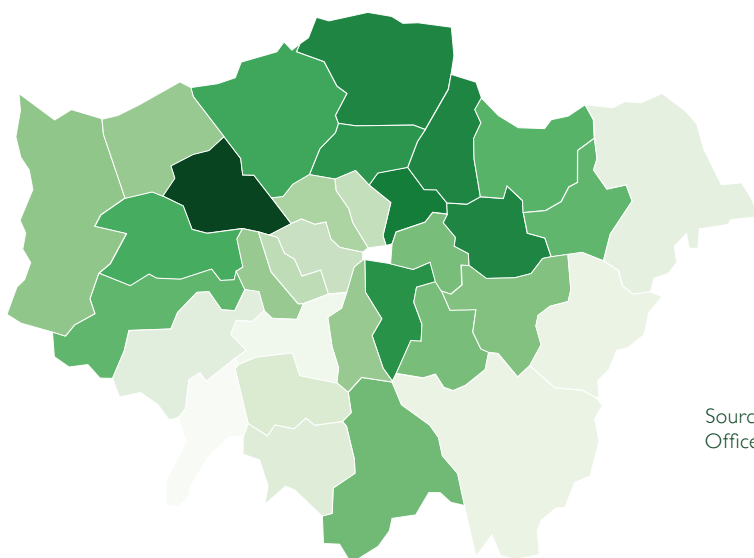
Source: Model based estimates of unemployment, Office for National Statistics

Figure 7: Inactivity rates vary a lot between boroughs

INACTIVITY RATE BOROUGH IN 2022

Population of working age population (16-64 years old) who are inactive

8.8% ▭ 28.2%

Source: Annual Population Survey, Office for National Statistics

3. SKILLS AND QUALIFICATIONS

In 2022, the proportion of young people not in education, employment or training was lower in London (1.5 per cent) than in England (2.6 per cent). However, there are important disparities between boroughs. The boroughs with the highest proportion of 16 and 17-year-olds not in education, employment and training higher are Barking and Dagenham (2.6 per cent), Kensington and Chelsea (2.4 per cent), and Greenwich (2.3 per cent). Boroughs with relatively low proportions of young people not in education, employment and training are Waltham Forest (0.7 per cent), Hammersmith and Fulham (0.7 per cent), and Hillingdon (0.5 per cent).

Figure 8: The proportion of young people not in education, employment or training in each borough ranged between 0.5 and 2.6 per cent

PROPORTION OF 16 AND 17 YEAR OLDS NOT IN EDUCATION, EMPLOYMENT OR TRAINING, 2022
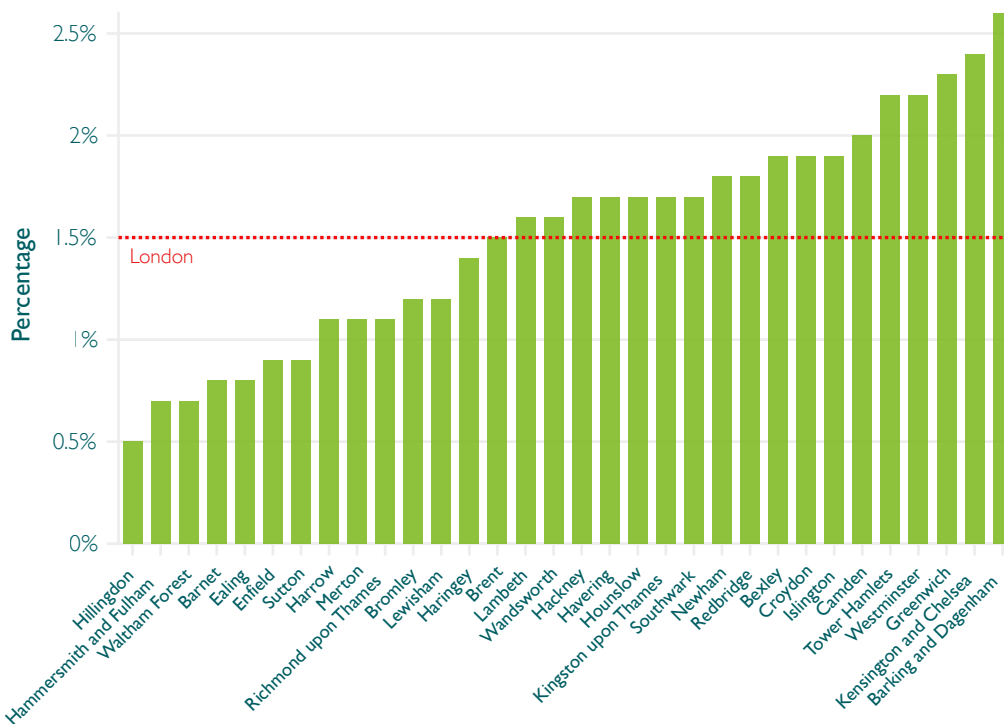
Source: Department for Education, Participation in education, training and NEET age 16 to 17 by local authority

In 2022, the proportion of London's working age population (5.5 per cent) with no qualifications was lower than that of the UK (6.7 per cent). Barking and Dagenham has the highest proportion of people without any formal qualifications – just over 1 in 10 working age people had no qualifications in 2021. This may be related to the relatively high rate of child poverty in Barking and Dagenham (42 per cent vs 33 per cent across London) and the high proportion of residents' jobs that are low paid (20 per cent vs 16 per cent across London).[13] Meanwhile, the sector employing the most people in Barking and Dagenham is "Wholesale and

retail trade; repair of motor vehicles and motorcycles'' (19 per cent of jobs vs 12 per cent across London) – this sector tends to offer a higher proportion of jobs which do not require formal qualifications.

Other boroughs in Outer East London also have high proportions of people without any qualifications, including Redbridge (7.5 per cent), Bexley (7.3 per cent), and Havering (7 per cent). The boroughs with the lowest proportions of people with no formal qualifications are Hammersmith and Fulham (2.3 per cent), Merton (2.3 per cent) and Wandsworth (1.4 per cent).

Figure 9: The proportion of working age population with no qualification in each borough ranged between 11.9 and 1.4 per cent

POPULATION WITH NO QUALIFICATION IN EACH BOROUGH

Population 16-64 year olds with no qualifications, 2021
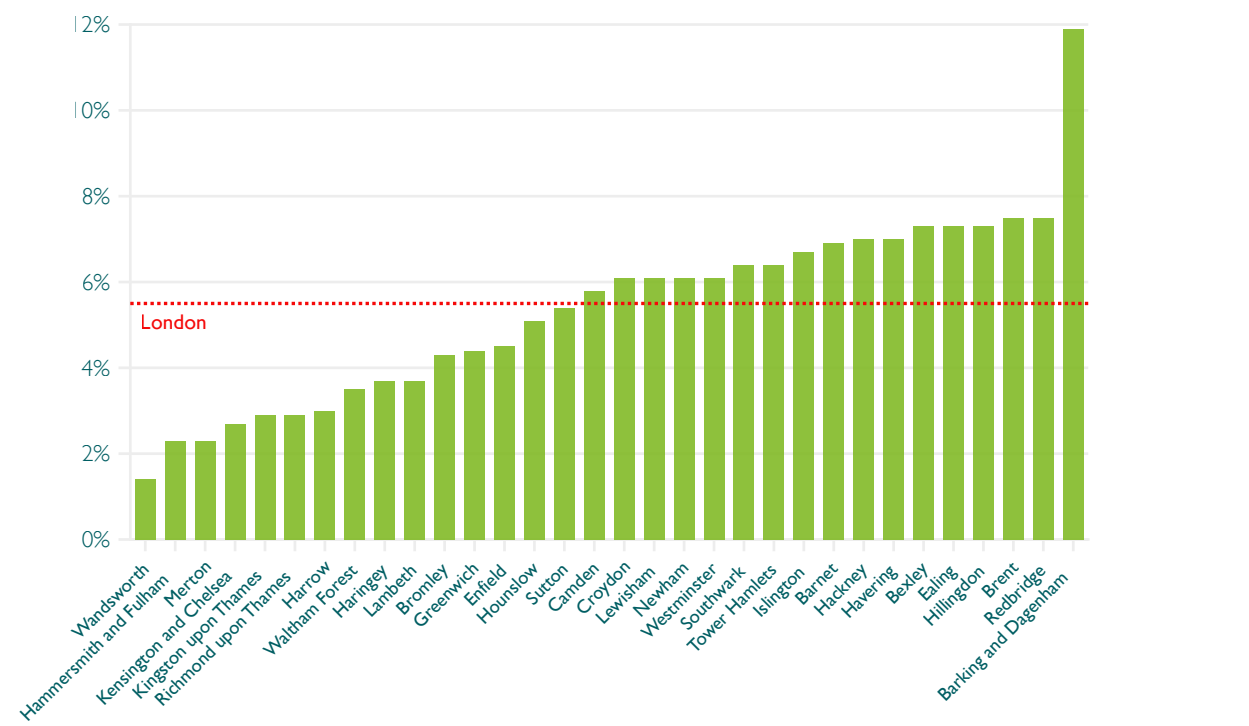
Source: Office for National Statistics, Qualifications of Working Age Population (NVQ), Borough

4. ECONOMIC OUTPUT

The economic output of a local authority is measured using the Gross Value Added (GVA).[14] In 2021, Inner London boroughs generated 66 per cent of London's total GVA. Westminster, Tower Hamlets, and Camden were the largest contributors in 2021, producing more than a third of London's total economic output between them (38 per cent). Hounslow generated the most GVA out of all Outer London boroughs. The borough ranked 6th among all boroughs when ordered by GVA – 4 per cent of London's GVA was generated in the borough.

All the other Outer London boroughs produced less than 3 per cent of London's GVA. Barking and Dagenham was the smallest contributor to London's GVA with only 0.7 per cent of the capital's economic output being produced within the borough in 2021. However, an analysis at lower levels of geography reveals that there are important disparities within individual boroughs. When looking at Lower Layer Super Output Areas (LSOAs)[15], a small area in Tower Hamlets which sits within Canary Wharf generated the highest amount of GVA across London in 2020. This is followed by LSOAs in Westminster and Islington.

Figure 10: Economic output is concentrated in central London, Canary Wharf, Heathrow and other town centers

Estimated GVA per LSOA, 2020

GVA £0.11 ▬▬▬▬▬▬▬ £18,612.85

© OpenMapTiles © OpenStreetMap contributors
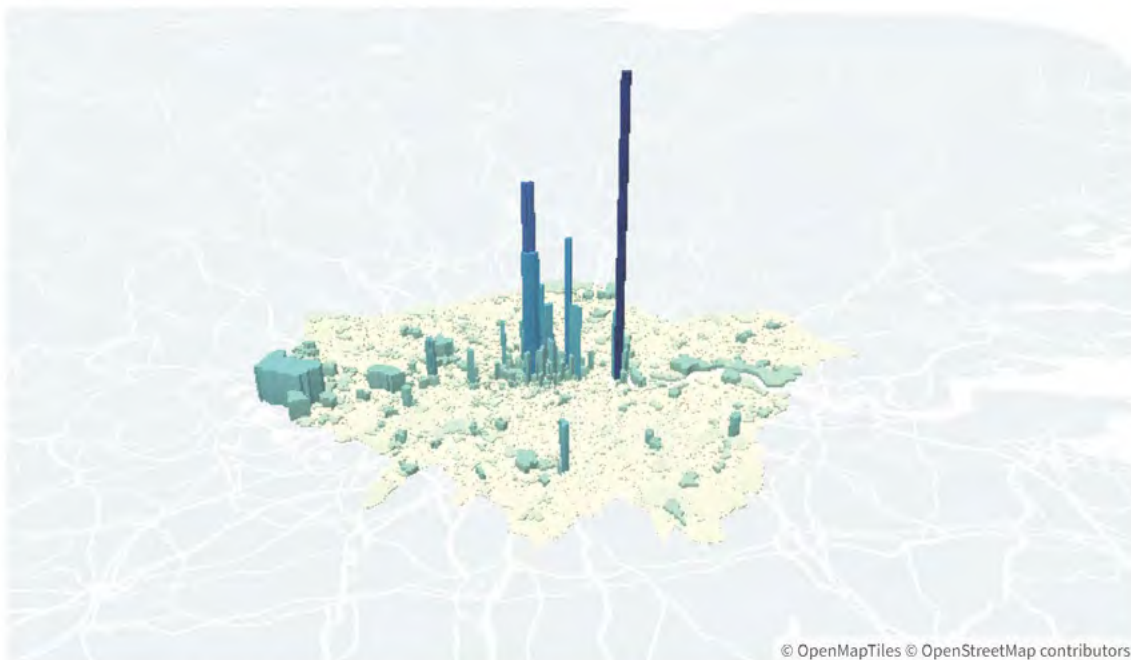
ONS, Open Geography Portal, UK small area gross value added estimates

Note: This map excludes City of London

Many inner London boroughs have seen considerable economic growth over the past ten years. Hackney has witnessed by far the highest economic growth between 2011 and 2021, with output increasing by 70 per cent. This is followed by Camden (37 per cent growth), Islington (32 per cent) and Hammersmith and Fulham (30

per cent). Some boroughs have seen a decline in output over the past 10 years, with Hillingdon, Bromley and Sutton seeing particularly significant decreases in GVA.

Figure 11: Most London boroughs have experienced economic growth over the past ten years, except six boroughs

GVA GROWTH, 2011-2021

-13 ▭▭▭▭▭▭ 70
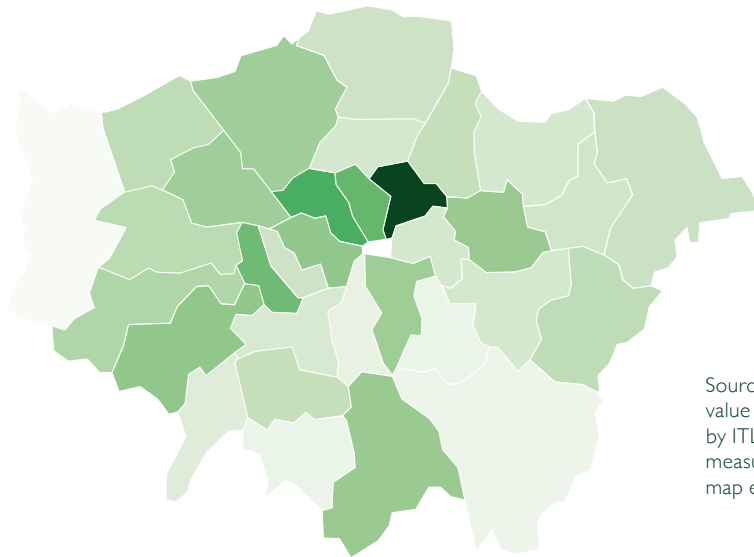
Source: Office for National Statistics, Regional gross value added (balanced) by industry: local authorities by ITL1 region: TLI London, chained volume measures in 2019 money value, pounds million. This map excludes City of London

5. WHERE PEOPLE WORK

The five boroughs with the highest numbers of jobs in 2021 were all in inner London – Westminster, Camden, Tower Hamlets, Southwark and Islington. The boroughs with the 6th and 7th highest number of jobs in 2021 were the outer London boroughs of Hillingdon and Hounslow. Heathrow airport has been the key driver of both boroughs' economies. Excluding Lewisham and Greenwich, all the boroughs with fewer than 100,000 jobs are in outer London.

Figure 12: Employment is concentrated in inner London areas and in some outer London such as Heathrow Villages

Number of jobs per LSOA, 2021

Number of jobs 10   74,000
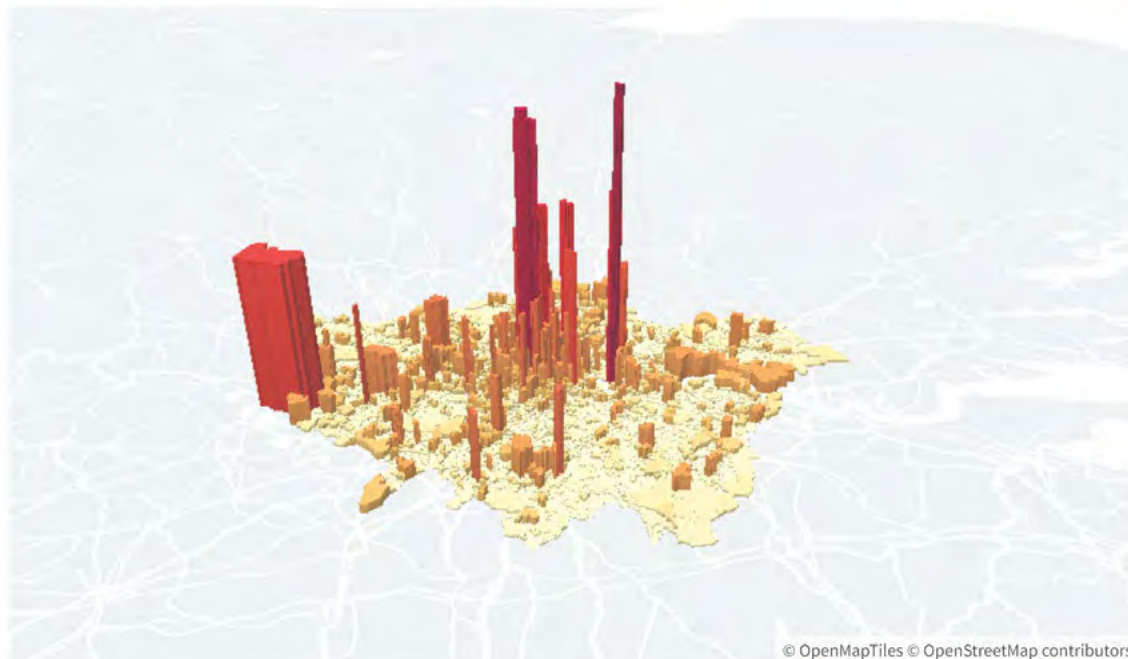
© OpenMapTiles © OpenStreetMap contributors

ONS Open Geography Portal, Business Register and Employment Survey

Hackney has seen the biggest growth in the number of jobs between 2015[16] and 2021, increasing by 30 per cent, followed by Newham (27 per cent). Though Barking and Dagenham has seen the third largest increase in jobs over this period (15 per cent), in 2021, it remained the borough with the fewest overall jobs in London. Seven boroughs have seen a decline in the number of jobs between 2015 and 2021, notable examples including Hounslow, Lambeth and Kingston upon Thames. Overall, the number of jobs across London increased by 7 per cent over this period. The sectors with the highest growth in jobs over this period were professional, scientific and technical activities, which accounts for 19 per cent of additional jobs, financial and insurance activities (17 per cent), and human health and social work activities (15 per cent).[17]

Figure 13: Between 2015 and 2021, most boroughs experienced an increased in the total number of jobs

GROWTH IN JOBS BY BOROUGH, 2015-2021
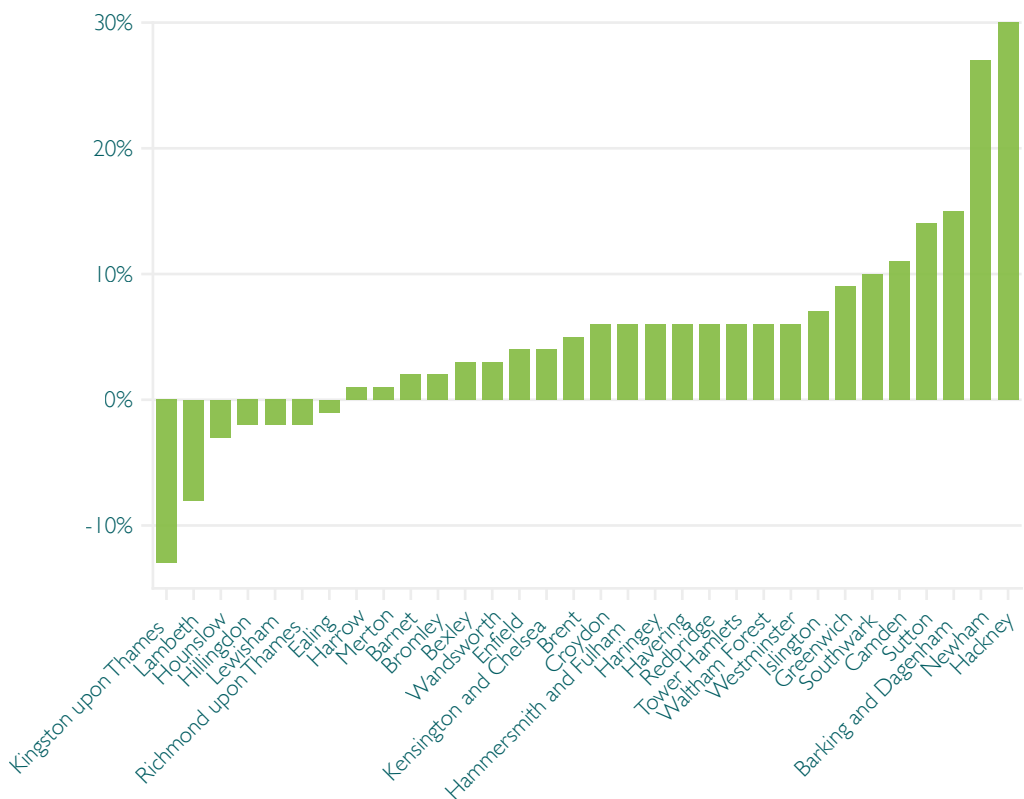
Source: Office for National Statistics, Business Register and Employment Survey

6. LABOUR PRODUCTIVITY

London is the most productive place in the UK, but this position hides deep geographical disparities. Furthermore, whilst London's productivity has increased since 2007, growth has slowed compared with the period before 2007. Between 1998 and 2007, average productivity growth was 3.2 per cent per year. Since 2007, it has been around 0.2 per cent.[18]

Productivity varies considerably across boroughs. In 2021, Tower Hamlets was the most productive borough with £66.50 generated per hour worked. Hounslow was the second most productive borough (£57.80 per hour worked). Lewisham and Haringey were the least productive, with £28 and £30 generated per hour worked.

The most productive boroughs were those producing the largest share of London's economic output (see figure 15 for comparison). But there are exceptions: Southwark is the 5th largest contributor to London's output, but it only ranks 17th when ordered by productivity. Its labour productivity was also lower than London's average in 2021.

Figure 14: Only four boroughs have higher labour productivity levels than London's average

BOROUGHS' PRODUCTIVITY IN 2021 INDEXED TO LONDON AVERAGE
Productivity is measured with the GVA per hour worked

London = 100   55 ███████████ 130
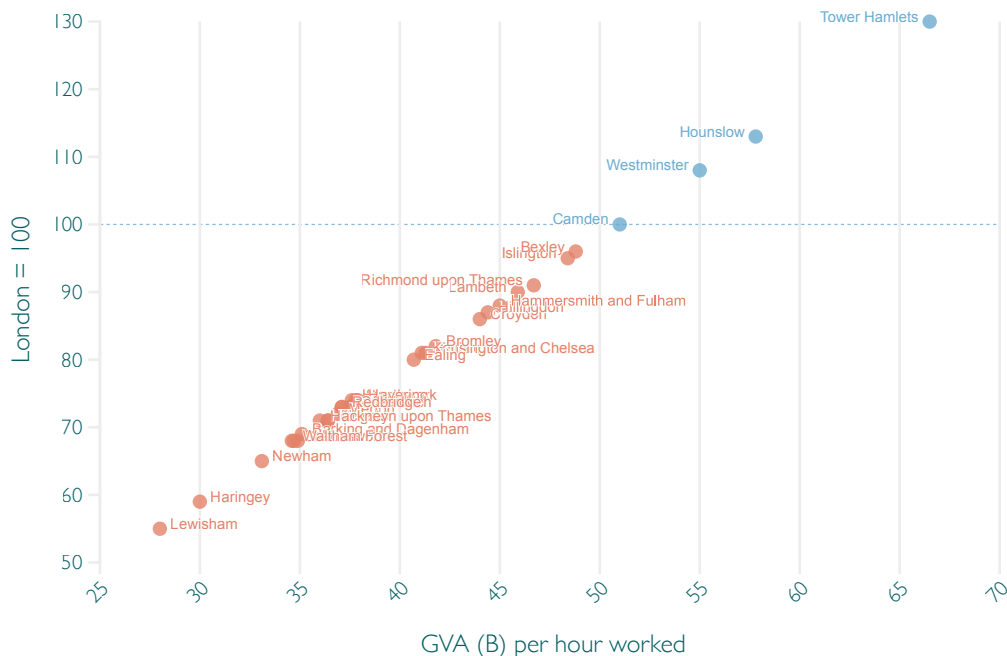
Source: ONS, Subregional productivity: labour productivity indices by local authority district, ONS, Subregional productivity: labour productivity indices by UK ITL2 and ITL3 subregions

Looking at the trends since 2004, Inner London has remained consistently more productive than Outer London. Since 2004, Inner West London[19] has been the most productive sub-region with a GVA per hour worked between 9 and 14 per cent higher than London's average.[20] This is mainly driven by Camden, the City of London and Westminster. While Inner East London used to have a productivity equal or higher than London's average, its productivity levels have been below London's average since 2014. This is mainly due to the decreasing contribution of Tower Hamlets to the capital's productivity (see Tower Hamlets analysis for more detail). However, in 2021 Tower Hamlets' productivity remained 30 per cent higher than London's average. Outer London areas have been below London's average with Outer East and North areas contributing more to London's productivity than other Outer sub-regions.

Figure 15: Productivity levels in Inner West London have consistently been higher than the London average since 2004

PRODUCTIVITY LONDON SUB-REGIONS, INDEXED TO LONDON PRODUCTIVITY
Productivity is measured with the GVA per hour worked

London = 100

Inner West Inner East Outer East and North East Outer South Outer West and North West
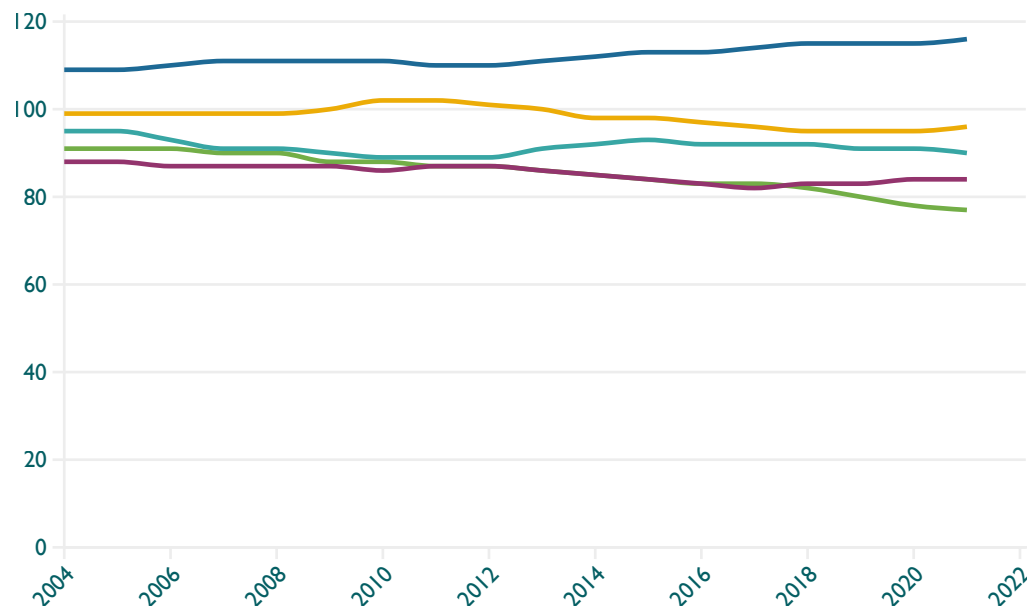
Source: Subregional productivity: labour productivity indices by local authority district, ONS

7.   SECTORAL ANALYSIS

This geographical disparity in productivity can be explained partly by the geographical distribution of industries in London. Not all sectors contribute equally to London's productivity with some, such as finance and insurance, being more productive than others, such as accommodation and food service activities (See table in appendix 3 for more information on the most productive boroughs).

In 2021, real estate activities were the biggest contributors to London's economy, generating almost 17 per cent of London's total GVA (excluding the City of London). Information and communication activities were the next biggest contributors to the capital's economic output – 12 per cent of London's GVA was produced by these activities. Professional, scientific and technical activities generated 11 per cent of London's GVA in 2021 – financial and insurance activities generated a similar economic output. Whilst these industries produced more than half of the total GVA generated in London, they only contributed 28 per cent of London's total employment. In 2021, the activities with the largest number of jobs were wholesale and retail trade, professional, scientific and technical, human health and social work.

Figure 16: Labour intensity by sector

CONTRIBUTION OF EACH INDUSTRY TO LONDON'S ECONOMIC OUTPUT AND EMPLOYMENT IN 2021
Share of London's Gross Value Added and Employment by industry

■ Economic Output (GVA)   ■ Employment
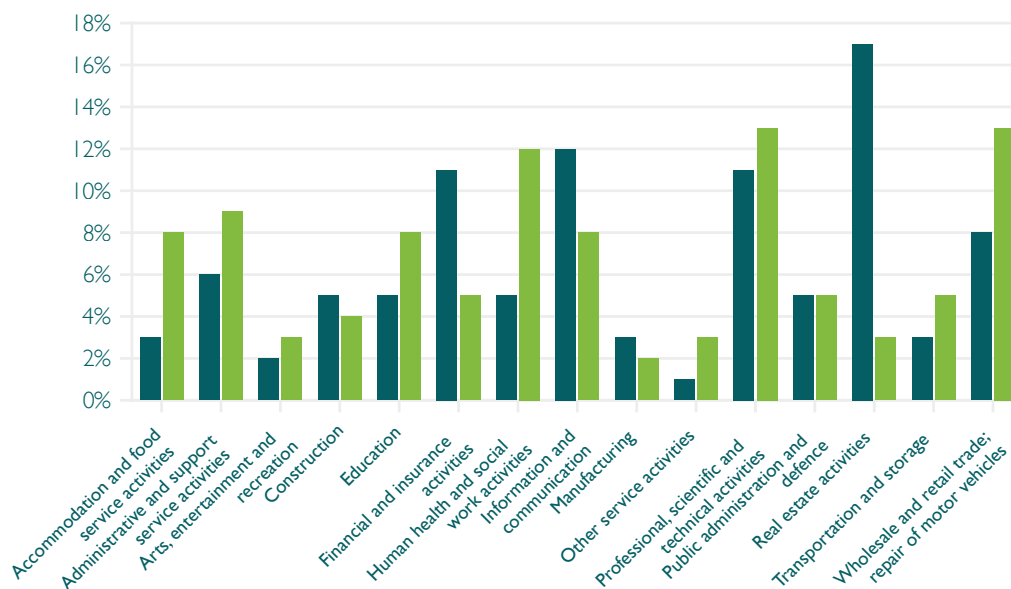
Source: Subregional productivity: labour productivity indices by local authority district, ONS

Sectors are not spread equally in London – the relative concentration of employment by borough reveals how sectors are distributed across the capital. In our analysis, for each sector, all boroughs were attributed a score calculated as the sectoral share of employment in the borough divided by the sectoral share of

employment in London. This analysis shows that some sectors are more geographically concentrated than others. For instance, financial and insurance activities are highly concentrated in Tower Hamlets, while real estate activities are distributed more equally across London.

Figure 17: Whilst financial and insurance activities are highly concentrated in central London, real estate activities are spread across London, especially in the north of the capital

BOROUGHS' SPECIALISATION IN FINANCIAL AND INSURANCE ACTIVITIES
Location quotient of employment in financial and insurance activities in 2021

0 corresponds to the lowest concentration of employment and 5 corresponds to the highest level.

0   5   0   5

Source: Business Register and Employment Survey, 2021, Employment by Industry

Employment in manufacturing is highly concentrated within Ealing, Barking and Dagenham, Brent and Bexley. Boroughs in central and south London have the lowest concentration of manufacturing employment. Unsurprisingly, the largest relative concentrations of employment in manufacturing activities mirror the density of industrial land in local areas (figure 17). The following section focuses on land usage in London and how it has evolved.

Figure 18: Manufacturing activities are concentrated in a few boroughs

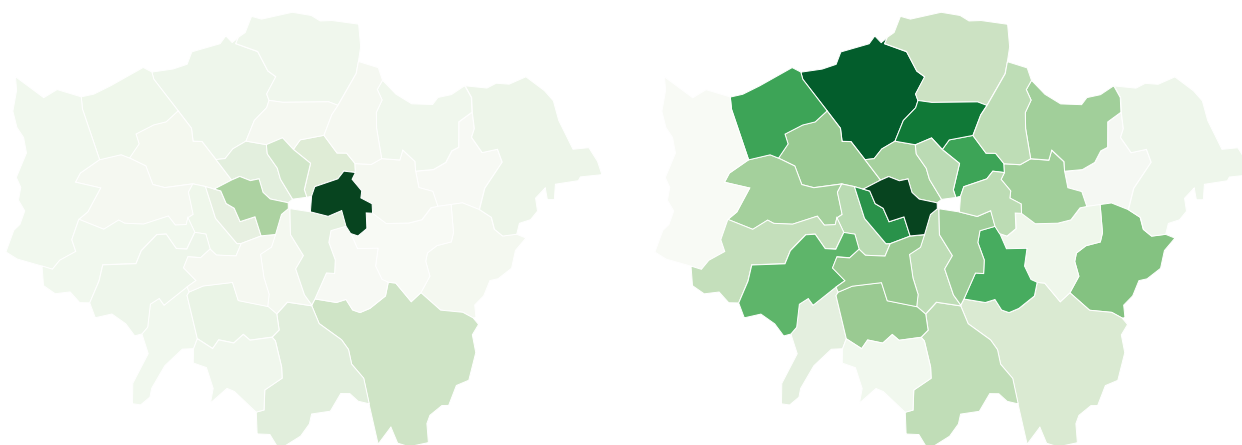### BOROUGHS' SPECIALISATION IN MANUFACTURING ACTIVITIES
Location quotient of employment in financial and insurance activities in 2021

0 corresponds to the lowest concentration of employment and 5 corresponds to the highest level.
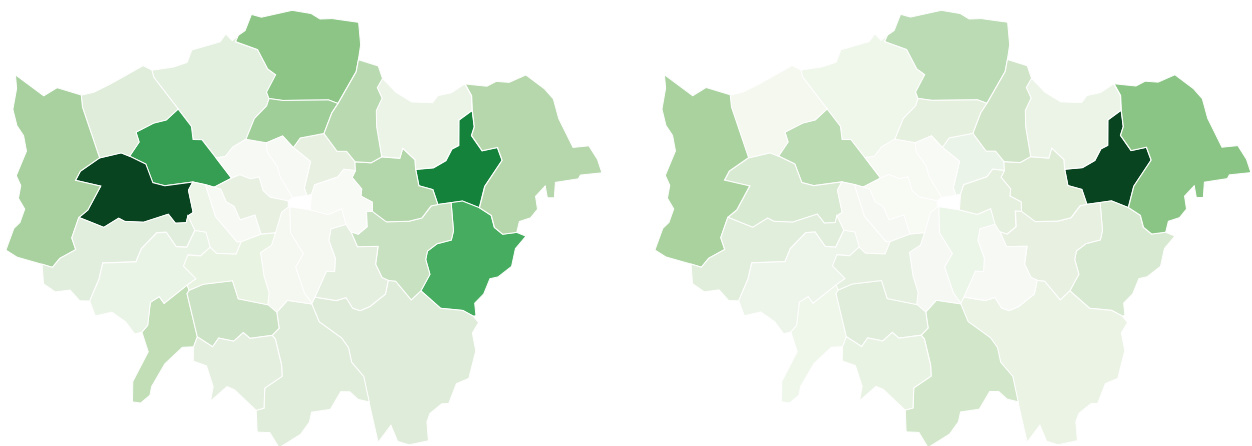
Source: Office for National Statistics (Boundaries), Simple maps (Points), Office for National Statistics

8. LAND USE

Since 2018, the area of land used for industrial purposes in London has decreased by 17 per cent. Over the years, London has experienced a significant loss of industrial land.[21] Since 2018 the areas dedicated to residential purposes has increased by 4.4 per cent. The area used for storage and warehousing has also increased over the same period. The largest change in land use between 2018 and 2022 was the fall in the amount of land that is undeveloped. Land used for utilities has also increased by 32 per cent. The total area of vacant land, which is land that was previously used and is now vacant, increased by almost 20 per cent between 2018 and 2022.

Figure 19: Between 2018 and 2022, the total number of hectares of undeveloped land and land use for industry has decreased

PERCENTAGE CHANGE IN THE TOTAL NUMBER OF HECTARES BY LAND SINCE 2018
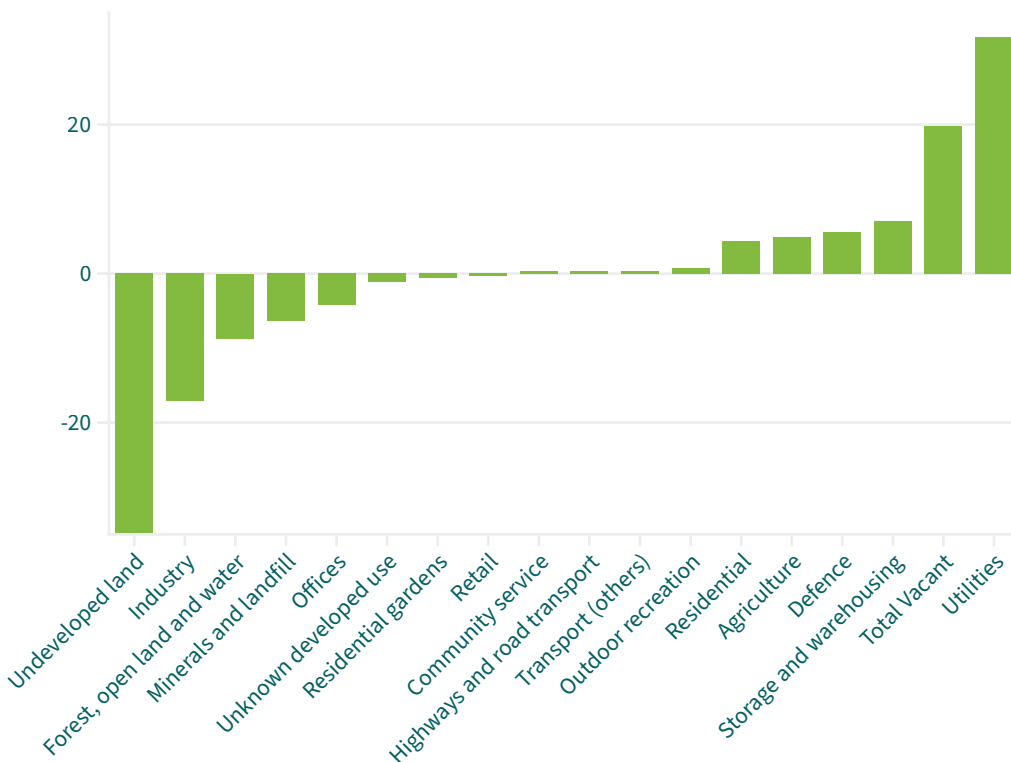
9. BUSINESSES ANALYSIS

Business creation matters for economic growth and innovation[22]. The business demography of an area, namely the number of business births and deaths, indicates the economic dynamism of an area. In London the number of business births has consistently exceeded the number of business deaths. The number of businesses created per year in Inner London boroughs have generally exceeded the number in Outer London. But in 2020, the number of births were almost equivalent in inner London boroughs and outer London boroughs.

Figure 20: The number of businesses created has been consistently higher than the number of businesses closed per year in London since 2016

BUSINESS BIRTH AND CLOSURE

Number of businesses birth and death a year
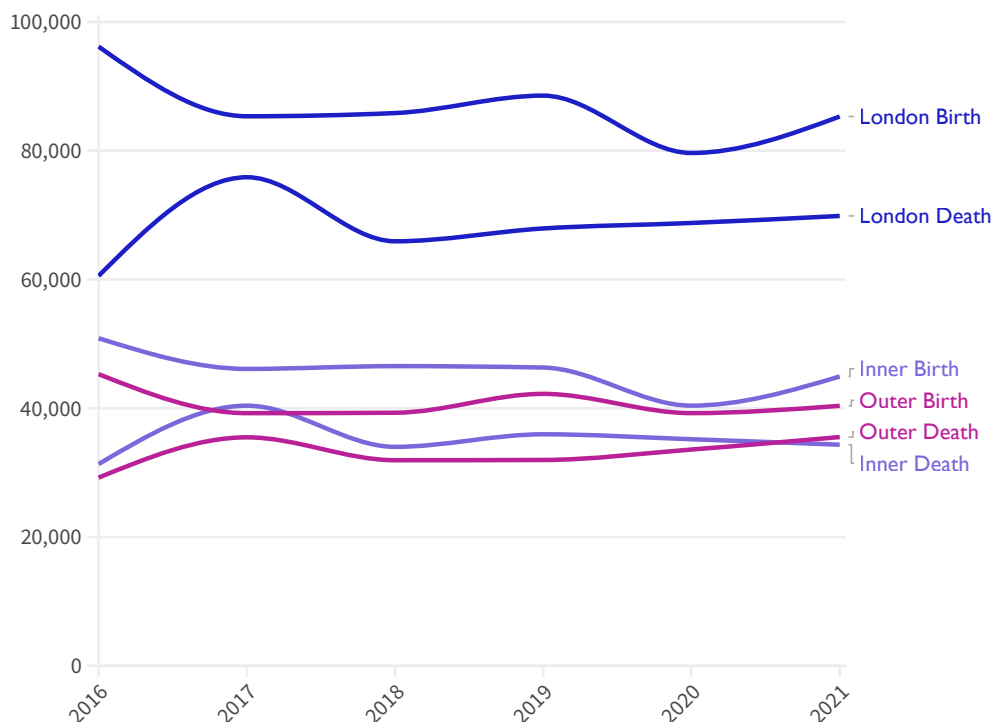
Businesses in London are highly concentrated in Westminster. In 2022, 10 per cent of the businesses were here. Camden and Barnet had shares of total London businesses higher than 5 per cent.

Small and medium-sized enterprises (SMEs), defined as any businesses with fewer than 250 employees, accounted for 99.6 per cent of all the businesses in London in 2022. This share is slightly lower than that of the national level (99.9 per cent of the businesses were SMEs). 91 per cent had less than 9 employees and 7 per cent had between 10 and 49 employees.

Westminster, Southwark, Tower Hamlets, Hillingdon, Hammersmith and Fulham, Camden, Islington and Hounslow had the largest share of big enterprises with more than 250 employees.

10. HOUSING

Westminster, Kensington and Chelsea, and Camden are the three most expensive boroughs in London to rent – the average monthly rent for all type of properties ranges from £2,800 to £4,017 in these boroughs. Sutton, Bexley and Croydon are the least expensive boroughs to rent – the average monthly rent for all type of properties ranges from £1,493 to £1,514. This ranking varies depending on what metric we use to define 'affordability'. For instance, when comparing the average rents with average household income, Newham, Brent and Hackney are the three least affordable boroughs and Bromley, Kingston upon Thames and Richmond upon Thames are the most affordable (see table in appendix 4).

MONTHLY RENTS BY BOROUGH

12-month average asking rents over the period of June 2022 and May 2023 for all categories of housing.

1500 ▮▮▮▮▮▮ 4070
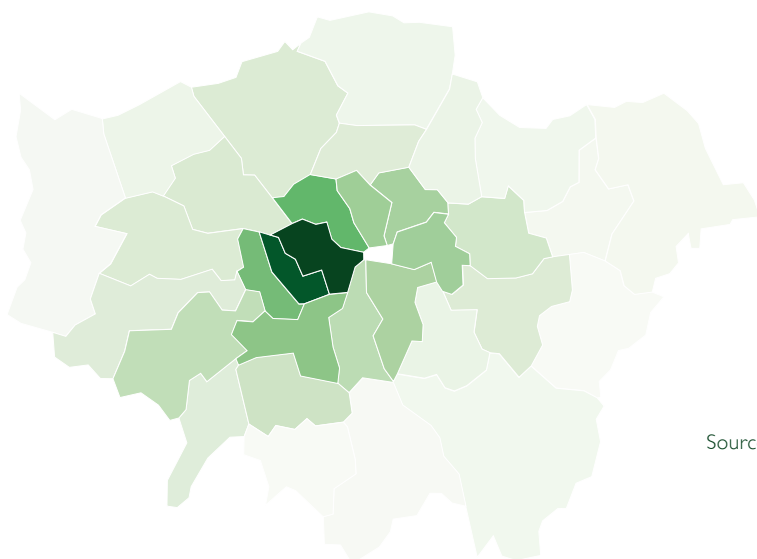
Source: Data provided by Avison Young

1   GLA (2023). Interim 2021-based Population Projection Results. Retrieved from: https://data.london.gov.uk/blog/new-population-projections-for-london-building-on-the-2021-census/

2   Some London Councils have argued these figures are due to population being undercounted because of the pandemic.

3   GLA (2023). Housing in London. Retrieved from: https://data.london.gov.uk/housing/housing-in-london/

4   Age profile: ONS (2022) Estimates of the population for the UK, England, Wales, Scotland and Northern Ireland. Retrieved from: https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwalesscotlandandnorthernireland; Deprivation:
Ministry of Housing, Communities & Local Government (2019) English indices of deprivation 2019. Retrieved from: https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019; Job changes: ONS (2019). Analysis of job changers and stayers. Retrieved from: https://www.ons.gov.uk/economy/nationalaccounts/uksectoraccounts/compendium/economicreview/april2019/analysisofjobchangersandstayers.

5   https://airdrive-secure.s3-eu-west-1.amazonaws.com/london/dataset/state-of-london/2023-06-26T10%3A20%3A47/The%20State%20of%20London%20June%202023.pdf?X-Amz-Algorithm=AWS4-HMAC-SHA256&X-Amz-Credential=AKIAJJDIMAIVZJDICKHA%2F20230628%2Feu-west-1%2Fs3%2Faws4_request&X-Amz-Date=20230628T152115Z&X-Amz-Expires=300&X-Amz-Signature=a4995289999499960 1b094cb5657689e2c26a7bb3836219ad039099c77f6a170&X-Amz-SignedHeaders=host

6   ONS (2023). Earnings and hours worked, place of residence by local authority: ASHE Table 8. Retrieved from: https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/placeofresidencebylocalauthorityashetable8

7   ONS (2022). Number and proportion of employee jobs with hourly pay below the living wage. Retrieved from: https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/numberandproportionofemployeejobswithhourlypaybelowthelivingwage

8   Low pay by sector across the UK is available from: ONS (2023). Low and high pay in the UK: 2023. Retrieved from: https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/lowandhighpayuk/2023. Jobs by sector in London is available from: ONS (2022). Business Register and Employment Survey. Retrieved from: https://www.nomisweb.co.uk/datasets/newbres6pub

9   38 per cent of people claiming Universal Credit were in employment in September 2023. Department for Work and Pensions (2023). Universal Credit statistics, 29 April 2013 to 12 October 2023. Retrieved from: https://www.gov.uk/government/statistics/universal-credit-statistics-29-april-2013-to-12-october-2023/universal-credit-statistics-29-april-2013-to-12-october-2023

10 Burn-Murdock, J. (2022) Half a million missing workers show modern Britain's failings, Financial Times. Retrieved from: https://www.ft.com/content/b197e9e0-dd53-4d77-a84f-a94824100ed5

11 This pattern holds in 2011 and 2021. ONS (2023). Census 2021: Economic activity status. Retrieved from: https://www.ons.gov.uk/datasets/TS066/editions/2021/versions/5

12 See ONS (2019) "Despite record employment, nearly 10% of adults have never done paid work." Retrieved from: https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/economicinactivity/articles/despiterecordemploymentnearly10ofadultshaveneverdonepaidwork/2019-02-28

13 Trust for London (2023) London's Poverty Profile: Barking and Dagenham. Retrieved from: https://trustforlondon.org.uk/data/boroughs/barking-and-dagenham-poverty-and-inequality-indicators/

14 GVA is defined as the value of the amount of good and services that have been produced, minus the total costs to produce these goods or deliver these services.

15 Output Areas (OAs) are the smallest level of geography that data is published at. Lower layer Super Output Areas (LSOAs) are made up of groups of OAs, usually four or five. They comprise between 400 and 1,200 households and have a usual resident population between 1000 and 3000 persons. More information can be found at: https://www.ons.gov.uk/methodology/geography/ukgeographies/censusgeographies/census2021geographies

16 Comparable data for number of jobs was not available pre-2015.

17 Percentages represent the proportion of gross additional jobs between 2021 and 2015 across London. ONS (2022) Business Register and Employment Survey. See data by industry for 2015 and 2021. Retrieved from: https://www.nomisweb.co.uk/datasets/newbres6pub

18 Rodrigues, G. Bridgett, S. (2023) Capital Losses, The role of London in the productivity puzzle. Retrieved from: https://www.centreforcities.org/wp-content/uploads/2023/03/London-productivity-March-2023.pdf

19 Using the International Territorial Level 2 regions to define the sub-region. See more detail in appendix 1.

20 City of London was included in this analysis because the lowest level of geography available was International Territorial Level 3 which comprised both Camden and City of London.

21 Greater London Authority (2023) London Industrial Land Supply Study 2020, Executive Summary. Retrieved from: https://data.london.gov.uk/dataset/london-industrial-land-supply-study-2020

22 OECD (2017), The Geography of Firm Dynamics: Measuring Business Demography for Regional Development, OECD Regional Development Studies, OECD Publishing, Paris. Retrieved from: https://doi.org/10.1787/9789264286764-en.

CENTRAL BOROUGHS

Camden
Islington
Kensington and Chelsea
Lambeth
Southwark
Westminster

CAMDEN

Areas of deprivation

In Camden, pockets of affluence exist alongside pockets of deprivation. When looking at the Index of Multiple Deprivation (IMD)[1], 64 per cent of areas in the borough are among the most deprived 50 per cent of areas in England.

Figure 1: Areas of deprivation in Camden

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.
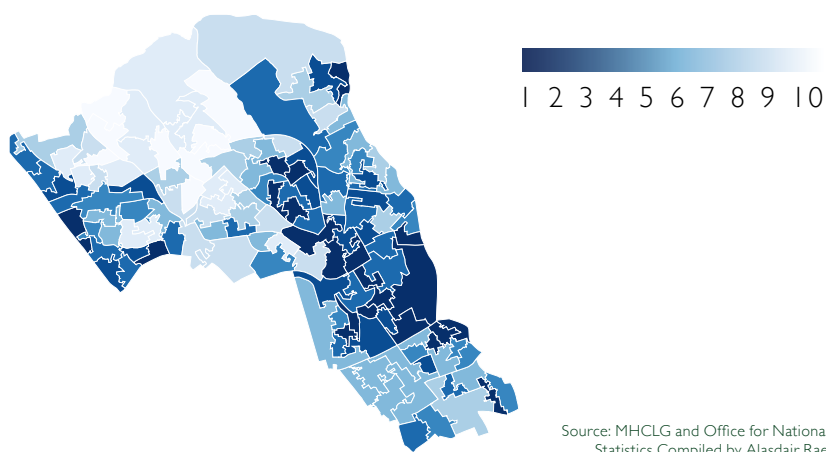
Population characteristics

In 2021, Camden was estimated to have a population of 210,390, less than the average number of residents in London boroughs. Camden is one of only three boroughs in London that has experienced a population decrease since 2011. Its population density (9,660 people sq km) is above London's population density (5,596).

In the 2021 Census, 60 per cent of the population in Camden identified their ethnic group as White, higher than the average across London (54 per cent). 18 per cent of residents identified their ethnic group as within the Asian, Asian British, or Asian Welsh category. The borough has the third highest rents across London, and is the it is the sixth least affordable borough when looking at the rent in relation to the median monthly household income.

Median annual pay: £35,575
Twelve months average asking rent (all categories): £2,881

Labour market

70.2 per cent of the working age population (aged 16 to 64) in Camden were in employment in 2022, lower than London's average (76.2 per cent). The borough has one of the highest levels of inactivity, with a quarter of the working aged population economically inactive in 2022 (25.4 per cent), compared to a fifth across London (20.2 per cent) – this is partly due to the fact that many students live in this borough. In 2022, 3.9 per cent of the population was unemployed, compared to 4.3 per cent in London. In June 2023, 4.4 per cent of the population were claiming unemployment related benefits. This compares to an average of 4.9 per cent across London. Meanwhile, 4.1 per cent of the population were in work and claiming Universal Credit lower than the London average of 6 per cent. 16.1 per cent of the borough's residents in employment work in the professional, scientific and technical industry, 12.2 per cent work in human health and social work, and 10.3 per cent work in information and communication.

Skills and level of qualifications

In 2022, 2.0 per cent of 16–17-year-olds in Camden were not in education, employment or training, one of the highest proportions of all London boroughs. The proportion of the working age population in Camden with no qualifications is above the London average – 5.8 per cent compared to 5.5 per cent across London. Two thirds of the working age population in Camden hold a level 4 qualification or higher (67 per cent), compared to three fifths (59 per cent) of the overall London workforce.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. Income and employment deprivation are the domains forming half of the total IMD scores. See more information **here.**

Economic output and productivity

Camden generated 8.4 per cent of London's total economic output in 2021. 24 per cent of its economic output was generated through professional, scientific and technical activities, whilst these activities only generated 11 per cent of the total London economic output. Nearly a fifth (19 per cent) of the borough's GVA was generated through information and communication in 2021.

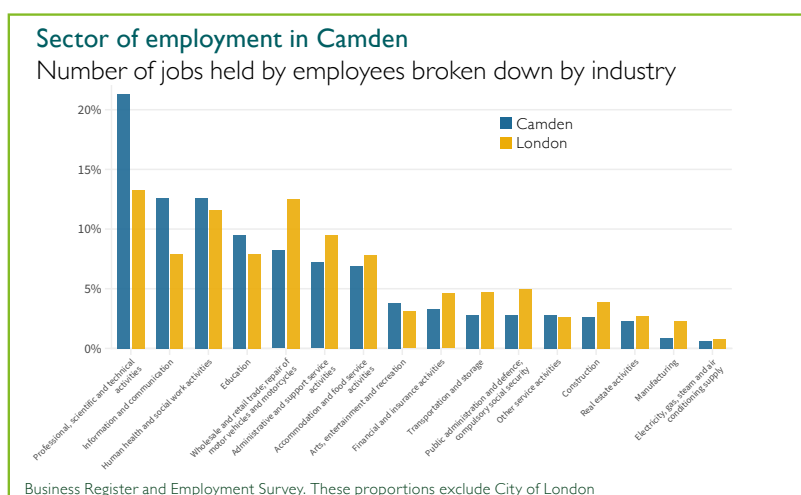Camden is also one of the most productive boroughs (£51.0 GVA per hour worked compared to London's average of £51.1). Between 2004 and 2013, the borough's productivity was around 20 per cent higher than the UK average and around 10 per cent lower than the London average. Since 2016, the borough's productivity has been higher than the London average.

CAMDEN PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.
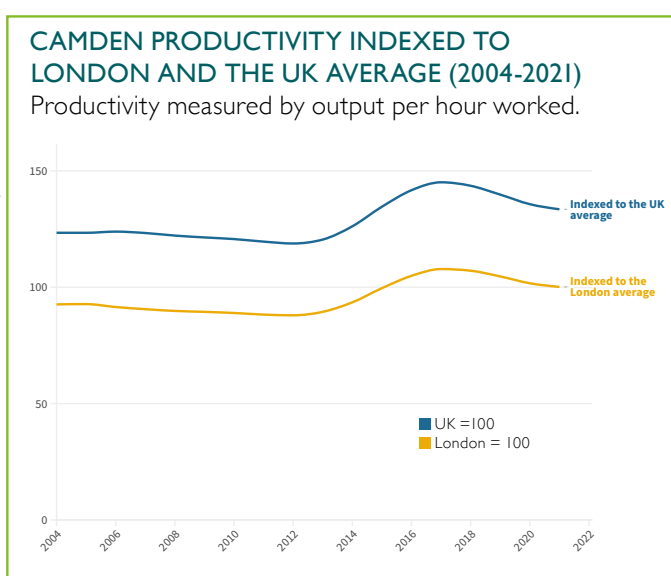
Employment Sectors

The sector employing the largest proportion of people in Camden in 2021 was professional, scientific and technical activities, making up a fifth (21.3 per cent) of total jobs, higher than the London average of 13.3 per cent. Other sectors employing large proportions of people in Camden include information and communication (12.6 per cent) and human health and social work (12.6 per cent).

Sector of employment in Camden
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Camden is London's seventh smallest borough by area, but nineth highest by population density. The borough is home to the third largest student population in London, with eleven higher education institutions.[2] Key business centres in the borough include Holborn, Euston and Tottenham Court Road. The borough also has the second highest number of businesses in London after Westminster, including large employers, micro enterprises and small to medium sized enterprises.[3] Many of these businesses specialise in highly skilled employment such as those in professional, scientific and technical sector and information and communication sector – especially in the growing "Knowledge Quarter" around King's Cross, which is home to key buildings like the British Library as well as some major tech companies. The borough has a higher proportion of land used for residential purposes than London overall, with exclusively residential districts in Highgate and Hamstead.[4] The borough also has a higher proportion of residential land than the city's average, with 16 per cent of land in Camden used for residential purposes, compared to 11 across London. Nearly a quarter (23.1 per cent) of land in the borough is used for transport and utilities, compared to 16.5 per cent across London.

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2 https://opendata.camden.gov.uk/download/9m7e-5qyt/application/pdf
3 Ibid
4 Ibid

ISLINGTON

Areas of deprivation

Islington is the sixth most deprived borough in London when looking at the Index of Multiple Deprivation (IMD)[1]. 87 per cent of areas in the borough are among the most deprived 50 per cent of areas in England. Finsbury Park, Junction and Tollington are the most deprived wards in the borough.

Figure 1: Areas of deprivation in Islington

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.
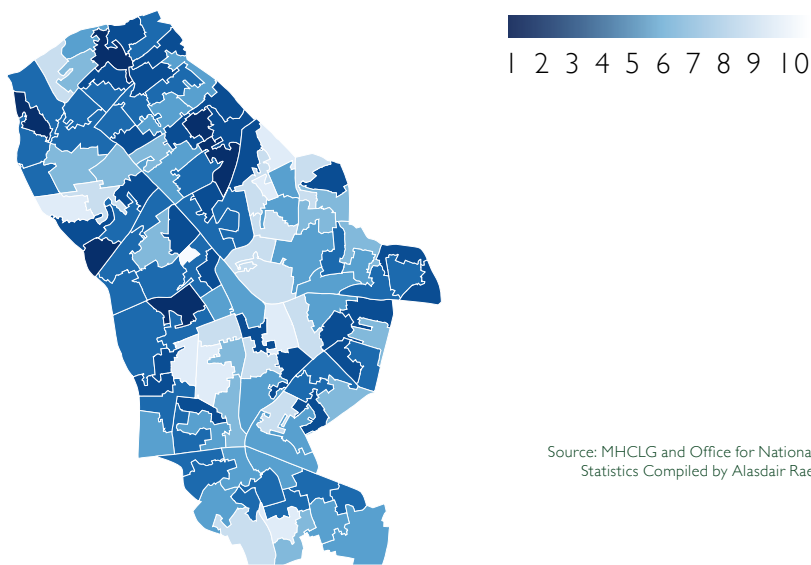
Population characteristics

In 2021, Islington was estimated to have a population of 216,767, with a population below the average number of residents in London boroughs. The borough ranked 24th when ordered by total population. Since 2011, the borough's population has increased by 5 per cent.

Its population density (14,589 people per sq km) is the second highest across all London boroughs. In the 2021 Census, 62 per cent of the population in Islington identified their ethnic group as White, higher than the average across London (54 per cent). 13 per cent of residents identified their ethnic group as within the Black, Black British, Black Welsh, Caribbean or African category. The borough is sixth most expensive borough when looking at average asking rents, and the 12th least affordable borough when looking at the rent in relation to the median monthly household income.

Median annual pay: £38,434
Twelve months average asking rent (all categories): £2,453.

Labour market

77.6 per cent of the working age population (16-64) in Islington were in employment in 2022, higher than London's average (76.2). Just under a fifth of the working aged population in Islington were economically inactive in 2022, (19.4 per cent), similar to the proportion across London (20.2 per cent). In 2022, 3.5 per cent of the population was unemployed, compared to 4.3 per cent in London. In June 2023, 5.4 per cent of the population were claiming unemployment related benefits, higher than the proportion across London (4.9 per cent). Meanwhile, 5.3 per cent of the population were in work and claiming Universal Credit, lower than the London average of 6 per cent. 17.3 per cent of the borough's residents in employment work in professional, scientific and technical activities, 11.7 per cent work in human health and social work, and 11.3 per cent work in information and communication.

Skills and level of qualifications

In 2022, 1.9 per cent of 16–17-year-olds in Islington were not in education, employment or training, higher than the average across London of 1.5 per cent. The proportion of the working age population (aged 16-64) in Islington with no qualifications is higher than the London average – 6.7 per cent compared to 5.5 per cent across London.

Over two thirds of the working age population in Islington hold a level 4 qualification or higher (67 per cent), compared to over half (59 per cent) of the overall London workforce.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. Income and employment deprivation are the domains forming half of the total IMD scores. See more information **here.**

Economic output and productivity

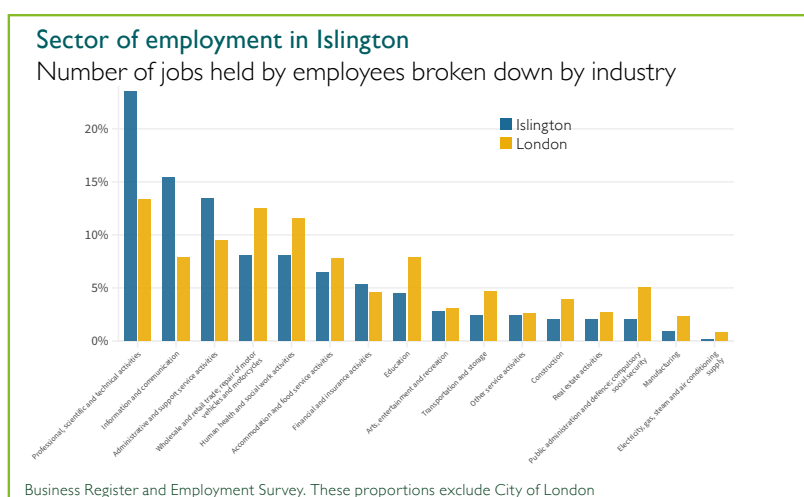Islington generated 5.4 per cent of London's total economic output in 2021. 23 per cent of its economic output was generated through the information and communication sector, whilst this sector only generated 12 per cent of the total London economic output. Other sectors which contributed significantly to the borough's output in 2021 include the professional, scientific and technical sector (22 per cent), finance and insurance (15 per cent) and real estate (11 per cent). Islington is also one of the most productive boroughs, ranking 6th out of all London boroughs when ordered by output per hour worked. The borough's productivity has remained above both the UK and London average since 2004.

ISLINGTON PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

UK = 100
London = 100
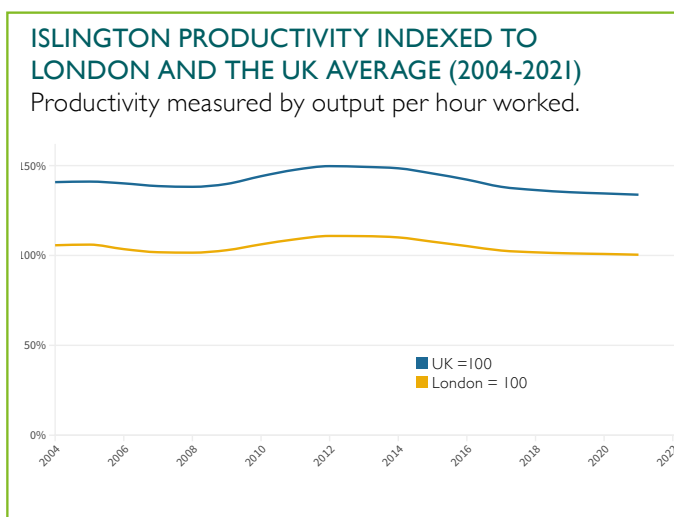
Employment Sectors

The sector employing the largest proportion of people in Islington in 2021 was the professional, scientific and technical sector, making up nearly a quarter (23.5 per cent) of total jobs, higher than the London average of 13.3 per cent. Other sectors employing large proportions of people in Islington include information and communication (15.4 per cent), administrative and support services (13.4 per cent), and wholesale and retail trade (8.1 per cent).

Sector of employment in Islington
Number of jobs held by employees broken down by industry

Islington
London

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Islington is the third smallest borough in London, covering 15 square km, and the second most densely populated. Only 13 per cent of the borough's land is green space, the second lowest proportion of any local authority in the country.[2]

Islington has some very wealthy residents, particularly though not exclusively in the centre of the borough which is also home to high-end shops and restaurants and significant entertainment and sports venues, including the Emirates Stadium. It also has some very well paid jobs, with Clerkenwell emerging as an important hub for creative industries. However, it has high levels of poverty and inequality. It is one of the most deprived boroughs in the country, and the most deprived borough in London for income deprivation affecting children.[3]

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2   Islington Together 2030 Plan. Retrieved from: https://democracy.islington.gov.uk/documents/s31790/Appendix%201%20-%20Islington%20 Together%202030%20Plan.pdf
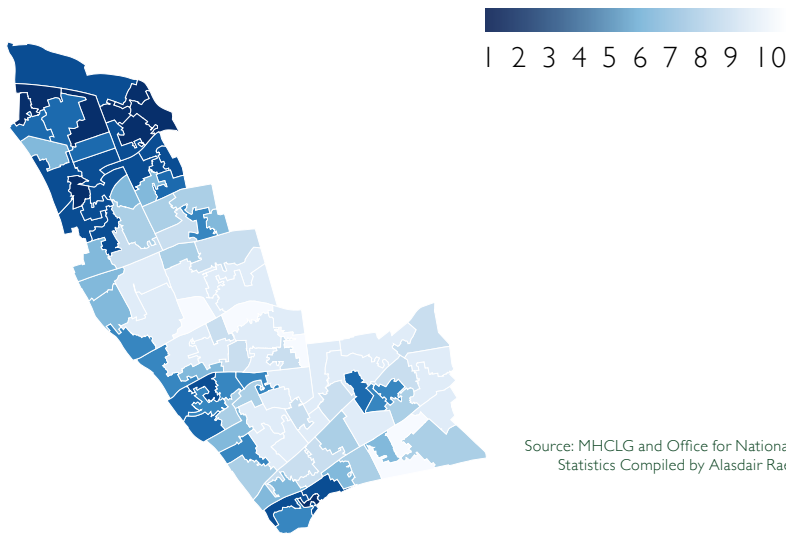
3   Islington (2021) State of Islington inequality. Retrieved from: https://www.islington.gov.uk/-/media/sharepoint-lists/public-records/ communications/information/adviceandinformation/20202021/20210311stateofequalities2021.pdf

KENSINGTON AND CHELSEA

Areas of deprivation

Kensington and Chelsea is the 17th most deprived borough in London when looking at the Index of Multiple Deprivation (IMD)[1]. The north of the borough has particularly high levels of deprivation, in contrast to the south and east, which contain some of the most affluent areas in the country. However, significant pockets of deprivation can also be found in the south and west of the borough.

Figure 1: Areas of deprivation in Kensington and Chelsea

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Labour market

69.8 per cent of the working age population (16-64) in Kensington and Chelsea were in employment in 2022, the lowest proportion across London. The borough has the highest levels of inactivity across the city, with over a quarter of the working age population economically inactive in 2022 (28.2 per cent), compared to a fifth across London (20.2 per cent). This can be explained by the fact that many students live in the borough. In 2022, 3.6 per cent of the population was unemployed, compared to 4.3 per cent in London. In June 2023, 3.3 per cent of the population were claiming unemployment related benefits. The comparative figure across London in this period was 4.9 per cent. Meanwhile, 3.4 per cent of the population were in work and claiming Universal Credit, the second lowest rate seen among London's boroughs, below the average of 6 per cent. 15.6 per cent of the borough's residents in employment work in the finance and insurance sector, 15.4 per cent work in the professional, scientific and technical sector, and 10.8 per cent work in wholesale and retail trade.

Skills and level of qualifications

In 2022, 2.4 per cent of 16–17-year-olds in Kensington and Chelsea were not in education, employment or training, the second highest proportion of all London boroughs. The borough has one of the lowest proportions of the working age population with no qualification – 2.7 per cent, compared to 6.7 per cent across London. Almost two thirds of the working age population in Kensington and Chelsea hold a level 4 qualification or higher (64 per cent), compared to three fifths (59 per cent) of the overall London workforce.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. Income and employment deprivation are the domains forming half of the total IMD scores. See more information here.

Economic output and productivity

Kensington and Chelsea generated 2.4 per cent of London's total economic output in 2021. 30 per cent of its economic output was generated through real estate activities, whilst these activities generated 17 per cent of the total London economic output. Other sectors which contributed significantly to Kensington and Chelsea's economic output in 2021 include information and communication (18 per cent) and wholesale and retail trade (15 per cent). When ordered by productivity, Kensington and Chelsea ranked 14th out of all London boroughs in 2021. Since 2004, the borough's productivity has been above the UK average. The borough's productivity sharply increased after 2010, but then declined again after 2014. In 2021, its productivity was 10 per cent higher than the UK average and nearly 20 per cent lower than London's.

KENSINGTON AND CHELSEA PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.
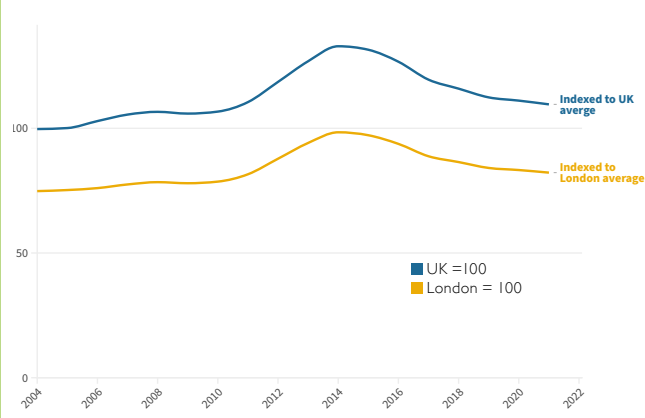
Employment Sectors

The sector employing the largest proportion of people in Kensington and Chelsea in 2021 was wholesale and retail trade, making up 16.5 per cent of total jobs, higher than the London average of 12.5 per cent. Other sectors employing large proportions of people in Kensington and Chelsea include human health and social work (15.8 per cent), information and communication (12.9 per cent) and the accommodation and food service sector (12.2 per cent).

Sector of employment in Kensington and Chelsea
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London
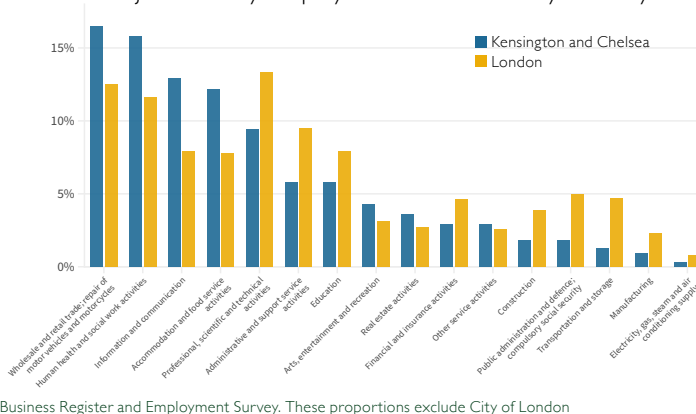
Economic Stories

Kensington and Chelsea is the smallest borough in London, both in terms of area and population size. It is one of only three London boroughs that have seen a decline in its population since 2011. The borough has one of the highest median salaries across London, and many residents employed in highly skilled jobs – and there is also a large group employed in retail and hospitality because of the concentration of major shopping streets in the borough. However, there are also high levels of inequality in the borough and areas of significant deprivation. More than 1 in 5 (23 per cent) Kensington and Chelsea neighbourhoods are among the 20 per cent most income-deprived in England and Wales.[2] Unemployment, low incomes, and lower skills levels are mainly concentrated in the north and some parts of the south and west of the borough, which also have greater proportions of residents from a minority ethnic background.[3] Kensington and Chelsea has the highest proportion of developed land of all London boroughs. In 2022, only 30.5 per cent of land in the borough was non-developed, compared to 58.8 per cent across London.

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2   WPI Economics. (2021) Poverty and Prosperity in Kensington + Chelsea, Understanding inequalities in a Borough of Extremes. Retrieved from:
     https://thekandcfoundation.com/sites/default/files/2021-11/Poverty%20%2B%20Prosperity%20in%20K%2BC%20Full%20Report_1.pdf
3   Ibid.

LAMBETH

Areas of deprivation

Lambeth is the eleventh most deprived borough in London when looking at the Index of Multiple Deprivation (IMD)[1]. 78 per cent of areas in the borough are among the most deprived 50 per cent of areas in England. However, the borough does not contain any areas that fall within the 10 per cent most deprived areas nationally. Only one area in Lambeth, part of Streatham Hill West and Thornton, is ranked among the least deprived 20 per cent of areas in England.

Figure 1: Areas of deprivation in Lambeth

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.
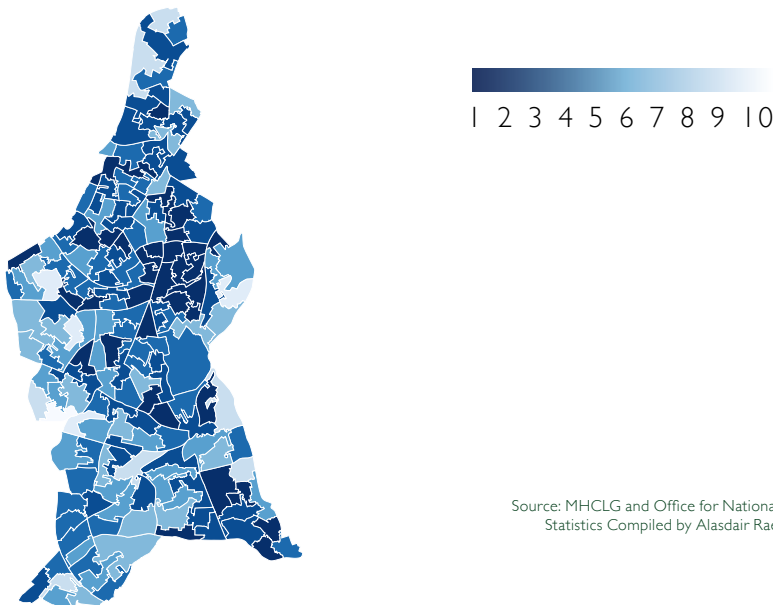
Population characteristics

In 2021, Lambeth was estimated to have a population of 317,498, with a population above the average number of residents in London boroughs. The borough ranked 9th when ordered by total population. However, since 2011, the borough's population has only increased by 4 per cent, less than the London average.

Its population density (11,844 people per sq km) is the fifth highest across all London boroughs.

In the 2021 Census, 55 per cent of the population in Islington identified their ethnic group as 'White', similar to the average across London (54 per cent). 24 per cent of residents identified their ethnic group as within the Black, Black British, Black Welsh, Caribbean or African category.

The borough is the 10th most expensive borough when looking at average asking rents, and the 18th least affordable borough when looking at the rent in relation to the median monthly household income.

Median annual pay: £37,566
Twelve months average asking rent (all categories): £2,210.

Labour market

Lambeth has one of the highest employment rates across London, with 83.5 per cent of the working age population (16-64) in employment in 2022. The borough also has the second lowest economic inactivity rate, with just 13.0 per cent of the working age population inactive in 2022, compared to 20.2 per cent across London. In 2022, 4.2 per cent of the population was unemployed, similar to the proportion across London: 4.3 per cent. In June 2023, 5.2 per cent of the population were claiming unemployment related benefits, higher than the proportion across London (4.9 per cent). Meanwhile, 5.8 per cent of the population were in work and claiming Universal Credit, similar to the London average of 6 per cent. 13.7 per cent of the borough's residents in employment work in professional, scientific and technical activities, 13.3 per cent work in human health and social work, and 9.8 per cent work in wholesale and retail trade.

Skills and level of qualifications

In 2022, 1.6 per cent of 16–17-year-olds in Lambeth were not in education, employment or training, similar to the average across London (1.5 per cent). The proportion of the working age population in Lambeth with no qualifications is lower than the London average – 3.7 per cent compared to 5.5 per cent across London.

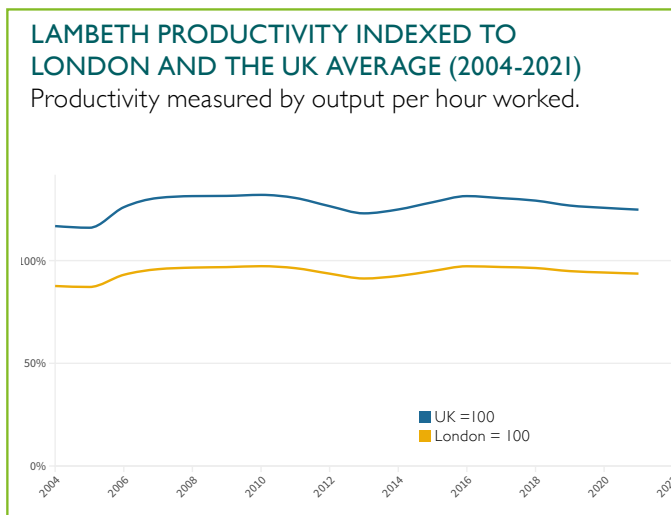Over three quarters of the working age population in Lambeth hold a level 4 qualification or higher (76 per cent), compared to about three fifths (59 per cent) of the overall London workforce.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. Income and employment deprivation are the domains forming half of the total IMD scores. See more information **here.**

Economic output and productivity

Lambeth generated 3.1 per cent of London's total economic output in 2021. 18.3 per cent of its economic output was generated through wholesale and retail trade, while this sector only generated 12.5 per cent of the total London economic output. Other sectors which contributed significantly to the borough's output in 2021 include human health and social work (17.2 per cent), real estate (15.2 per cent) and information and communication (12.7 per cent).
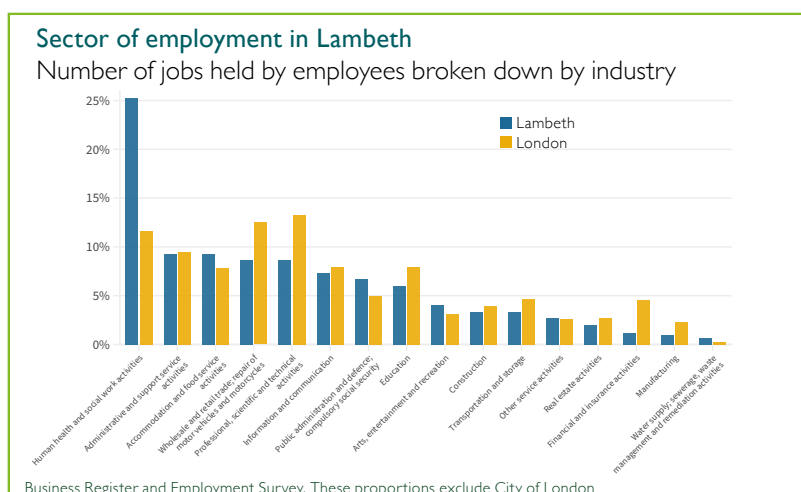
Lambeth ranks 8th out of all London boroughs when ranked by GVA per hour worked. Since 2004, the borough's productivity has ranged between 15 and 35 per cent higher than the UK's, and 5 to 15 per cent lower than the London's productivity. In 2021, the borough's productivity was 25 per higher than the UK average, and 6 per cent lower than London.

LAMBETH PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

UK =100
London = 100

Employment Sectors

The sector employing the largest proportion of people in Lambeth in 2021 was health and social work, making up a quarter (25.3 per cent) of total jobs, over double the London average (11.6 per cent).

Other sectors employing large proportions of people in Lambeth include accommodation and food service activities and, administrative and support services (both 9.3 per cent), and wholesale and retail trade and professional services (both8.7 per cent). Just over 1 per cent of jobs in Lambeth are in finance and insurance, compared to almost 5 per cent across London.

Sector of employment in Lambeth
Number of jobs held by employees broken down by industry

Lambeth
London

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Lambeth's high employment rate reflects the migration of young and highly qualified people into the borough, and the movement of older people with children out of the borough.[2] The borough has a large proportion of public sector jobs, and consequently a smaller proportion of jobs are found in professional and business services compared to other inner London boroughs.[3] Two major hospitals in the area – Kings College and St Thomas' Hospital, with their associated organisations and supply chains, account for a significant share of jobs in the borough.

While the north of the borough has a mix of central London activities, the south of the borough has a predominantly residential, suburban character.
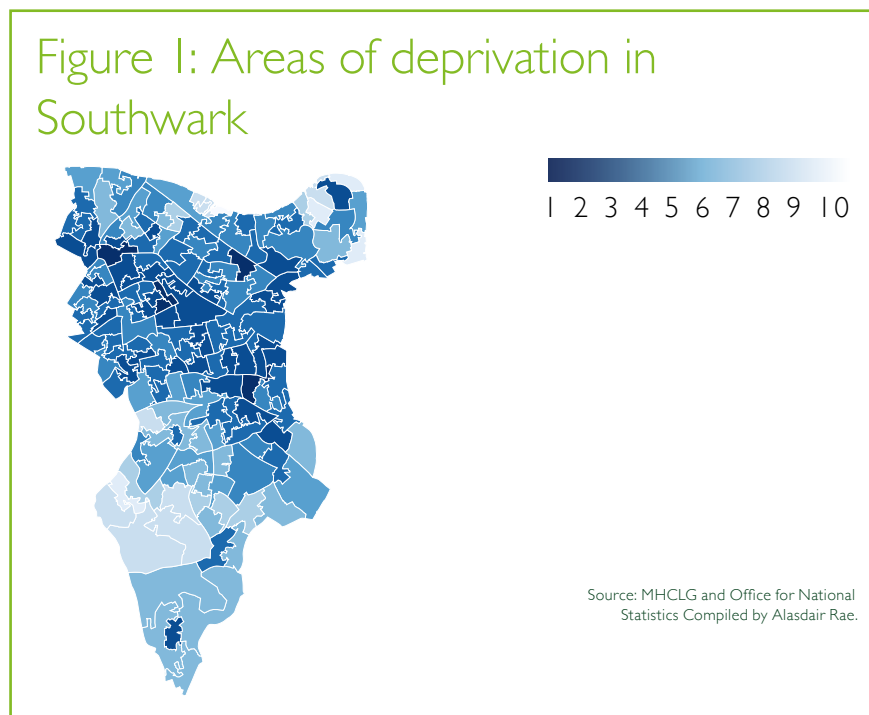
2   https://www.lambeth.gov.uk/sites/default/files/Final%20employment%20briefing%20paper.pdf
3   https://www.lambeth.gov.uk/sites/default/files/2021-09/Lambeth%20Local%20Plan%202021.pdf

SOUTHWARK

Areas of deprivation

Southwark is the eighth most deprived borough in London when looking at the Index of Multiple Deprivation (IMD)[1]. 77 per cent of areas in the borough are among the most deprived 50 per cent of areas in England.

Figure 1: Areas of deprivation in Southwark

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Population characteristics

In 2021, Southwark was estimated to have a population of 306,374, with a population above the average number of residents in London boroughs. Since 2011, the borough's population has increased by 6 per cent.

Southwark is the 7th most dense borough in London. Its population density (10,609 people sq km) is above London's population density (5,596).

In the 2021 Census, 51 per cent of the population in Southwark identified their ethnic group as White, lower than the average across London (54 per cent). 25 per cent of residents identified their ethnic group as within the Black, Black British, Black Welsh, Caribbean or African category. The borough has the ninth highest rents across London and is the it is the seventh least affordable borough when looking at the rent in relation to the median monthly household income.

Median annual pay: £34,583
Twelve months average asking rent (all categories): £2,363.

Labour market

75.2 per cent of the working age population (16-64) in Southwark were in employment in 2022, slightly lower than London's average (76.2 per cent). A fifth (20.9 per cent) of the working age population were economically inactive in 2021, the same proportion as the London average. In 2022, 5.7 per cent of the population was unemployed, compared to 4.3 per cent in London. In June 2023, 5.0 per cent of the population of Southwark were claiming unemployment related benefits. The equivalent across London in this period was 4.9 per cent. Meanwhile, 6.4 per cent of the population were in work and claiming Universal Credit, similar to the London average of 6 per cent.

14.5 per cent of the borough's residents in employment work in human health and social care, 13.5 per cent work in the professional, scientific and technical sector, and 9.4 per cent work in wholesale and retail trade.

Skills and level of qualifications

In 2022, 1.7 per cent of 16–17-year-olds in Southwark were not in education, employment or training, compared to 1.5 per cent across London. The proportion of the working age population (aged 16-64) in Southwark with no qualifications is above the London average – 6.4 per cent compared to 5.5 per cent across London. Southwark also has a lower proportion of the working age population with a level 4 qualification or higher compared to London – 57 percent in Southwark, compared to 59 per cent of the overall London workforce.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. Income and employment deprivation are the domains forming half of the total IMD scores. See more information **here.**

Economic output and productivity

Southwark generated 5.3 per cent of London's total economic output in 2021.

25 per cent of its economic output was generated through professional, scientific and technical activities, whilst these activities only generated 11 per cent of the total London economic output. Other sectors which contributed significantly to the borough's output in 2021 include administrative and support service activities (16 per cent), real estate (13 per cent) and information and communication (12 per cent).

Southwark ranks 17th out of all London boroughs when ordered by labour productivity. Though the borough's productivity has fluctuated, between 2004 and 2021, it has remained around 5 to 15 per cent higher than the UK average, and 15 to 20 per cent lower than London's productivity.

SOUTHWARK PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.
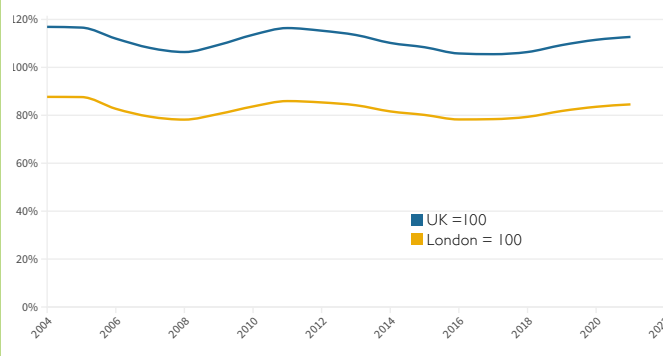
Employment Sectors

The sector employing the largest proportion of people in Southwark in 2021 was professional, scientific and technical activities, making up nearly a quarter (23.6 per cent) of total jobs, higher than the London average of 13.3 per cent.

Other sectors employing large proportions of people in Southwark include administrative and support services (11.0 per cent), human health and social work (10.2 per cent), and information and communication (9.4 per cent).

Sector of employment in Southwark
Number of jobs held by employees broken down by industry
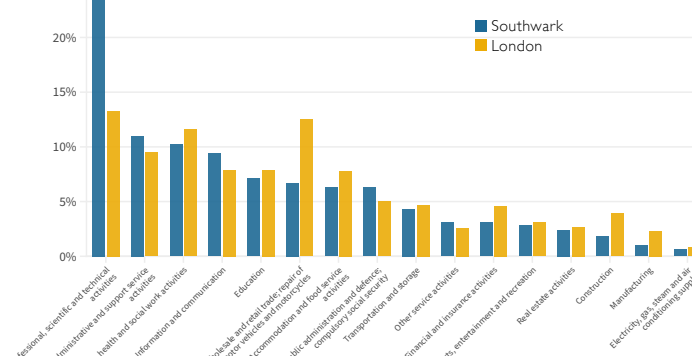
Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Southwark is a densely populated and diverse borough. It is also one of the most deprived boroughs in the country. Almost a third of residents live in areas ranked in the 20 per cent most income deprived in England.[2] By contrast, only 8 per cent of residents live in areas ranked in the 20 per cent least income deprived.[3] High housing costs in the borough and the number of families on lower incomes mean that 43 per cent of the borough's children live in poverty after accounting for housing costs, with childhood deprivation especially impacting the northern half of the borough.[4]

The key sector in Southwark is the professional, scientific and technical industry, with strong business representation from management consultancies, specialized design, architectural and engineering firms.[5] The high level of health and social work employment is linked to Guys Hospital in the north of the borough.

2   South Public Health Division. (2019, October). Indices of Deprivation 2019 JSNA Factsheet.
3   Ibid
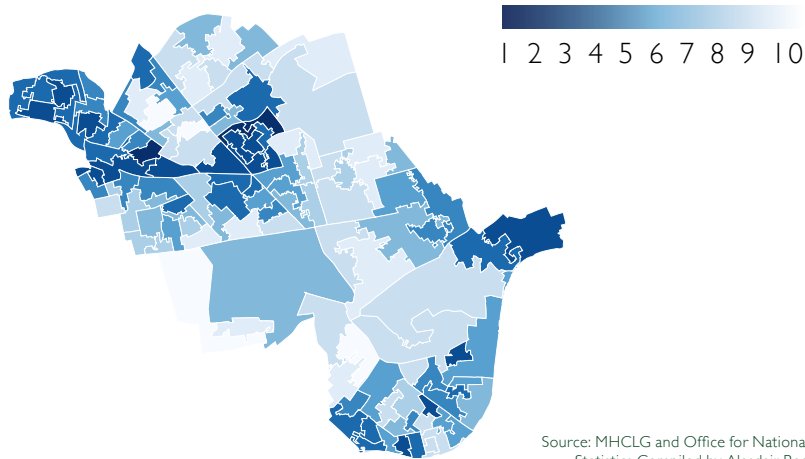4   https://moderngov.southwark.gov.uk/documents/s117438/Report%20Economic%20Strategy%202023-30.pdf
5   https://www.londoncouncils.gov.uk/sites/default/files/Southwark%20report_IM.pdf

WESTMINSTER

Areas of deprivation

Westminster is the 19th most deprived borough in London when looking at the Index of Multiple Deprivation (IMD)[1]. 53 per cent of areas in the borough are among the most deprived 50 per cent of areas in England.

Figure 1: Areas of deprivation in Westminster

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Labour market

70.4 per cent of the working age population (16-64) in Westminster were in employment in 2022, lower than London's average (76.2 per cent). Over a quarter (27.2 per cent) of the working age population in the borough were economically inactive, compared to a fifth across London. In 2022, 3.4 per cent of the population was unemployed, compared to 4.3 per cent in London. In June 2023, 4.0 per cent of the population of Westminster were claiming unemployment related benefits. The equivalent across London in this period was 4.9 per cent. Meanwhile, 4 per cent of the population were in work and claiming Universal Credit, the fifth lowest rate among London's boroughs and below the average of 6 per cent.

15.0 per cent of the borough's residents in employment work in finance and insurance, 12.3 per cent work in wholesale and retail trade, and 10.7 per cent work in human health and social care.

Skills and level of qualifications

In 2022, 2.2 per cent of 16–17-year-olds in Westminster were not in education, employment or training, compared to 1.5 per cent across London. The proportion of the working age population (aged 16-64) in Westminster with no qualifications is above the London average – 6.1 per cent compared to 5.5 per cent across London. However, over two thirds (68.3 per cent) of the working age population in Westminster have a level 4 qualification or higher, compared to about three fifths across London (58.9 per cent).

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The do indices. Income and employment deprivation are the domains forming half of the total IMD scores. See more information **here**.

Economic output and productivity

Westminster generated 19.1 per cent of London's total economic output in 2021, the highest proportion across all London boroughs.

19.1 per cent of its economic output was generated through finance and insurance activities, while these activities only generated 11.2 per cent of the total London economic output. Other sectors which contributed significantly to the borough's output in 2021 include information and communication (16.4 per cent), professional, scientific and technical activities (14.3 per cent) and wholesale and retail trade (11.3 per cent).

WESTMINSTER PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.
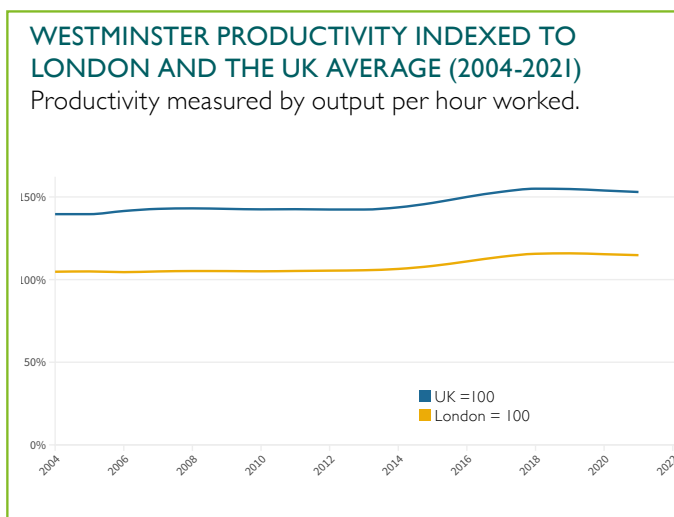
Westminster ranks third out of all London boroughs when ordered by labour productivity. Between 2004 and 2013, the borough's productivity remained steadily around 5 per cent higher than London and around 40 per cent higher than the UK average. The borough's productivity continued to increase between 2013 and 2018, before plateauing in 2019. In 2021, Westminster's output per hour worked was 15 per cent higher than London's and 53 per cent higher than the UK average.
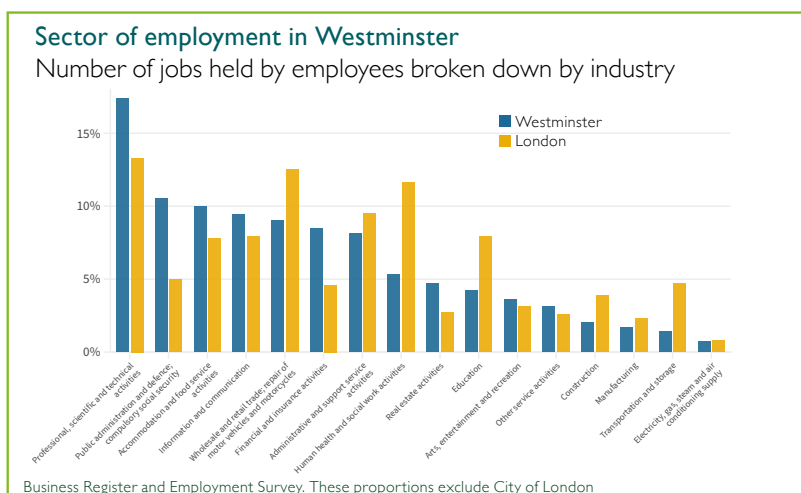
Employment Sectors

The sector employing the largest proportion of people in Westminster in 2021 was the professional, scientific and technical sector, making up 17.4 per cent of total jobs, higher than the London average of 13.3 per cent. Public administration and defence made up 10.5 per cent of jobs in the borough, over double the proportion across London Other sectors employing large proportions of people in Westminster include accommodation and food service activities (10.0 per cent) and information and communication (9.4 per cent).

Sector of employment in Westminster
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Westminster is an engine room for both London's economy and the national economy, with 53,000 businesses providing 767,000 jobs.[2] High value, professional service sectors such as finance and insurance, the professional, scientific and technical industries, and the information and communication sector have grown rapidly in the borough.[3] Many civil servants work in the borough, close to the Houses of Parliament. Westminster is also a global destination, with the world-famous West End attracting millions of visitors per year.

But despite Westminster's economic success, there are pockets of significant deprivation and deep inequalities within the borough; median income in Church Street is less than half of median income in Knightsbridge and Belgravia.[4] Particularly high concentrations of unemployment can be found in the north-west of the borough.[5]

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2   https://www.westminster.gov.uk/fairer-economy
3   Ibid
4   Ibid
5   Ibid

EAST BOROUGHS

Barking and Dagenham
Bexley
Greenwich
Hackney
Havering
Lewisham
Newham
Redbridge
Tower Hamlets
Waltham Forest

BARKING AND DAGENHAM

Areas of deprivation

Barking and Dagenham is the most deprived borough in London when looking at the Index of Multiple Deprivation (IMD)[1]. Nearly all areas (98 per cent) in the borough are among the most deprived 50 per cent of areas in England. Parts of Gascoigne, Thames and Heath areas are amongst the most deprived 10 per cent in England.

Figure 1: Areas of deprivation in Barking and Dagenham

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.
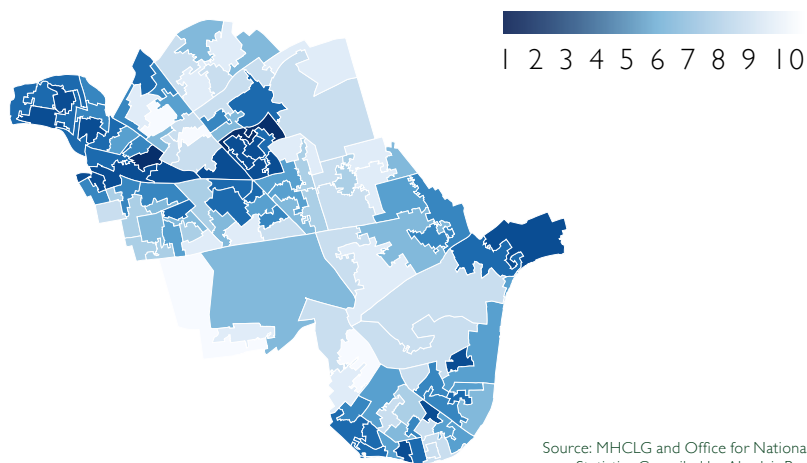
Population characteristics

In 2021, Barking and Dagenham was estimated to have a population of 218,543, below the average number of residents in London boroughs. The borough ranked 23rd when ordered by total population, but it has experienced the second highest population increases since 2011 (16.8 per cent). Its population density (6,053 people sq km) is above London's population density (5,596).

In the 2021 Census, 45 per cent of the population in Barking and Dagenham identified their ethnic group as 'White', almost ten percentage points lower than the average across London (54 per cent). 26 per cent of residents identified their ethnic group as within the Asian, Asian British, or Asian Welsh category. While this borough is one of the cheapest boroughs to rent in, it is the fifth least affordable borough when looking at the rent in relation to the median monthly household income.

Median annual pay: £27,963.
Twelve months average asking rent (all categories): £1,557.

Labour market

71.9 per cent of the working age population (16-64) in Barking and Dagenham were in employment in 2022 – this is lower than London's average. The borough has one of the highest levels of inactivity, with nearly a quarter of the working aged population economically inactive in 2022 (24.5 per cent), compared to a fifth across London (20.2 per cent). In 2022, 4.9 per cent of the population was unemployed, compared to 4.3 per cent in London. In June 2023, 6.7 per cent of the population were claiming unemployment related benefits – the second highest percentage across London. The Claimant Count across London in this period was 4.9 per cent. Meanwhile, 8.8 per cent of the population were in work and claiming Universal Credit, the highest rate of any London borough and well above the average of 6 per cent. 16.4 per cent of the borough's residents in employment work in the human health and social work activities sector, 14.1 per cent work in wholesale or retail trade, and 13.6 per cent work in construction.

Skills and level of qualifications

In 2022, 2.6 per cent of 16–17-year-olds in Barking and Dagenham were not in education, employment or training, the highest proportion of all London boroughs, and over one percentage point higher than the average across London. The proportion of the working age population (aged 16-64) in Barking and Dagenham with no qualifications is over double the London average – 11.9 per cent compared to 5.5 per cent across London. Just over a third of the working age population in Barking and Dagenham hold a level 4 qualification or higher (37 per cent), compared to over half (59 per cent) of the overall London workforce.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The two domains of income and employment deprivation are forming half of the total IMD scores. See more information here.

Economic output and productivity

Barking and Dagenham generated only 0.7 per cent of London's total economic output in 2021. 16 per cent of its economic output was being generated through manufacturing activities, whilst these activities only generated 2 per cent of the total London economic output. Real estate, Manufacturing, Wholesale and retail trade; repair of motor vehicles and motorcycles, and Construction activities generated more than 50 per cent of the total economic output in 2021. Barking and Dagenham is also one of the less productive boroughs (32.8 GVA per hours worked compared to the London's average of 51.1). Its productivity has s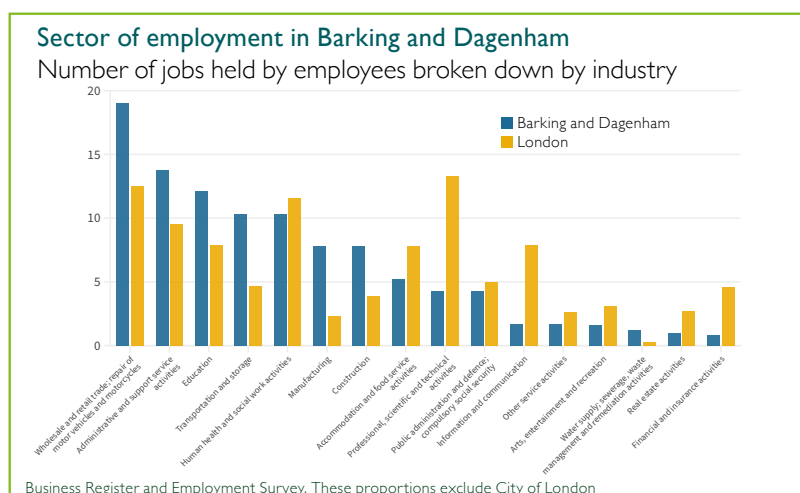teadily decreased since 2014. Between 2004 and 2014, its productivity was between 20 and 30 per cent higher than the UK average and around 10 and 15 per cent lower than the London average. In 2021, its productivity was nearly 40 per cent lower than London's productivity and 15 per cent lower than the UK average.

BARKING AND DAGENHAM PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.
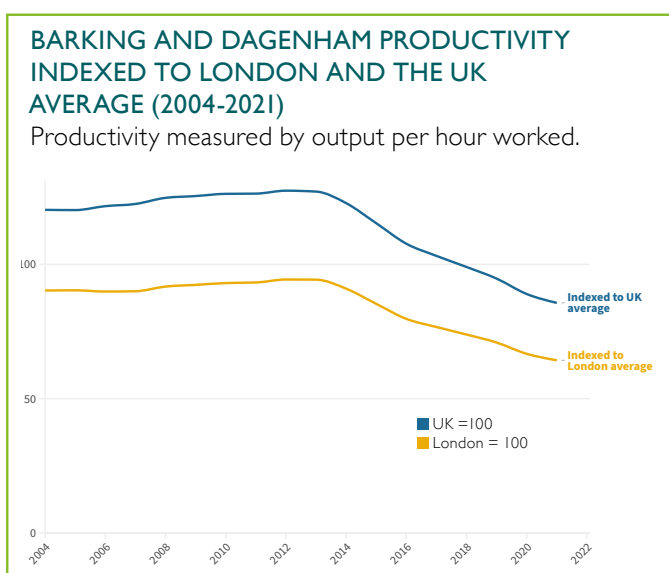
Employment Sectors

The sector employing the largest proportion of people in Barking and Dagenham in 2021 was wholesale and retail trade; repair of motor vehicles and motorcycles, making up 19 per cent of total jobs, higher than the London average of 12.5 per cent. Other sectors employing large proportions of people in Barking and Dagenham include administrative and support service activities (13.8 per cent) education (12.1 per cent), and human health and social work activities (10.3 per cent). Less than 5 per cent of people employed work in the professional, scientific and technical sector in Barking and Dagenham, compared to 13.3 per cent across London.

Sector of employment in Barking and Dagenham
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Barking and Dagenham's economy was historically based on manufacturing activities, and the structural decline of this sector in the UK since 1990 has contributed to a lower economic growth in this area than in other parts of London. In 2014, Dagenham hit the headlines when Ford announced the closure of its last factory in the UK, leading to many job losses and accelerated the economic decline[2]. Nowadays, the borough has high levels of unemployment and inactivity in the capital, with many pockets of deprivation and poverty. But there are some signs of economic recovery such as the increase in the number of jobs. Furthermore, the south part of the borough is included in the London Riverside Opportunity Area, an area identified by the GLA as high growth potential[3]. The borough regeneration company, Be First, has also set up an ambitious plan to support the delivery of homes and the creation of jobs in the borough. These regeneration initiatives have the potential to bring positive changes and improve the borough's economic situation.

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2   Evening Standard (2012) Car giant Ford closes last UK plant, announcing Dagenham job loses. Retrieved from: https://www.standard.co.uk/business/business-news/car-giant-ford-closes-last-uk-plant-announcing-dagenham-job-loses-8226947.html
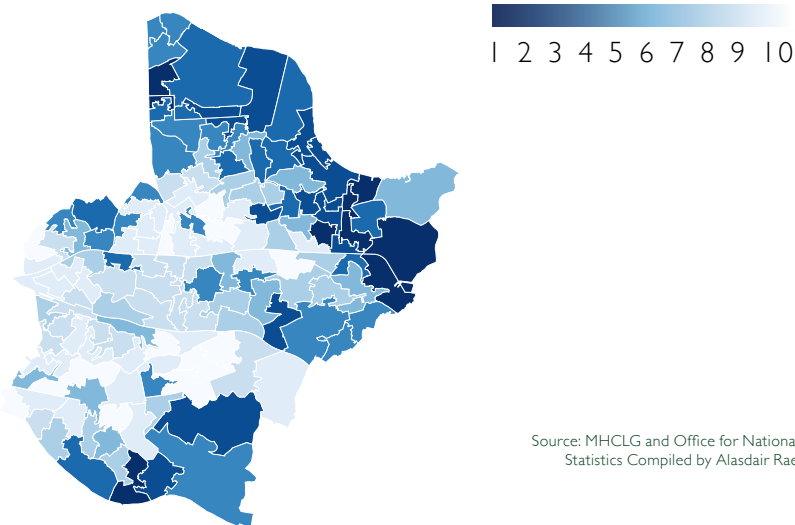3   Mayor of London (2021) London Plan. Retrieved from: https://www.london.gov.uk/sites/default/files/the_london_plan_2021.pdf

BEXLEY

Areas of deprivation

Bexley has some of the lowest levels of deprivation in England when looking at the Index of Multiple Deprivation (IMD).[1] While there are some pockets of deprivation in certain areas, the borough does not have any areas which fall among the most deprived 10 per cent of areas in England. By contrast, the borough does contain several areas that fall within the least deprived 10 per cent of areas nationally.

Figure 1: Areas of deprivation in Bexley

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Labour market

83.4 per cent of the working age population in Bexley were in employment in 2022, higher than London's average (76.2 per cent). 13.3 per cent of its residents in employment work in the human health and social work activities sector, 13.1 per cent work in wholesale or retail trade, and 11.8 per cent work in construction. The borough has among the lowest unemployment and inactivity rates across London, at 2.7 and 14.7 per cent respectively. Bexley has also one of the lowest proportions of residents claiming unemployment related benefits, with only 3.2 per cent of the population on claiming unemployment benefits in June 2023, compared to 4.9 per cent across London. Meanwhile, 4.8 per cent of the population were in work and claiming Universal Credit, lower than the London average of 6 per cent.

Skills and level of qualifications

In 2022, 1.9 per cent of 16–17-year-olds in Bexley were not in education, employment or training, compared to 1.5 per cent across London. 7.3 per cent of the working age population (aged 16-64) in Bexley have no qualifications, almost 2 percentage points higher than the London average (5.5 per cent). 42 per cent of the working age population in Bexley hold a level 4 qualification or higher, compared to over half (59 per cent) of the overall London workforce.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. Income and employment deprivation are the domains forming half of the total IMD scores. See more information **here.**

Economic output and productivity

Bexley generated 1.6 per cent of London's economic output in 2021. 38 per cent of its economic output was generated through real estate activities. By contrast, across London, real estate activities only generated 17 per cent of economic output.

Despite Bexley being one the most productive boroughs in London, with the fifth highest GVA per hour worked in 2021, its productivity is now slightly under the average across London, with £48.8 GVA produced per hour worked in 2021 compared to £51.1 across London. The borough's productivity has remained over 30 per cent higher than the UK average since 2004. But since 2014, the borough's productivity has steadily decreased.

BEXLEY PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.
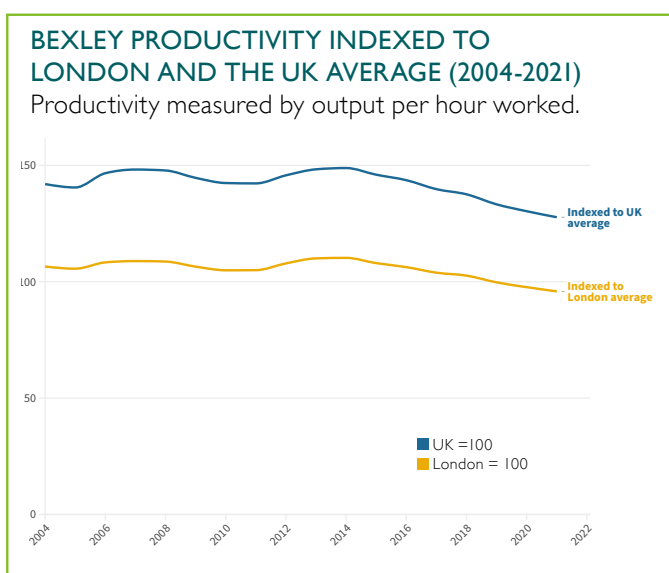
Employment Sectors

In 2021, the largest number of jobs in Bexley were in the wholesale and retail trade sector, making up 18.4 per cent of total jobs, higher than the proportion across London, 12.5 per cent.

Other sectors employing large proportions of people in Bexley include administrative and support service activities (11.8 per cent), human health and social work activities (10.5 per cent) and education (9.2 per cent). Just over 1 per cent of people employed in Bexley work in the financial and insurance sector, compared to 5 per cent across London.

Sector of employment in Bexley
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

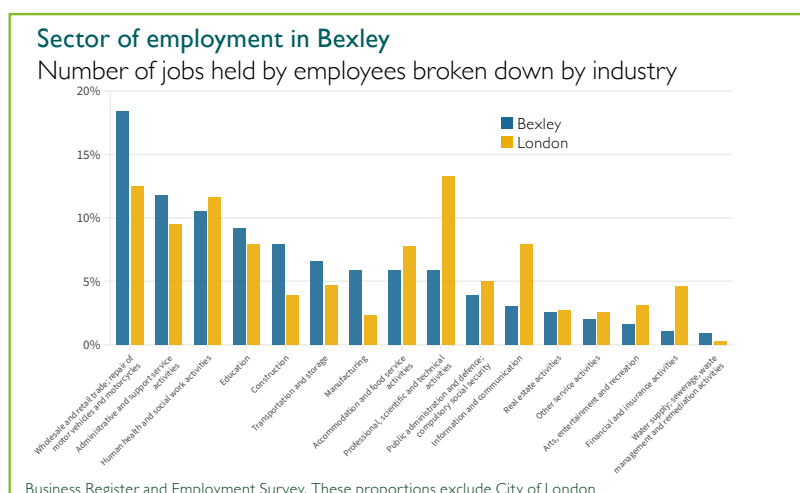## Economic Stories

Similar to many other outer London boroughs, Bexley is home to a high proportion of working residents who commute into central London to access a variety of jobs. However, the borough also has a broad business base, with key sectors including logistics, construction and manufacturing. Bexley has a large local labour force, and high levels of economic activity, with an employment rate that has remained higher than the average across London.

The north of the borough generally has higher rates of deprivation than the south, and contains two Opportunity Areas at Bexley Riverside and Thamesmead & Abbey Wood, areas identified by the GLA as having high growth potential.[2] Thamesmead & Abbey Wood is one of the largest opportunity regeneration areas in London, cited as being 'well located for significant employment growth'.[3]

2   Opportunity London. (undated) Boroughs: Bexley. Webpage consulted from 27/09/2023. Retrieved from: https://opportunity.london/boroughs/bexley

3   Opportunity London. (undated) Boroughs: Greenwich. Webpage consulted from 27/09/2023. Retrieved from: https://opportunity.london/boroughs/greenwich

GREENWICH

Areas of deprivation

In Greenwich, pockets of affluence can be found near pockets of deprivation. When looking at the Index of Multiple Deprivation (IMD)[1], 77 per cent of areas in Greenwich are among the most deprived 50 per cent of areas in England. However, only 1 per cent of areas are in the most deprived 10 per cent of areas.

Figure 1: Areas of deprivation in Greenwich
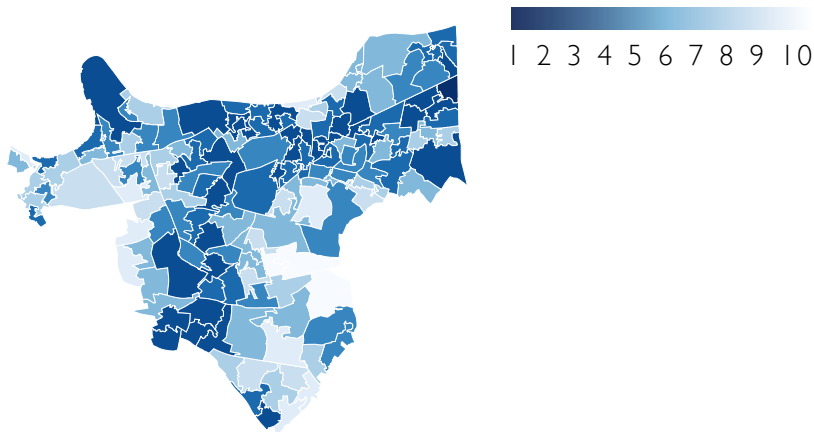
1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Population characteristics

In 2021, Greenwich was estimated to have a population of 289,254, above the average number of residents in London boroughs. The borough is ranked 15th out of all London boroughs for total population and experienced the third highest population increase since 2011, (13.2 per cent) after Tower Hamlets and Barking and Dagenham. This is driven by new residential developments in Woolwich.

Its population density (6,114 people per sq km) is above London's population density (5,596 people per sq km).

The population of Greenwich is predominantly 'White', with 56 per cent of the population identifying as being part of this ethnic group in the 2021 census. 21 per cent of residents identified their ethnic group within the "Black, Black British, Black Welsh, Caribbean or African" category.

Greenwich has one of the highest asking rents of all outer London boroughs. It is the 8th least affordable borough when looking at rent in relation to monthly household income.

Median annual pay: £34,509
Twelve months average asking rent (all categories): £1,890.

Labour market

In 2022, Greenwich's employment rate for the working age population was 76.2 per cent, equal to the average across London. In 2022, the borough's unemployment rate was 4.5 per cent, also equal to the rate across London. Similarly the inactivity rate was equal to the average across London, with 20.9 per cent of the borough population inactive in 2022. Data on unemployment benefit claims show that a similar proportion of the working age population in Greenwich claim unemployment related benefits compared to the London average: 5.0 per cent in Greenwich compared to 4.9 per cent across London. Meanwhile, 6.1 per cent of the population were in work and claiming Universal Credit, similar to the London average of 6 per cent. 14.3 per cent of Greenwich residents in employment work in the 'human health and social work activities' sector, 11.1 per cent work in 'wholesale or retail trade', and 9.3 per cent work in 'education'.

Skills and level of qualifications

In 2022, 2.3 per cent of 16–17-year-olds in Greenwich were not in education, employment or training, the third highest proportion of all London boroughs, and nearly one percentage point higher than the average across London (1.5 per cent). The proportion of the working age population (aged 16-64) in Greenwich with no qualifications is 4.4 per cent. 58 per cent of the working-age population in Greenwich hold a level 4 qualification or higher, similar to the average across London.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. Income and employment deprivation are the domains forming half of the total IMD scores. See more information here.

Economic output and productivity

Greenwich generated only 1.3 per cent of London's economic output in 2021. 21 per cent of its economic output was generated through real estate activities, whist these activities generated 17 per cent of the total London economic output. Other sectors which contributed the most to Greenwich's output in 2021 were 'human health and social work activities' (12 per cent), construction (10 per cent) and education (9 per cent). Greenwich's labour productivity is below London's average, with £37.5 GVA generated per hour worked, compared to 51.1 across London. Until 2020, Greenwich's productivity had been above the UK average since 2004.

GREENWICH PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.
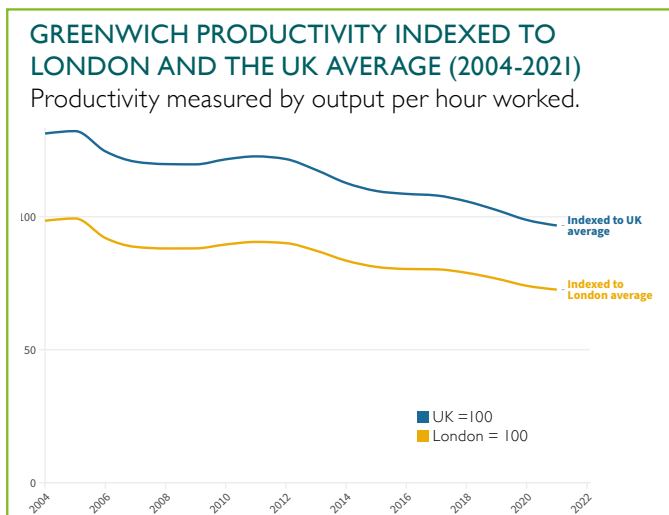
Employment Sectors

In 2021, the largest employment sector in Greenwich was human health and social work activities, making up 17.0 per cent of total jobs, higher than the London average of 11.6 per cent. Furthermore, 13.6 per cent of jobs in Greenwich are in education, almost double the proportion across London. Other sectors employing large proportions of people include wholesale and retail trade (13.6 per cent), accommodation and food service activities (9.1 per cent), and administrative and support service activities (8 per cent).
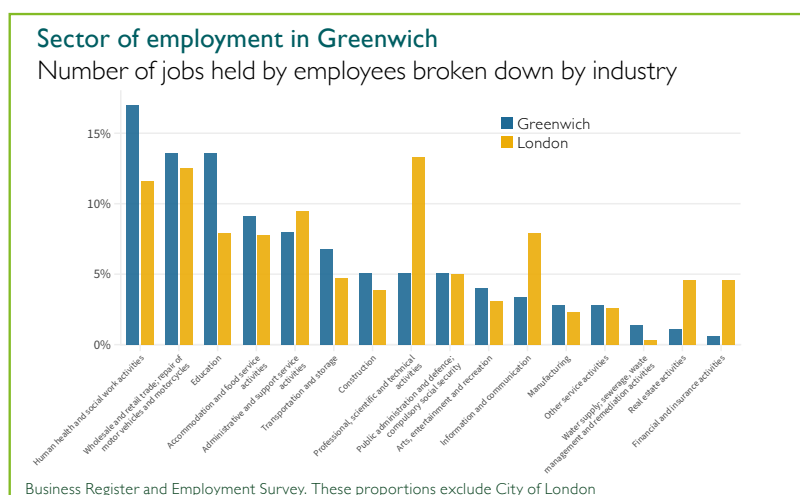
Sector of employment in Greenwich
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

The Royal Borough of Greenwich is a key tourist destination in London, renowned for its royal and naval history, including Maritime Greenwich UNESCO World Heritage Site. Tourism is a strong and growing sector in the borough, with other key attractions including Charlton House, Eltham Palace, the Thames Barrier and The O2.[2] Other significant sectors in Greenwich include manufacturing and distribution, which have remained traditional sectors in the borough. The business services sector is the fastest growing sector in the borough, having grown partly on the back of Canary Wharf's growth, which has spilled across the Thames into Greenwich.[3] Greenwich has also been developing a significant creative and cultural sector, including the Design District at Greenwich Peninsula, London's first purpose-built district made specifically for the creative community, and a growing cultural and workspace hub in Woolwich. The borough includes three Opportunity Areas, identified by the Mayor as areas with significant potential for development opportunities to accommodate new homes, jobs and infrastructure of all types. These are in Charlton Riverside, Thamesmead and Abbey Wood, and Greenwich Peninsula.[4]

2   Royal Borough of Greenwich. (undated) Business Sector Profiles: Types of business in Royal Greenwich. Retrieved from: https://www.royalgreenwich.gov.uk/info/200218/business_support_and_advice/227/business_sector_profiles

3   Ibid

4   Opportunity London. (undated) Boroughs: Greenwich. Webpage consulted on 27/09/2023. Retrieved from: https://opportunity.london/boroughs/greenwich

HACKNEY

Areas of deprivation

Hackney is the second of the most deprived borough in London when looking at the Index of Multiple Deprivation (IMD).[1] Nearly all areas (92 per cent) in Hackney are among the most deprived 50 per cent of areas in England. Hackney is just one of five London boroughs where not one neighbourhood falls within the 10 per cent least deprived areas. Of all London boroughs, Hackney has the highest proportion of areas in the most deprived 10 per cent of areas nationally (11 per cent of areas).

Figure 1: Areas of deprivation in Hackney

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.
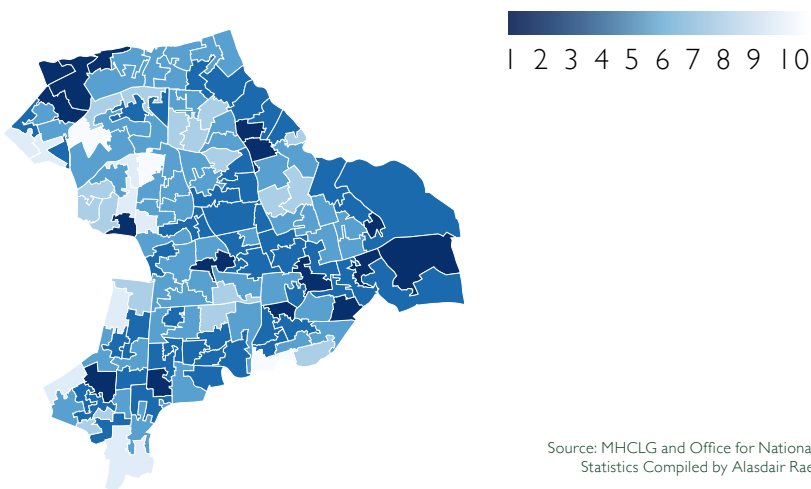
Population characteristics

In 2021, Hackney was estimated to have a population of 259,956, below the average number of residents in London boroughs. The borough ranked 21st when ordered by total population. Since 2011, its population increased by 5.2 per cent, below the average growth across London.

Hackney has the third most dense population of all London boroughs, with 13,650 people per square km. By contrast, the average density across London is 5,596 people per square km.

In the 2021 census, 53 per cent of people in Hackney identified their ethnic group within the White category. 21 per cent of residents identified their ethnic group within the Black, Black British, Black Welsh, Caribbean or African category.

The borough has one of the highest average asking rents across London, at £2,395 per month across all categories of bedroom, and is the third least affordable borough when looking at the rent in relation to the median monthly household income.

Median annual pay: £32,448
Twelve months average asking rent (all categories): £2,395.

Labour market

73.2 per cent of the working age population (aged 16-64) were in employment in 2022 – below London's average (76.2 per cent). In 2022, 6.1 per cent of the working age population were unemployed in Hackney, the second highest figure across London, where the average is 4.9 per cent. Meanwhile, 7.1 per cent of the population were in work and claiming Universal Credit, higher than the London average of 6 per cent.

15.7 per cent of the borough's residents in employment work in professional, scientific and technical activities, 12,0 per cent work in human health and social work activities, and 11.2 per cent work in education.

Skills and level of qualifications

In 2022, 1.7 per cent of 16–17-year-olds in Hackney were not in education, employment or training, compared to 1.5 per cent across London. Hackney has one of the highest proportions of 16–64-year-olds with a level 4 qualification or higher, at 71 per cent. The average across London in 2021 was 58.9 per cent. However, a greater proportion of the working age population in Hackney have no qualifications compared to London – 7.0 per cent and 5.5 per cent respectively.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. Income and employment deprivation are the domains forming half of the total IMD scores. See more information **here**.

Economic output and productivity

Hackney generated 2.6 per cent of London's economic output in 2021. 21.2 per cent of its economic output was generated through the information and communication sector. However, across London, this sector generated only 12.3 per cent of the total London economic output. Other top performing sectors for output in Hackney are wholesale and retail trade (14.7 per cent), real estate activities (13.2 per cent), and professional, scientific and technical activities (10.8 per cent).

Hackney is also one of the less productive boroughs (£36.0 GVA per hour worked compared to London's average of £51.1). Though Hackney's productivity has remained 20 to 30 per cent lower than London's average since 2004, it did surpass the national average in 2018.

HACKNEY PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

UK = 100
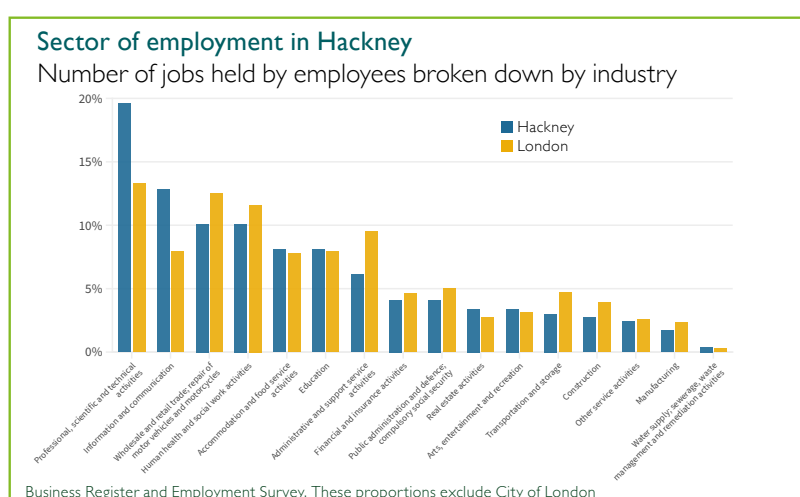London = 100
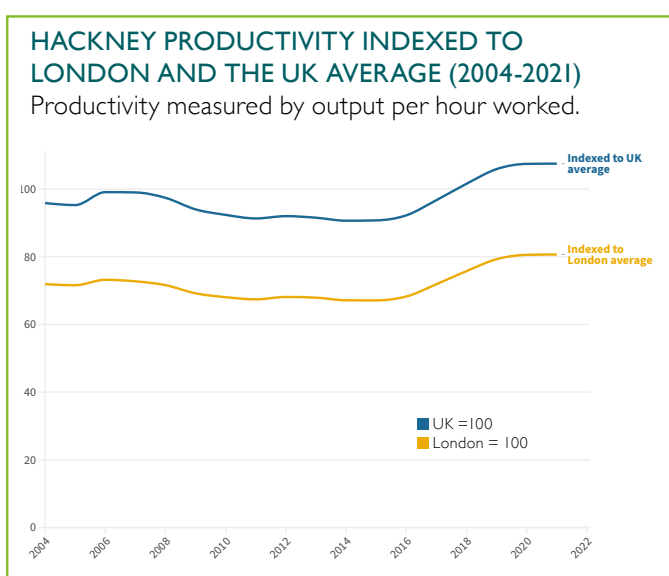
Employment Sectors

The sector employing the largest proportion of people in Hackney in 2021 was professional, scientific and technical activities, making up 19.6 per cent of total jobs, higher than the London average of 13.3 per cent. Information and communication activities, accommodation and food service activities, and education also employ a greater proportion of people in Hackney than in London.

Sector of employment in Hackney
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Hackney has more residents in highly skilled roles, and higher employment and economic activity rates than a decade ago.[2] The borough has witnessed significant job growth, with the number of jobs increasing by 30 per cent between 2015 and 2021, the largest growth of all boroughs. The largest sectors and greatest numbers of businesses in Hackney are found in the professional, scientific and technical sector, and in the information and communication sector, which are often highly skilled and well-paid areas of work.

However, higher employment rates in the borough are partly a result of population change, and not just improved employment opportunities for residents.[3] Indeed, high levels of inequality and poverty still exist in Hackney, with many local neighbourhoods amongst the most deprived in the country, particularly around the eastern parts of the borough. Of all the dimensions or 'domains' of deprivation, Hackney is extremely deprived in the domain of 'barriers to housing and services'.[4] Housing affordability is a key issue, with Hackney having one of the fastest rent increases for a two bed home over the past decade, and high housing costs across the borough.[5]

2   Hackney Council (2019) Hackney's Draft Inclusive Economy Strategy 2015-2025. Retrieved from: https://consultation.hackney.gov.uk/communications-engagement/iestrategy/user_uploads/draft-inclusive-economy-strategy-2019-2025.pdf
3   Ibid
4   London Borough of Hackney Policy and Insight Team (2020) A Profile of Hackney, its People and Place. Retrieved from: https://hced.co.uk/download/Hackney-Profile_2020.pdf
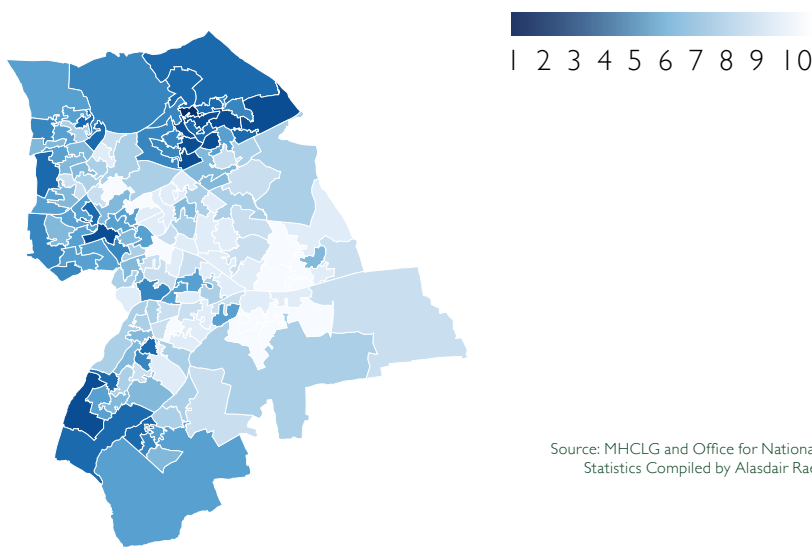5   Hackney Council (2023) Help inform the future of housing in Hackney. Retrieved from: https://news.hackney.gov.uk/help-inform-the-future-of-housing-in-hackney/#:~:text=Hackney%20has%20one%20of%20the,2%2C000%20a%20month%20on%20average

HAVERING

Areas of deprivation

When looking at the Index of Multiple Deprivation (IMD)[1], Havering is a relatively affluent borough, though pockets of deprivation exist in certain wards to the north and south of the borough. Over 60 per cent of areas in the borough are within the least deprived 50 per cent of areas nationally. 7 per cent of areas in the borough also fall within the least deprived 10 per cent of areas in England.

Figure 1: Areas of deprivation in Havering

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Labour market

In 2022, Havering's employment rate among the working age population (16 to 64 years old) was 85.4 per cent – almost 10 percentage points higher than London overall (76.2), and the second highest across all boroughs. Havering has one of the lowest unemployment rates across London, with 2.8 per cent of the working age population unemployed in 2022. The borough also has one of the smallest proportions of the working aged population who are inactive, with 13.4 per cent of 16–64-year-olds economically inactive in 2022. In June 2023, the proportion of working age residents claiming unemployment related benefits was 4.0 per cent, compared to 4.9 per cent across London. Meanwhile, 5.1 per cent of the population were in work and claiming Universal Credit, lower than the London average of 6 per cent. 13.4 per cent of the borough's residents in employment work in construction, and the same proportion work in the human health and social work activities sector. 12.3 per cent work in wholesale or retail trade.

Skills and level of qualifications

In 2022, 1.7 cent of 16–17-year-olds in Havering were not in education, employment or training, slightly higher than the average across London (1.5 per cent). While three fifths the overall London workforce (58.9 per cent) hold a level 4 qualification of over, just over a third of the working age population in Havering hold a level 4 qualification or higher (37.1 per cent). Havering has one of the highest proportions of working age population with no qualifications – 7.1 per cent.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. Income and employment deprivation are the domains forming half of the total IMD scores. See more information **here.**

Economic output and productivity

Havering generated 1.5 per cent of London's economic output in 2021.

19.2 per cent of its economic output was generated through real estate activities, while across London these activities generated 17 per cent of London's total economic output. 12.6 per cent of the borough's output was generated through construction, and 12.0 per cent through human health and social work activities.

Havering ranks 16th out of all London boroughs when ranked by GVA per hour worked, with its productivity standing at 74 per cent of the London average in 2021. Though the borough's productivity has steadily decreased since 2007, it has remained above the national average since 2004.

HAVERING PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

Indexed to UK average
Indexed to London average

UK =100
London = 100
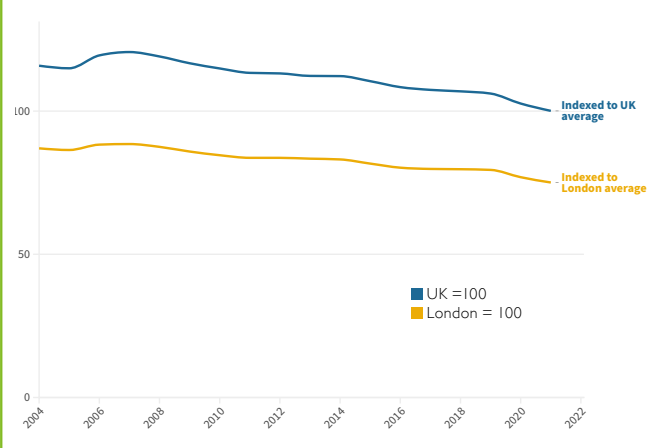
Employment Sectors

In 2021, the largest employment sector in Havering was human health and social work activities, making up 20.7 per cent of jobs in the borough, almost double the proportion across London.

Other sectors which employed large proportions of people in Havering were wholesale and retail trade (16.1 per cent), administrative and support service activities (11.5 per cent), and construction (9.2 per cent). While 13.3 per cent of jobs across London are in the professional, scientific and technical sector, this sector only makes up 5.2 per cent of total jobs in Havering.

Sector of employment in Havering
Number of jobs held by employees broken down by industry
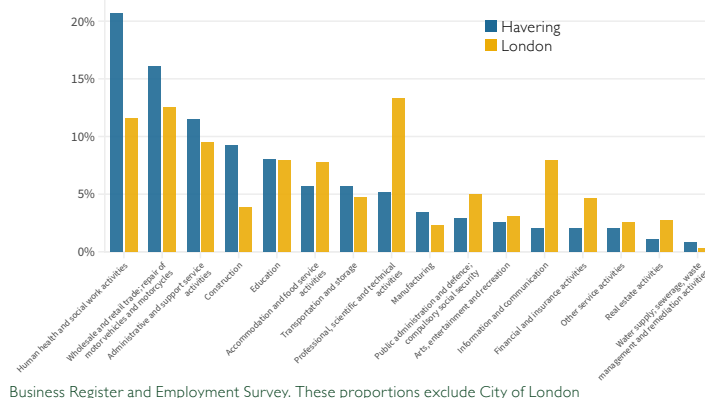
Havering
London

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Havering is the third largest borough in London. More than half of the borough lies within the Metropolitan Green Belt, restricting land development and the extension of existing developments, particularly in the east of the borough bordering Essex.[2] The borough is thus mostly characterized by suburban development, with the majority of the area dedicated to open green space. After Bromley, Havering has the highest proportion of undeveloped land across all London boroughs, with nearly three quarters of land in the borough (72 per cent) undeveloped in 2022. Though the borough has relatively low levels of deprivation and has high employment rates, the median annual pay in Havering is lower than the average across London. Health and social care activities make up over a fifth of jobs, with Queen's Hospital being a significant employer in the borough.[3] The retail sector share in Havering is also one of the largest in London.[4] Romford is the key metropolitan area in Havering, boasting one of east London's largest town centres.

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2   London Borough of Havering Public Health Service (2019) This is Havering: A demographic and socio-economic profile. Retrieved from:
     https://www.haveringdata.net/joint-strategic-needs-assessment/this-is-havering/
3   Invest in Havering. (undated). Sector Expertise. Webpage consulted on 27/09/2023. Retrieved from: https://www.investinhavering.co.uk/why-havering/for-business-potential/sector-expertise/
4   Ibid

LEWISHAM

Areas of deprivation

Lewisham is one of the most deprived boroughs in London when looking at the Index of Multiple Deprivation (IMD).[1] 85 per cent of areas in Lewisham are among the most deprived 50 per cent of areas in England. 3 per cent of areas in Lewisham fall within the 10 per cent most deprived areas nationally.

Figure 1: Areas of deprivation in Lewisham

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.
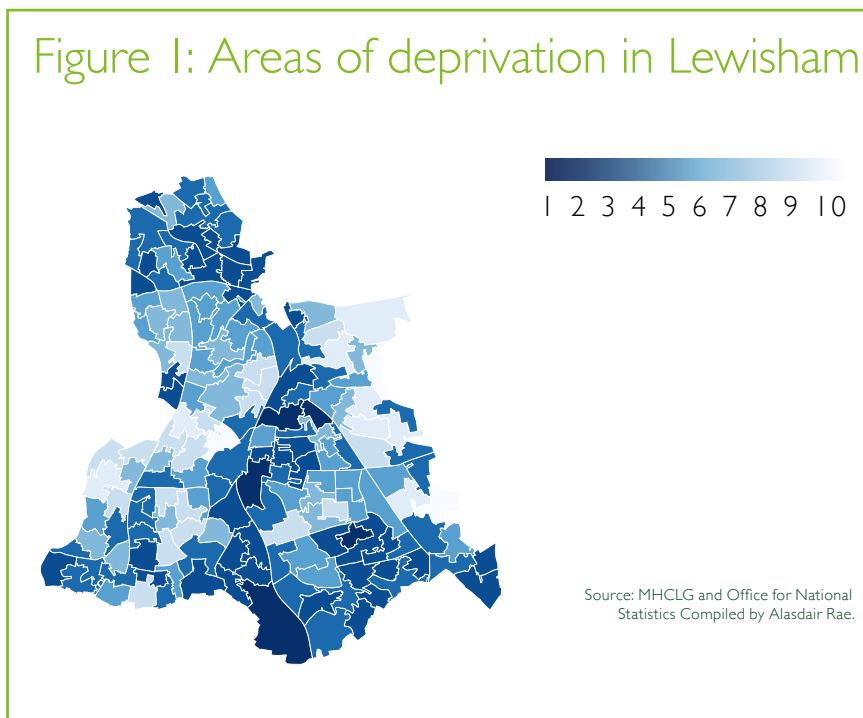
Population characteristics

In 2021, Lewisham was estimated to have a population of 299,810. Its population is higher than the average across all London boroughs, ranking 14th when ordered by total population. Between 2011 and 2021, the population of Lewisham increased by 8.3 per cent, compared to a 7.2 per cent growth across London overall.

The borough's population density (8,530 people per square km) is above London's population density (5,596 people per square km).

In the 2021 Census, 51 per cent of the population in Lewisham identified their ethnic group as White, compared to 54 per cent across London. 27 per cent of residents identified their ethnic group within the Black, Black British, Black Welsh, Caribbean or African category.

Lewisham has the lowest asking rent of all inner London boroughs, and ranks 20th across London for unaffordability.

Median annual pay: £32,579.
Twelve months average asking rent (all categories): £1,693.

Labour market

Lewisham has one of the highest employment rates across London. 83.0 per cent of 16–64-year-olds were in employment in 2022, compared to London's average of 76.2 per cent. Lewisham also has lower inactivity rates than London, with 15 per cent of Lewisham's working age population economically inactive in 2022, compared to 20 per cent across London. However, in June 2023, Lewisham had one of the highest proportions of the working age population claiming unemployment related benefits – 5.8 per cent, compared to London's average of 4.9 per cent. Meanwhile, 6.9 per cent of the population were in work and claiming Universal Credit, higher than the London average of 6 per cent. 15 per cent of its residents in employment work in the human health and social work activities sector, 11 per cent work in wholesale or retail trade, and 11 per cent work in education.

Skills and level of qualifications

In 2022, 1.2 per cent of 16–17-year-olds in Lewisham were not in education, employment or training, lower than the proportion across London (1.5 per cent). Two thirds of the working age population in Lewisham hold a level 4 qualification or higher, compared to 59 per cent across London. However, a slightly greater proportion of the working aged population in Lewisham also have no qualifications compared to London – 6.1 per cent and 5.8 per cent respectively.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. Income and employment deprivation are the domains forming half of the total IMD scores. See more information **here**.

Economic output and productivity

Lewisham generated only 0.9 per cent of London's economic output in 2021, the second lowest of all London boroughs. 34 per cent of its economic output was generated through real estate activities, double the proportion of GVA that these activities generated across London (17 per cent). The real estate, education, and human health and social work sectors generated more than 50 per cent of the borough's total economic output in 2021.

Lewisham is the least productive borough across London, with £28.0 GVA generated per hour worked in 2021, compared to £51.1 across London. Since 2004, the borough's productivity has remained around 20 to 25 per cent lower

LEWISHAM PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

than the national average, and around 35 to 45 per cent lower than the London average. In 2021, its productivity was 42 per cent lower than London's productivity and 22 per cent lower than the UK average.
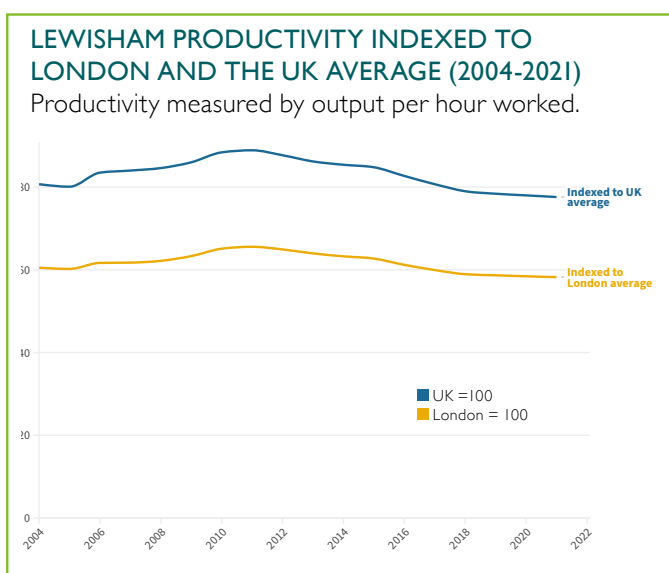
Employment Sectors

The sector which employed the largest proportion of people in Lewisham in 2021 was human health and social care activities, making up nearly a fifth of total jobs, higher than the proportion across London of 11.6 per cent. Other large sectors in Lewisham include education (15.9 per cent), w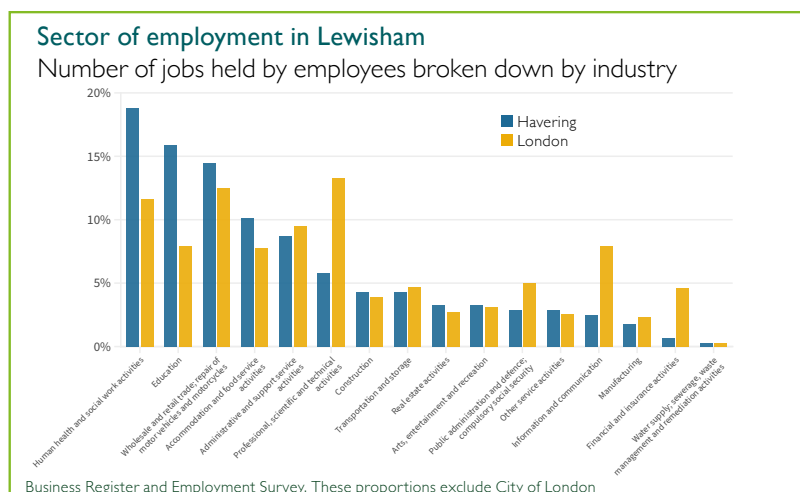holesale and retail trade (14.5 per cent) and accommodation and food service activities (10.1 per cent). While across London, 13.3 per cent of jobs are in the professional, scientific and technical sector, this sector only accounts for 5.8 per cent of jobs in Lewisham.

Sector of employment in Lewisham
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Lewisham has high economic activity and employment rates, and its population is marginally better qualified than London as a whole. The economy of the borough is predominantly a local service sector economy, particularly for the public sector, with healthcare and education being the two largest sectors. 95 per cent of businesses in the borough are small or micro enterprises and 70 per cent of high street businesses are independently owned.[2]

Lewisham has one of London's first Creative Enterprise Zones, areas of London where artists and creative businesses can find permanent affordable space to work and are supported to start-up and grow. The Lewisham Creative Enterprise Zone focuses on New Cross and Deptford in the north of the borough, close to Goldsmiths University, where local people are helped to learn creative sector skills and find new jobs. [3]

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2   Opportunity London. (undated). Boroughs: Lewisham. Webpage consulted on 27/09/2023. Retrieved from: **https://opportunity.london/ boroughs/lewisham**
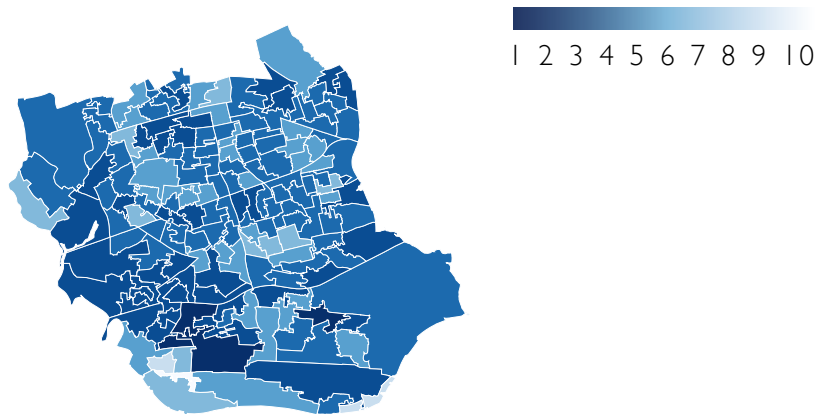
3   Ibid

NEWHAM

Areas of deprivation

Newham is the third most deprived borough in London when looking at the Index of Multiple Deprivation (IMD).[1] Nearly all areas (96 per cent) are among the most deprived 50 per cent of areas nationally. Parts of Beckton and Custom House are amongst the most deprived 10 per cent in England.

Figure 1: Areas of deprivation in Newham

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Population characteristics

In 2021, Newham was estimated to have 350,626 residents, the fourth largest population of all London boroughs. Between 2011 and 2021, the population of Newham increased by 13 per cent, almost double the population growth across London during this time.

Its population density (9,687 people per sq km) is above London's population density (5,596 sq km).

In the 2021 Census, 31 per cent of residents identified their ethnic group within the White category, compared to 54 per cent across London. 42 per cent of residents identified their ethnic group within the Asian, Asian British or Asian Welsh category, while 17 per cent identified their ethnic group within he Black, Black British, Black Welsh, Caribbean or African category.

When looking at rent in relation to median monthly household income, the borough has the least affordable rents across London.

Median annual pay: £29,131
Twelve months average asking rent (all categories): £2,002.

Labour market

76.1 per cent of the working age population in Newham were in employment in 2022, almost the same proportion as the average across London (76.2). However, Newham's unemployment rate in 2022 was one of the highest across London, at 5.9 per cent. In June 2023, Newham had the third highest proportion of working aged residents claiming unemployment benefits, at 6.1 per cent. Meanwhile, 7.8 per cent of the population were in work and claiming Universal Credit, the fourth highest rate among London's boroughs and above the average of 6 per cent.

14.5 per cent of its residents in employment work in wholesale and retail trade sector, 12.1 per cent work in human health and social work, and 10.6 per cent work in construction.

Skills and level of qualifications

In 2022, 1.8 per cent of 16–17-year-olds in Newham were not in education, employment or training, compared to 1.5 per cent across London. 6.1 per cent of the working age population in Newham held no qualifications in 2022, lower than London's average (6.7 per cent). Newham also has a lower proportion of working age residents with a level 4 qualification or higher – 57.6 per cent, compared to 58.9 across London.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. Income and employment deprivation are the domains forming half of the total IMD scores. See more information here.

Economic output and productivity

Newham generated 1.8 per cent of London's economic output in 2021. 22.9 per cent of its economic output was generated through real estate activities, whilst these activities generated 17.4 per cent of the total London economic output. Other sectors which contributed the most to the borough's overall output were education (10.0 per cent), public administration and defence (8.9 per cent), and wholesale and retail trade (8.9 per cent). Newham is one of the least productive boroughs in London. In 2021, it generated £33.1 GVA per hour worked, compared to London's average of £51.1. Its productivity has been decreasing since 2008. Before 2015, the borough's productivity was above the national average, and around 75 to 85 per cent of the London average.

NEWHAM PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

In 2021, its productivity was 35 per cent lower than London's productivity and 15 per cent lower than the UK average.
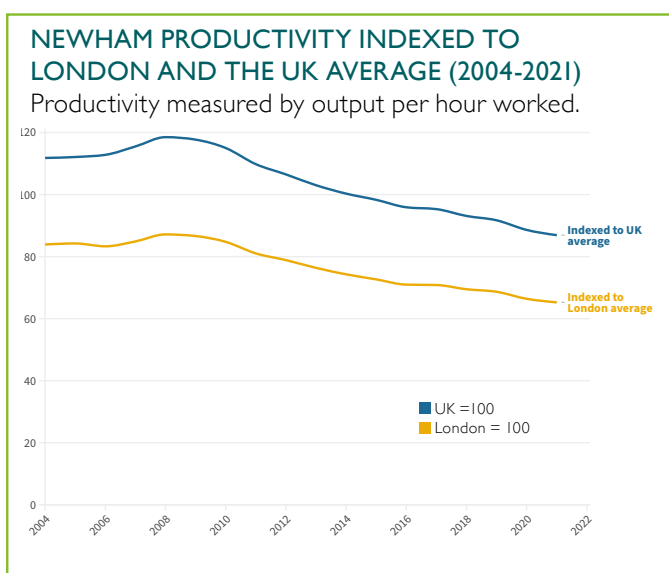
Employment Sectors

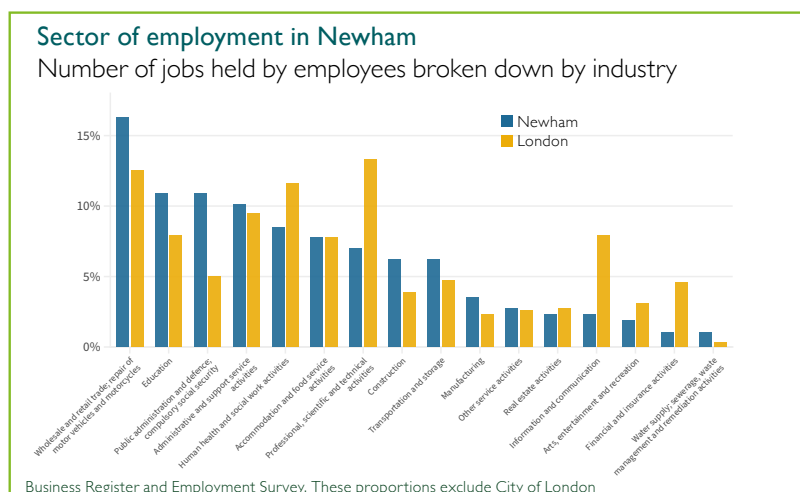The sector employing the largest proportion of people in Newham in 2021 was wholesale and retail trade, making up 16.3 per cent of total jobs, while this accounted for 12.5 per cent of the total number of jobs. Public administration and defense activities was also a much larger sector in Newham than in London overall, accounting for 10.9 per cent of jobs, over double the proportion across London. Other large sectors in Newham include education (10.9 per cent), administrative and support service activities (10.1 per cent) and human health and social work activities (8.5 per cent).

Sector of employment in Newham
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Newham is one of the most diverse, but also most deprived boroughs in London. The borough is also one of the most deprived local authorities nationally, being among the 10 per cent most deprived across England. When looking at the domains of deprivation with the IMD, Newham ranks first in the country for barriers to housing and services, and 3rd in income deprivation affecting older people.[2] The 2012 Olympic Games in Stratford led to major changes in Newham, with billions of pounds poured into the borough in the form of Westfield Stratford City and the Olympic venues. However, debate exists around whether the legacy of providing more jobs, affordable housing, and improved democratic participation in the development of the area has materialized.[3] Newham was granted the highest award of all London boroughs from the Levelling Up Fund in 2021, receiving £40 million.

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2   Newham London (undated) English indices of deprivation 2019. Webpage consulted on 27/09/2023. Retrieved from: **https://www.newham. info/english-indices-of-deprivation-2019/**
3   Newham Voices (2022) 2021 Legacy? Newham still waiting. Retrieved from: **https://newhamvoices.co.uk/2022/08/31/2012-legacy-newham-still-waiting/**

The funding is to be used for new investment in underutilised and empty buildings to be used for community wealth building activities, new improvements to the Leaway as well public realm and road improvements.[4] The council has also developed a dynamic cultural strategy to ensure creative industries thrive, as well as the Newham Sparks initiative which is pioneering new approaches to how the data and tech sectors can drive forward job growth and new skills for Newham residents.[5]

4   Opportunity London (undated) Boroughs: Newham. Webpage consulted on 27/09/2023. Retrieved from: https://opportunity.london/boroughs/newham

5   Newham Council (2023) Welcome to Newham Sparks. Retrieved from: https://www.newham.gov.uk/NewhamSparks
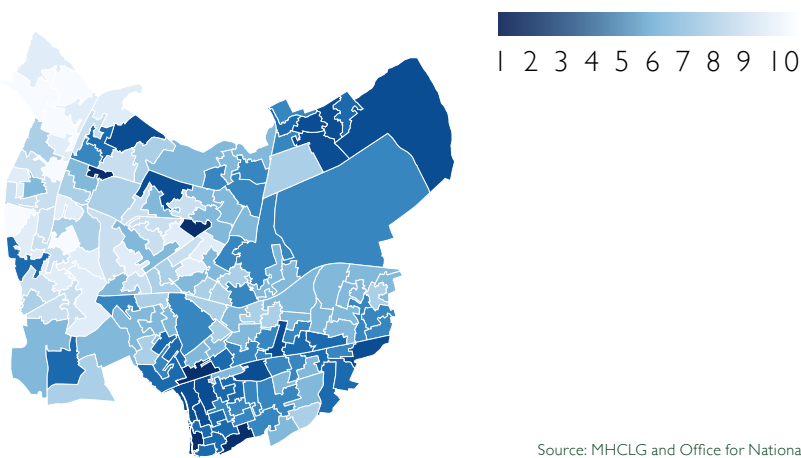
REDBRIDGE

Areas of deprivation

In Redbridge, pockets of affluence can be found near pockets of deprivation. However, when looking at the Index of Multiple Deprivation (IMD)[1], the borough does not contain any areas which are among the most deprived 10 per cent nationally. By contrast, the borough has several neighbourhoods which are among the 10 per cent least deprived nationally, including areas in Woodford.

Figure 1: Areas of deprivation in Redbridge

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Population characteristics

In 2021, Redbridge was estimated to have a population of 309,836, above the average in London boroughs. The borough ranks 11th when ordered by total population and has experienced a 10 per cent population increase since 2011.

Its population density (5,494 people sq km) is slightly below London's population density (5,596).

In the 2021 Census, 47 per cent of residents identified their ethnic group as within the Asian, Asian British, or Asian Welsh category. 35 per cent of the population in Redbridge identified their ethnic group as 'White', almost twenty percentage points lower than the average across London (54 per cent).

The borough is one of the cheapest boroughs to rent in, and is the 6th most affordable borough when looking at the rent in relation to the median monthly household income.

Median annual pay: £31,512.
Twelve months average asking rent (all categories): £1,598.

Labour market

72.3 per cent of the working age population (16-64) in Redbridge were in employment in 2022 – this is lower than London's average of 76.2 per cent. In 2022, 5.0 per cent of the population was unemployed, compared to 4.3 per cent in London. In June 2023, 5.0 per cent of the population were claiming unemployment related benefits – similar to the average across London (4.9 per cent). Meanwhile, 5.8 per cent of the population were in work and claiming Universal Credit, similar to the London average of 6 per cent.

13.7 per cent of the borough's residents in employment work in the wholesale and retail trade sector, 12.6 per cent work in human health and social work, and 10.8 per cent work in construction.

Skills and level of qualifications

In 2022, 1.8 per cent of 16–17-year-olds in Redbridge were not in education, employment or training, higher than the average across London (1.5). 7.5 per cent of the working age population have no qualifications in Redbridge, the second highest proportion across all London boroughs. 52 per cent of the working age population in Redbridge hold a level 4 qualification or higher, compared to 59 per cent of the overall London working age population.
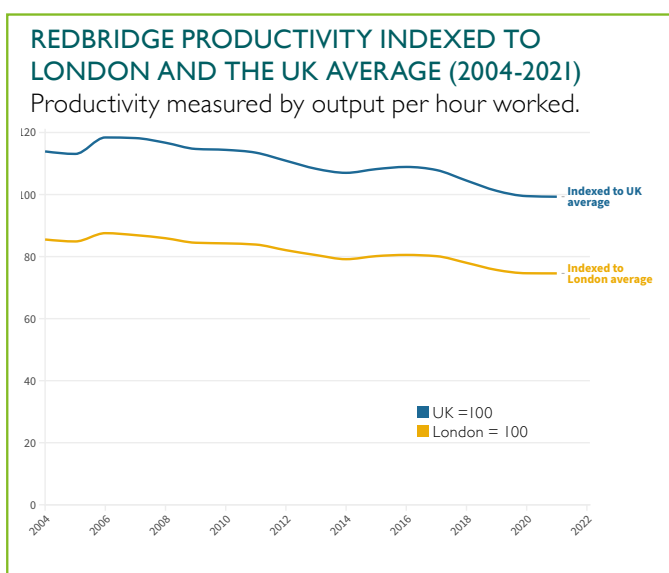
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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. Income and employment deprivation are the domains forming half of the total IMD scores. See more information here.

Economic output and productivity

Redbridge generated 1.2 per cent of London's total economic output in 2021.

30 per cent of its economic output was generated through real estate activities, whilst these activities generated 17 per cent of the total London economic output. Together, real estate, human health and social work, and construction activities generated almost half of the borough's total economic output in 2021.
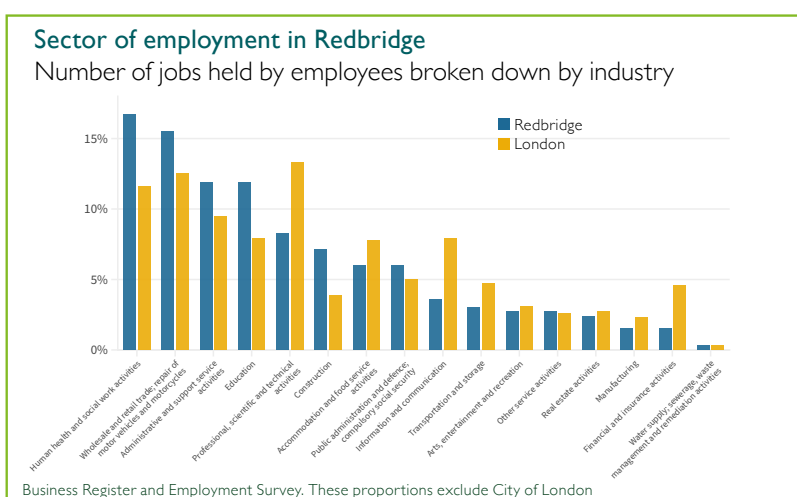
The borough's productivity has been decreasing since 2006. Until 2020, the borough's productivity was above the national average, but it has remained 15 to 25 per cent lower than the London average since 2004. In 2021, its productivity was 15 per cent lower than London's productivity and 1 per cent lower than the UK average.

REDBRIDGE PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

Employment Sectors

The sector employing the largest proportion of people in Redbridge in 2021 was human health and social work, making up 16.7 per cent of total jobs, higher than the London average of 11.6 per cent.

Other sectors employing large proportions of people in Redbridge include wholesale and retail trade (15.5 per cent) administrative and support service activities (11.9 per cent), and education (11.9 per cent).

Sector of employment in Redbridge
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Redbridge is the fourth fastest growing borough in the country and the third most diverse in England and Wales.[2] Nearly two thirds of the land in the borough is undeveloped, with 40 per cent of the borough being made up of open green space, including Hainault Forest Country Park, Fairlop Waters Country Park and around 120 hectares of countryside.[3] Indeed, Redbridge is one of the greenest boroughs in London, with extensive Green Belt land to the north east.[4]

Ilford is the only Metropolitan Town Centre in Redbridge, the borough's major shopping and commercial centre, now served by the newly opened Elizabeth Line. Ilford is also the borough's key focus for regeneration, and has been identified by the Mayor of London as an Opportunity Area, with the potential 6000 new homes and 500 new jobs by 2041.[5]

2   Opportunity London. (undated). Boroughs: Redbridge. Retrieved from: https://opportunity.london/boroughs/redbridge
3   Land Use Consultants. (2016,). Redbridge Open Space Study. Retrieved from: https://www.redbridge.gov.uk/media/10451/lbr-242-redbridge-open-spaces-study-final-feb-2017.pdf
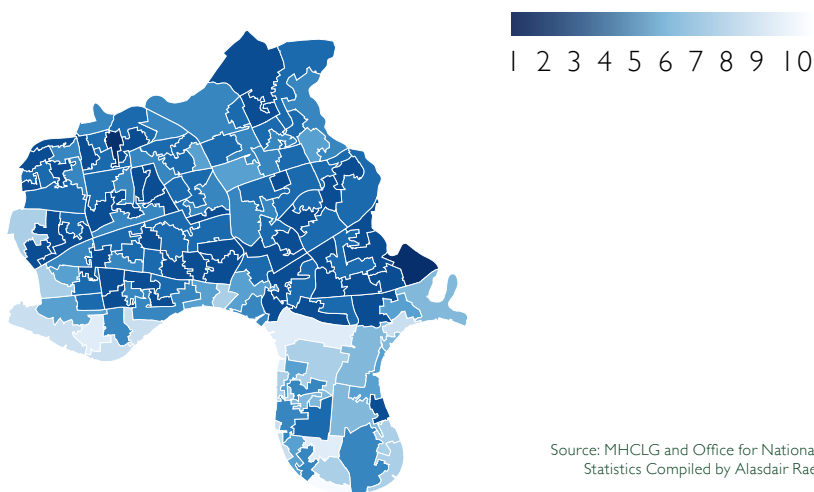4   Ibid
5   Mayor of London. (undated). Ilford Opportunity Area. Retrieved from: https://www.london.gov.uk/programmes-strategies/planning/implementing-london-plan/londons-opportunity-areas/oa-locations/ilford-opportunity-area#:~:text=or%20'Mature'.-,Overview%20of%20the%20OA,See%20Figure%201%20and%202.

TOWER HAMLETS

Areas of deprivation

Tower Hamlets is one of the most deprived boroughs in London when looking at the Index of Multiple Deprivation (IMD)[1]. 87 per cent of the borough is within the most deprived 50 per cent of areas in England. Higher levels of deprivation can be found in the north and east of the borough, while the least deprived parts of the borough are the riverside areas in the south, including Canary Wharf.

Figure 1: Areas of deprivation in Tower Hamlets

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Labour market

72.8 per cent of the working age population (16-64) in Tower Hamlets were in employment in 2022 – this is lower than London's average (76.2 per cent). 4.6 per cent of the population was unemployed, compared to 4.3 per cent in London. Slightly more recently, in June 2023, 5.3 per cent of the population were claiming unemployment related benefits, compared to 4.9 per cent across London. Meanwhile, 6.8 per cent of the population were in work and claiming Universal Credit, higher than the London average of 6 per cent.

13.6 per cent of the borough's residents in employment work in professional, scientific and technical activities, 11.8 per cent work in finance and insurance, and 11.3 per cent work in wholesale and retail trade.

Skills and level of qualifications

In 2022, 2.2 per cent of 16–17-year-olds in Tower Hamlets were not in education, employment or training, the fourth highest proportion of all London boroughs. A greater proportion of the working age population (aged 16-64) in Tower Hamlets have no qualifications compared to London overall - 6.4 per cent in Tower Hamlets compared to 5.5 per cent across London.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. Income and employment deprivation are the domains forming half of the total IMD scores. See more information **here**.

Economic output and productivity

After Westminster, Tower Hamlets generated the highest proportion of London's economic output in 2021, generating 9.6 per cent of the city's GVA.

50 per cent of the borough's economic output was generated through financial and insurance activities. Across London, this sector generated only 11 per cent of total economic output. Other sectors which contributed significantly to Tower Hamlets' economic output in 2021 were professional, scientific and technical activities (14 per cent) and information and communication (13 per cent). Tower Hamlets is the most productive borough in London (£66.5 GVA per hour worked compared to London's average of £51.1). However, since 2008 its relative productivity has decreased. Until 2017,

TOWER HAMLETS PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

Indexed to UK average
Indexed to London average

UK =100
London = 100

the borough's output per hour worked was over twice as high as the UK average, and around 50 to 60 per cent higher than the London average. In 2021, its productivity was 41 per cent higher than the London average and 88 per cent higher than the UK average.
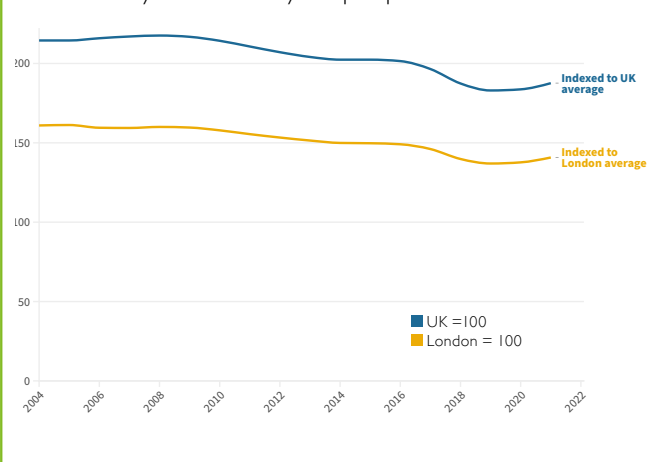
Employment Sectors

The sector with the largest number of jobs in 2021 was finance and insurance, making up nearly a quarter of jobs in the borough (23.7 per cent), five times higher than the proportion across London (4.6 per cent). Other sectors with the highest number of jobs in the borough include professional, scientific and technical activities (17.6 per cent), information and communication (9.8 per cent) and administrative and support service activities (9.8 per cent).

Sector of employment in Tower Hamlets
Number of jobs held by employees broken down by industry
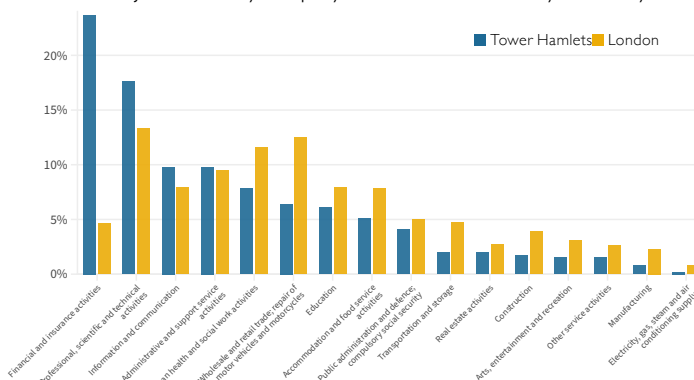
Tower Hamlets   London

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Though Tower Hamlets is just eight square miles, it is the most densely populated borough in London, with its population growing faster than anywhere else in the country. The borough has a greater number of jobs than the total number of economically active adults, making Tower Hamlets a significant net importer of workers.[2] Canary Wharf accounts for the majority of jobs in Tower Hamlets, with the regeneration of the area having been the most important catalyst for economic growth in the borough. However, there are questions about Canary Wharf's future as an employment centre, with office vacancy rates climbing.[3] There has also been significant development and intensification in Tower Hamlet's City Fringe, particularly in Spitalfields and Aldgate. Key sectors in Tower Hamlets include finance and insurance, and the professional, scientific, and technical industries. But while the borough has one of the fastest growing economies in the country, not all residents have felt the benefits of growth, with the levels of pensioner and child poverty amongst the highest in the country. 44 per cent of older people live in income deprived households in Tower Hamlets, the highest proportion in England and more than double the average.[4]

2   Tower Hamlets Partnership. (2023). Tower Hamlets State of the Borough 2023. Retrieved from: https://www.towerhamlets.gov.uk/Documents/Borough_statistics/State-of-the-Borough.pdf
3   Makwana, R. (2023) Exodus from Canary Wharf leaves it as its emptiest for 18 years, The Telegraph. Retrieved from: https://www.telegraph.co.uk/business/2023/07/29/canary-wharf-emptiest-in-18-years-exodus-office-workers/
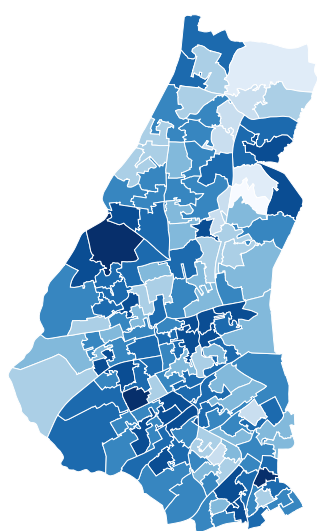4   Tower Hamlets Partnership, Ibid

WALTHAM FOREST

Areas of deprivation

Waltham Forest is among the top fifteen most deprived boroughs in London when looking at the Index of Multiple Deprivation (IMD)[1]. 83 per cent of areas in the borough are among the most deprived 50 per cent of areas in England.

Figure 1: Areas of deprivation in Waltham Forest

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Labour market

In 2022, Waltham Forest had one of the lowest employment rates across London, with 69.6 per cent of the working age population in employment, compared to 76.2 per cent across London. The borough had one of the highest rates of inactivity, with a quarter of the working age population economically inactive in 2022, compared to a fifth across London. In 2022, 5.9 per cent of the population was unemployed, compared to 4.3 per cent in London. In June 2023, 6.0 per cent of the population were claiming unemployment related benefits, one of the highest proportions across London. The comparison across London in this period was 4.9 per cent. Meanwhile, 6.4 per cent of the population were in work and claiming Universal Credit, similar to the London average of 6 per cent.

12.5 per cent of the borough's residents in employment work in human health and social work, 12.4 per cent work in wholesale or retail trade, and 10.7 per cent work in education.

Skills and level of qualifications

Waltham Forest has one of the lowest proportions of 16–17-year-olds not in education, employment or training. In 2022, 0.7 per cent of 16–17-year-olds in Waltham Forest were not in education, employment or training, compared to 1.5 per cent across London. The proportion of the working age population in Waltham Forest with no qualifications is two percentage points lower than the average across London – 3.5 per cent in Waltham Forest, compared to 5.5 per cent across London. A similar proportion of the working age population in London and Waltham Forest hold a level 4 qualification or higher– 60 per cent in Waltham Forest, and 59 across London.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. Income and employment deprivation are the domains forming half of the total IMD scores. See more information here.

Economic output and productivity

Waltham Forest generated only 1.1 per cent of London's total economic output in 2021. 30 per cent of its economic output was generated through real estate activities, whilst these activities generated 17 per cent of the total London economic output. Other sectors which contributed significantly to Waltham Forest's economic output in 2021 were wholesale and retail trade (12 per cent), human health and social work (11 per cent) and education (9 per cent). Waltham Forest is also one of the least productive boroughs (£34.6 GVA per hour worked compared to London's average of 51.1). However, between 2004 and 2013, and again in 2017, the borough's productivity was above the UK average. In 2021, its productivity was nearly 30 per cent lower than London's productivity and 4 per cent lower than the UK average.

WALTHAM FOREST PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

UK =100
London = 100

Indexed to UK average
Indexed to London average
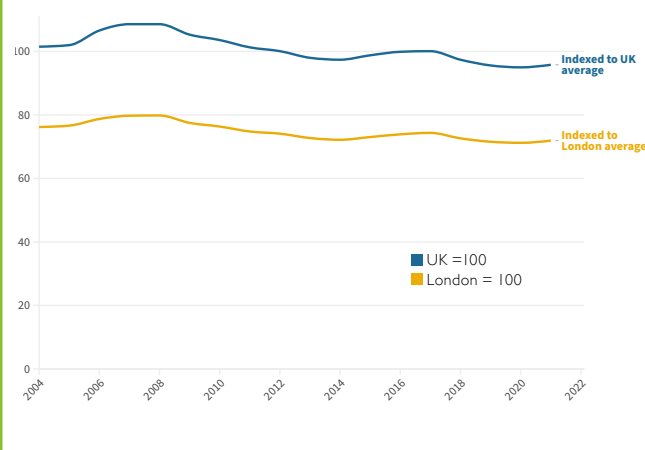
Employment Sectors

The sector employing the largest proportion of people in Waltham Forest in 2021 was wholesale and retail trade, making up 19 per cent of total jobs, higher than the London average of 12 per cent. Other sectors employing large proportions of people in Waltham Forest include administrative and support service activities (14 per cent), human health and social work (14 per cent), and education (12 per cent). 6 per cent of jobs in Waltham Forest are in the professional, scientific and technical

Sector of employment in Waltham Forest
Number of jobs held by employees broken down by industry
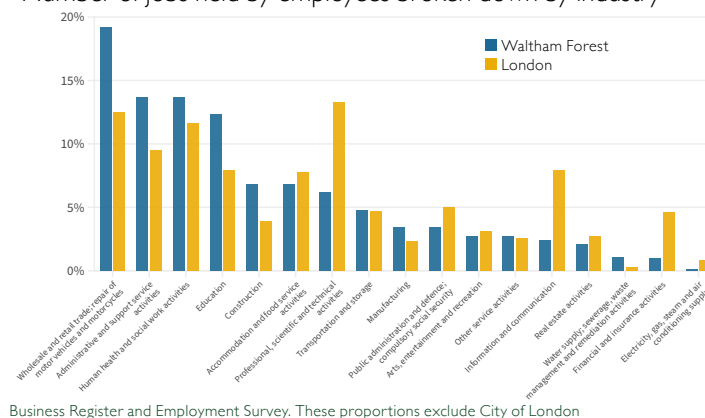
Waltham Forest
London

Business Register and Employment Survey. These proportions exclude City of London

industries, less than half the proportion across London (15 per cent). 1 per cent of people employed work in the financial and insurance sectors in Waltham Forest, compared to 8 per cent across London.

Economic Stories

Waltham Forest is one of the top twenty most diverse areas in the country.[2] In 2019, Waltham Forest became the first London Borough of Culture, an initiative launched by the Mayor of London to showcase the character and diversity of London's boroughs.Blackhorse Lane and Argall Trading estates are major industrial sites in the borough, with key growth sectors around the creative, construction and professional, scientific, and technical services.[3] In 2021, Blackhorse Lane in Waltham Forest was designated a Creative Enterprise Zone, a Mayor of London initiative to help artists and creative businesses flourish in a space of their own. In 2023 the zone was officially launched as Blackhorse Collective.[4] Waltham Forest received the highest award of all London boroughs from the Levelling Up Fund in 2023, receiving around £31 million to improve Leyton Station as well as for projects around Walthamstow town centre.[5]

2 Waltham Forest (2023) Statistics about the borough. Retrieved from: https://www.walthamforest.gov.uk/council-and-elections/about-us/statistics-about-borough

3 Waltham Forest (2016) Economic Growth Strategy: Retrieved from: https://www.walthamforest.gov.uk/sites/default/files/2021-11/Economic_Growth_Strategy_Report_2016_20_0_0.pdf

4 https://www.walthamforest.gov.uk/businesses/business-support/blackhorse-collective-creative-enterprise-zone

5 https://newsroom.walthamforest.gov.uk/press-releases/fa16a63e-0d2c-4146-b1fd-8682bc165d8c/waltham-forest-receives-highest-amount-of-levelling-up-funding-in-london

NORTH BOROUGHS

Barnet
Enfield
Haringey

BARNET

Areas of deprivation

Barnet is the 7th least deprived borough in London when looking at the Index of Multiple Deprivation (IMD)[1]. 47 per cent of areas in the borough are among the most deprived 50 per cent of areas in England.

Figure 1: Areas of deprivation in Barnet
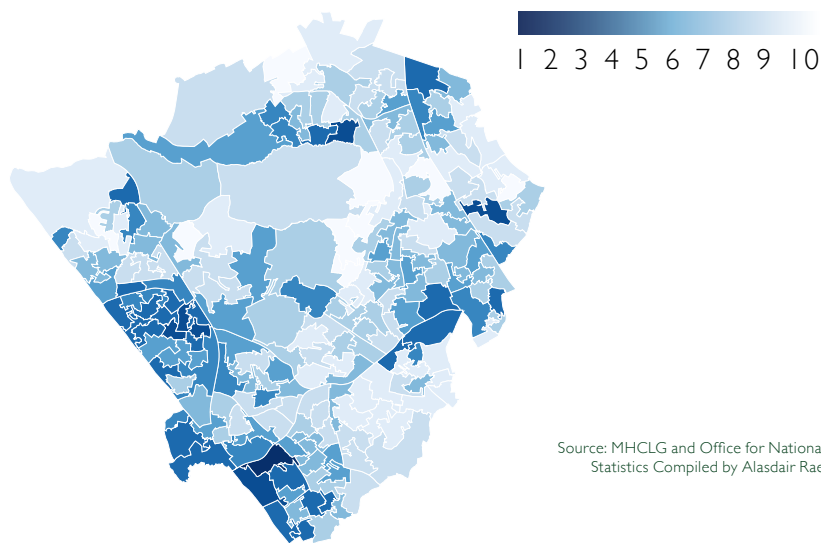
1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Population characteristics

In 2021, Barnet was estimated to have a population of 388,639, the second highest population across all London boroughs. Since 2011, the borough's population has increased by 8.7 per cent.

Barnet's population density (4,479 people per sq km) is below London's population density (5,596).

In the 2021 Census, 58 per cent of the population in Barnet identified their ethnic group as White, higher than the average across London (54 per cent). 19 per cent of residents identified their ethnic group as within Asian, Asian British or Asian Welsh category.

When ordered by asking rent, the borough ranks 15th out of all London boroughs. It is the 8th most affordable borough when looking at rent in relation to median monthly income.

Median annual pay: £32,507.
Twelve months average asking rent (all categories): £1,904.

Labour market

70.9 per cent of the working age population (16-64) in Barnet were in employment in 2022, lower than London's average (76.2 per cent). Almost a quarter (24.3 per cent) of the working age population in the borough were economically inactive, compared to a fifth across London. In 2022, 5.3 per cent of the population was unemployed, compared to 4.3 per cent in London. In June 2023, 4.4 per cent of the population of Barnet were claiming unemployment related benefits. The equivalent across London in this period was 4.9 per cent. Meanwhile, 5.8 per cent of the population were in work and claiming Universal Credit, similar to the London average of 6 per cent.

13.4 per cent of the borough's residents in employment work in human health and social work, 12.4 per cent work in wholesale and retail trade, and 11.3 per cent work in education.

Skills and level of qualifications

In 2022, 0.8 per cent of 16–17-year-olds in Barnet were not in education, employment or training, compared to 1.5 per cent across London. The proportion of the working age population with no qualifications is above the London average – 6.9 per cent compared to 5.5 per cent across London. The proportion of the working age population with a level 4 qualification or higher is also lower in Barnet than across London – 56 per cent compared to 59 across the city.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The two domains of income and employment deprivation are forming half of the total IMD scores. See more information **here.**

Economic output and productivity

Barnet generated 2.4 per cent of London's total economic output in 2021. In 2021, 34 per cent of the borough's economic output was generated through real estate activities, while these activities only generated 17 per cent of the total London economic output. Other sectors which contributed significantly to the borough's output in 2021 include: construction (11 per cent), wholesale and retail trade (11 per cent) and human health and social work (10 per cent).

Barnet ranks 24th out of all London boroughs when ordered by labour productivity. While Barnet productivity has remained above the UK average between 2004 and 2021, its relative productivity had declined from almost 20 per cent higher UK's average to less than 5 per cent higher.

BARNET PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

- UK =100
- London = 100
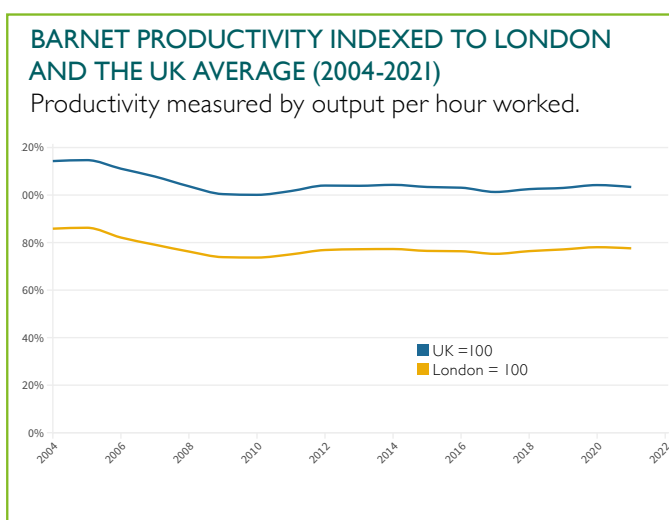
Employment Sectors

The two sectors employing the largest proportion of people in Barnet in 2021 were wholesale and retail trade, and human health and social work, both making up 16.1 per cent of jobs. In comparison, wholesale and retail trade accounted for 12.2 per cent of jobs across London, and human health and social work accounted for 11.6 per cent.

Other sectors employing large proportions of people in Barnet include education (10.9 per cent) and professional, scientific and technical activities (10.2 per cent).

Sector of employment in Barnet
Number of jobs held by employees broken down by industry

- Barnet
- London

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Barnet is the second largest borough in London, and one of the greenest boroughs in London, with over 28 per cent of its area designated as Green Belt.[2] The borough is characterised by low density, suburban development, although there are emerging denser areas in Colindale – the area has changed rapidly, and building in this area accounts for much of Barnet's population growth in the last decade.

Already fairly well connected compared to some of its outer London neighbours, Barnet would be impacted if the West London Orbital and Crossrail 2 were to be completed as these could boost the economic growth around the Southgate area.[3]

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2   London Borough of Barnet (2021) Barnet Draft Local Plan. Retrieved from: https://www.barnet.gov.uk/sites/default/files/local_plan_reg_19_for_submission.pdf
3   Ibid.

ENFIELD

Areas of deprivation

Enfield is the 9th most deprived borough in London when looking at the Index of Multiple Deprivation (IMD).[1] The west areas of the borough are more affluent than the east areas. Almost 80 per cent of areas in Enfield are among the most deprived 50 per cent of areas in England, mostly in the east of the borough.

Figure 1: Areas of deprivation in Enfield

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Labour market

70.2 per cent of the working age population (16-64) in Enfield were in employment in 2022, lower than London's average (76.2 per cent). Almost a quarter (24.7 per cent) of the working age population in the borough were economically inactive, compared to a fifth across London. In 2022, 5.9 per cent of the population was unemployed, compared to 4.3 per cent in London. In June 2023, 5.9 per cent of the population of Enfield were claiming unemployment related benefits. The equivalent across London in this period was 4.9 per cent. Meanwhile, 8.6 per cent of the population were in work and claiming Universal Credit, the second highest rate among London's boroughs and above the average of 6 per cent.

15.8 per cent of Enfield residents in employment work in human health and social work activities, 12.5 per cent work in education and 10.6 per cent work in construction.

Skills and level of qualifications

In 2022, 0.9 per cent of 16–17 year-olds in Enfield were not in education, employment or training, compared to 1.5 per cent across London. The proportion of the working age population with no qualifications is lower than the London average – 4.5 per cent compared to 5.5 per cent across London. The proportion of the working age population with a level 4 qualification or higher is also smaller in Enfield than across London – 49 per cent compared to 59 across the city.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The two domains of income and employment deprivation are forming half of the total IMD scores. See more information **here.**

Economic output and productivity

Enfield generated 2 per cent of London's total economic output in 2021. In 2021, 25 per cent of the borough's economic output was generated through real estate activities, while these activities only generated 17 per cent of the total London economic output. Other sectors which contributed significantly to the borough's output in 2021 include: construction (13 per cent), wholesale and retail trade (11 per cent) and human health and social work (10 per cent).
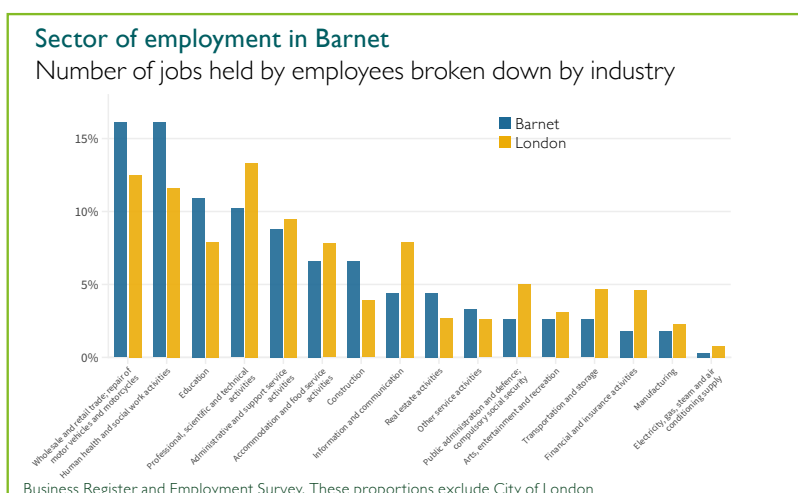
Enfield ranks 13th out of all London boroughs when ordered by labour productivity. While Enfield's productivity remained above the UK average between 2004 and 2021, its has remained below the London average over this period of time.

ENFIELD PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

Employment Sectors

In 2021, the sector employing the largest proportion of people in Enfield were wholesale and retail trade, making up 19.9 per cent of the jobs, while the sector accounted for only 12.2 per cent of jobs across London.

Other sectors employing large proportions of people include human health and social work activities (14.5 per cent) and education (10.0 per cent).

Sector of employment in Enfield
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London
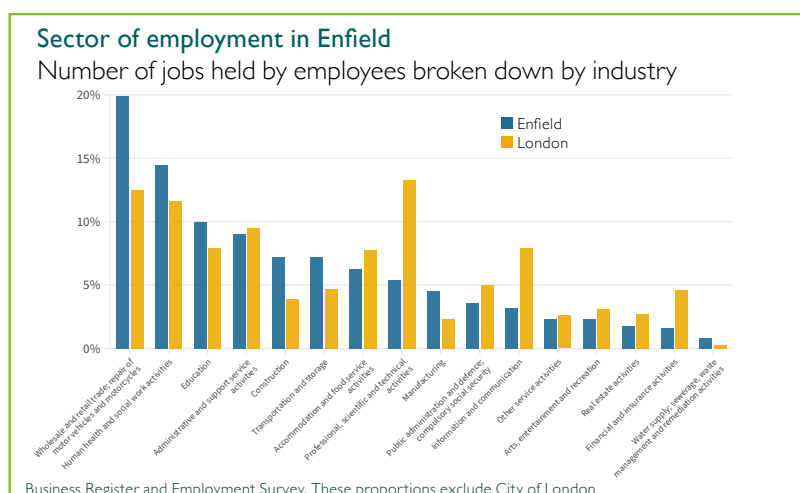
Economic Stories

Enfield experienced below-average population growth in the decade to 2021, but this is likely to accelerate in the next few years with the completion of the Meridian Water development, which is expected to deliver 10,000 new homes, one of the largest new developments in outer London in recent years. The first residents have recently moved in.[2]

Enfield is also home to several large film studios, which benefit from proximity to both central London and to film industry infrastructure in Hertfordshire.[3] The development at Meridian Water is expected to include more studio space.

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2   Meridian Water (2023) First residents receive keys to council homes at Meridian Water. Retrieved from: https://www.meridianwater.co.uk/first-residents-receive-keys-to-council-homes-at-meridian-water/
3   Enfield Dispatch (2022) Major film studios launched in Brimsdown. Retrieved from: https://enfielddispatch.co.uk/major-film-studios-launched-in-brimsdown/

HARINGEY

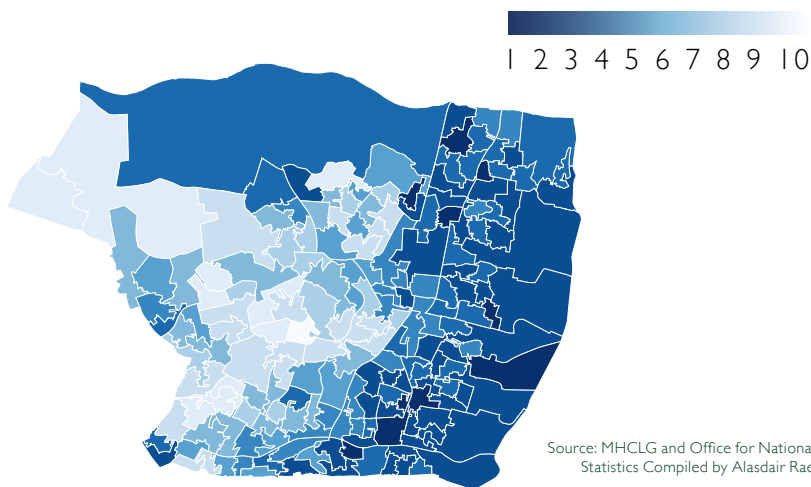## Areas of deprivation

Haringey is the fourth most deprived borough in London when looking at the Index of Multiple Deprivation (IMD).[1] Almost 80 per cent of areas in Haringey are among the most deprived 50 per cent of areas in England, mostly in the east of the borough.

Figure 1: Areas of deprivation in Haringey
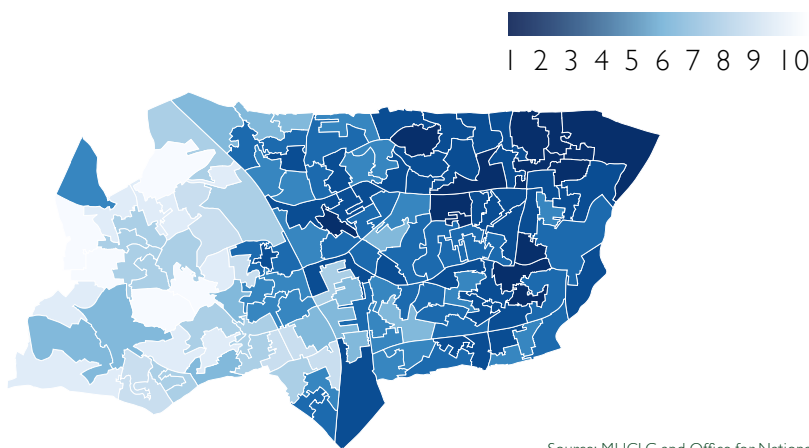
1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Population characteristics

In 2021, Haringey was estimated to have a population of 264,130, the 24th highest population across all London boroughs. Since 2011, the borough's population has increased by 5.1 per cent, below London's population growth.

Haringey's population density (8,922 people per sq km) is above London's population density (5,596).

In the 2021 Census, 57 per cent of the population in Haringey identified their ethnic group as White, slightly above the average across London (54 per cent). 18 per cent of residents identified their ethnic group as within the Black, Black British, Black Welsh, Caribbean or African category. 9 per cent identified as within Asian, Asian British or Asian Welsh category.

The borough is the 18th most expensive borough to rent in (out of the 32 boroughs). But it is the 9th least affordable borough when looking at the rent in relation to median monthly household income.

Median annual pay: £37,211.
Twelve months average asking rent (all categories): £1,864.

Labour market

78 per cent of the working age population (16-64) in Haringey were in employment in 2022, higher than London's average (76.2 per cent). Almost a fifth (19.5 per cent) of the working age population in the borough were economically inactive, slightly below the London average. In 2022, 5.6 per cent of the population was unemployed, compared to 4.3 per cent in London. In June 2023, 6.8 per cent of the population were claiming unemployment related benefits, which is the highest proportion across London boroughs. The equivalent across London in this period was 4.9 per cent. Meanwhile, 8.1 per cent of the population were in work and claiming Universal Credit, the third highest rate among London's boroughs and above the average of 6 per cent.

13.9 per cent of the borough's residents in employment work in human health and social work. 11.9 per cent work in education and 10.7 per cent work in professional, scientific and technical activities.
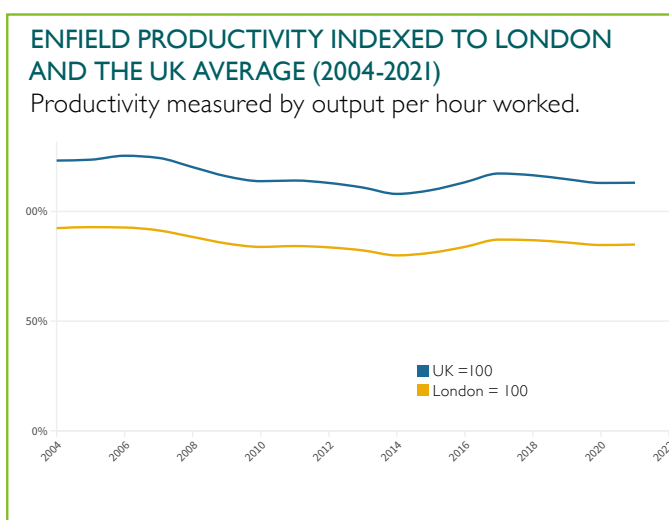
Skills and level of qualifications

In 2022, 1.4 per cent of 16–17-year-olds in Haringey were not in education, employment or training, compared to 1.5 per cent across London. The proportion of the working age population with no qualifications is lower than the London average – 3.7 per cent compared to 5.5 per cent across London. However, the proportion of the working age population with a level 4 qualification or higher is lower in Haringey than across London – 56 per cent compared to 59 across the city.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The two domains of income and employment deprivation are forming half of the total IMD scores. See more information here.

Economic output and productivity

Haringey generated 1 per cent of London's total economic output in 2021.

In 2021, 36 per cent of the borough's economic output was generated through real estate activities, while these activities only generated 17 per cent of the total London economic output. Other sectors which contributed significantly to the borough's output in 2021 include: education (9.6 per cent), human health and social work (7.4 per cent) and wholesale and retail trade (7.3 per cent). Haringey is the second least productive borough in London. Haringey's productivity has remained between 20 and 10 per cent lower than the UK average between 2004 and 2021. The borough's productivity was 40 per cent lower than the London's average in 2021.

HARINGEY PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.
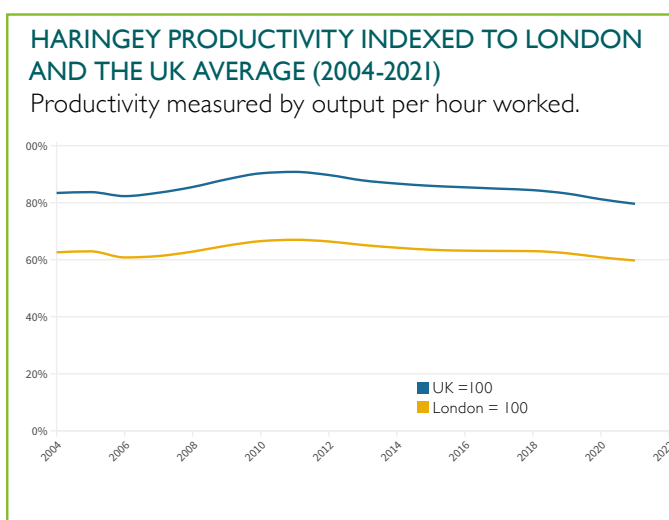
Employment Sectors

In 2021, the sector employing the largest proportion of people in Haringey was wholesale and retail trade, making up 18.8 per cent of the jobs. The sector accounted for only 12.5 per cent of jobs across London.

Other sectors employing large proportions of people include human health and social work activities (12.1 per cent) and accommodation and food service activities (10.8 per cent).

Sector of employment in Haringey
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Haringey has a long history of clothing design and manufacture, particularly towards the north and east of the borough. In recent years, garment making has been revived in the borough, with the a small clothing factory making ethically produced garments from major UK labels near Green Lanes.[2]

More broadly, Tottenham has been a focus for regeneration for the last ten years, with major development projects expected to deliver around 3000 new homes[3], and significant redevelopment to the Broadwater Farm estate[4]. The area is younger, more ethnically diverse and more deprived than the wealthy west of the borough (especially Muswell Hill and Highgate) – with an unusually stark income gap even by London's standards[5].

2   https://www.fashion-enter.com/index.php/factory-london/
3   Haringey Community Press (2023) Haringey housing boss remains 'quite confident' of meeting 3,000 new homes target. Retrieved from: https://haringeycommunitypress.co.uk/2023/09/22/haringey-housing-boss-remains-quite-confident-of-meeting-3000-new-homes-target/
4   Haringey (unspecified) Improving Broadwater Farm together. Webpage consulted on 27/09/2023. Retrieved from: https://www.haringey.gov.uk/regeneration/tottenham/improving-broadwater-farm-together
5   Haringey (unspecified) Haringey facts and figures. Webpage consulted on 27/09/2023. Retrieved from: https://new.haringey.gov.uk/council-elections/data-finance/about-haringey/haringey-facts-figures/haringey-ward-profiles

SOUTH BOROUGHS

Bromley
Croydon
Kingston-upon-Thames
Merton
Sutton
Wandsworth

BROMLEY

Areas of deprivation

Bromley is the 4th least deprived borough in London when looking at the Index of Multiple Deprivation (IMD).[1] However, there are important inequalities within the borough, with one area being amongst the most 10 per cent deprived in England. 34 per cent of the areas in Bromley amongst the most 50 per cent deprived in England.

Figure 1: Areas of deprivation in Bromley

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.
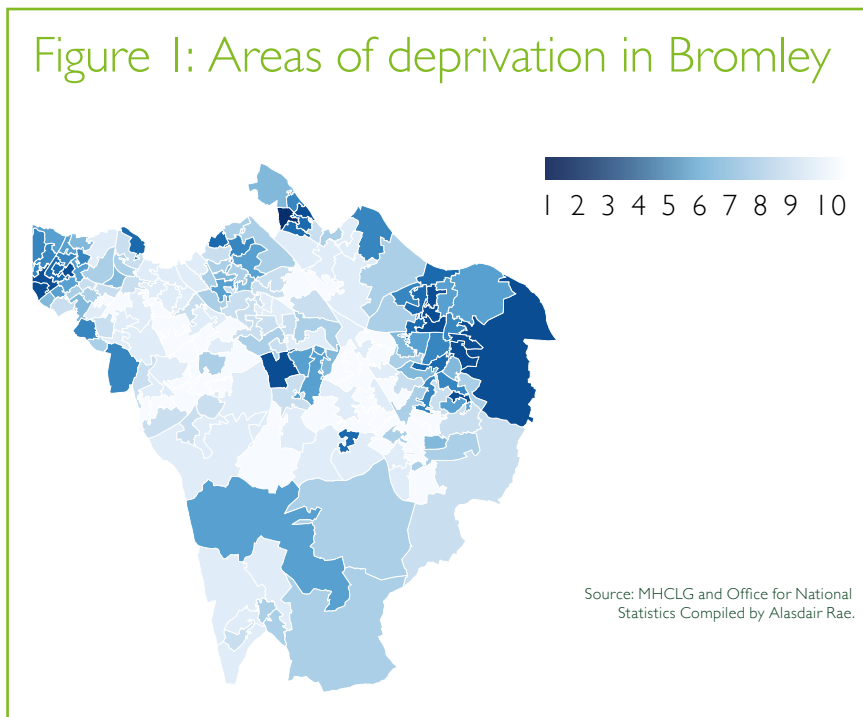
Population characteristics

In 2021, Bromley was estimated to have a population of 329,830, above the average number of residents in London boroughs and the sixth most populated in London. The borough population has increased by 6.2 per cent since 2011, a growth just below London's average (6.8 per cent).

Its population density (2,197 people sq km) is well below London's population density (5,596).

In the 2021 Census, 76.5 per cent of the population in Bromley identified their ethnic group as White, more than 20 percentage points higher than the proportion across London (54 per cent).

The borough is amongst the least expensive to rent in and it is also the second most affordable borough when looking at the rent in relation to the median monthly household income.

Median annual pay: £37,749.
Twelve months average asking rent (all category): £1,585.

Labour market

81.8 per cent of the working age population (16-64) in Bromley were in employment in 2022, higher than London's average (76.2 per cent). The borough had a relatively low level of unemployment, with 2.7 per cent of the working age population unemployment, compared to London's average (4.3 per cent). The inactivity rate (15.8 per cent) was also below London's average (20.2 per cent) in 2022. In June 2023, 2.9 per cent of the population were claiming unemployment related benefits – the third lowest proportion across London boroughs. Meanwhile, 3.9 per cent of the population were in work and claiming Universal Credit, the fourth lowest rate among London's boroughs and below the average of 6 per cent.

14.7 per cent of the borough's residents in employment work in the human health and social work sector, 11.4 per cent work in education, and 11.2 per cent work in professional, scientific and technical activities.

Skills and level of qualifications

In 2022, 1.2 per cent of 16–17-year-olds were not in education, employment or training, lower than the average across London (1.5 per cent). 4.3 per cent of the working age population have no qualification in Bromley, compared to 5.5 per cent across London. 58 per cent of the residents hold a level 4 qualification or higher, compared to 59 per cent of the overall London workforce.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The two domains of income and employment deprivation are forming half of the total IMD scores. See more information here.

Economic output and productivity

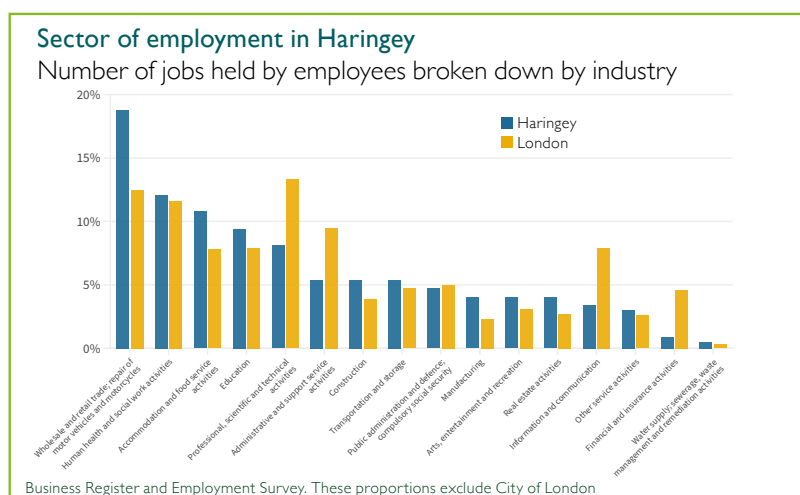Bromley generated 1.9 per cent of London's total economic output in 2021. 29.1 per cent of its economic output was generated through real estate activities, while these activities generated 17.4 per cent of the total economic output in London. Real estate, human health and social work activities, construction and wholesale and retail trade generated more than half of the borough's total economic output in 2021.

Since 2004 the borough's productivity has consistently been below London's average. In 2021, Bromley's productivity was 20 per cent lower than the average across London. While its productivity was approximately 30 per cent higher than the UK average in 2004, it was just 8 per cent higher in 2021.

BROMLEY PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

UK =100
London = 100
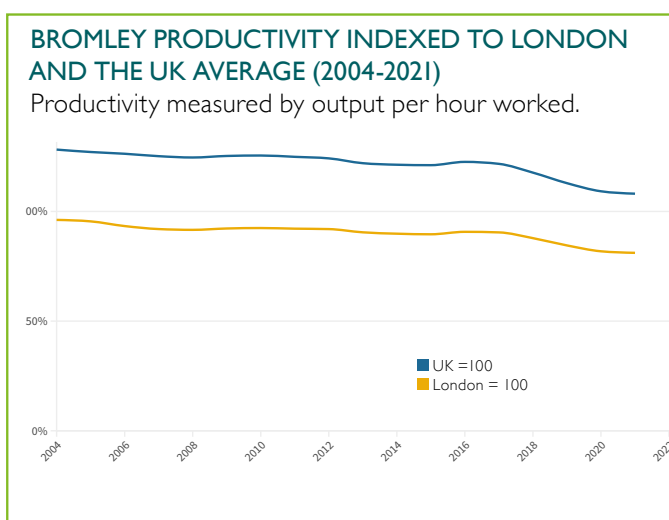
Employment Sectors

In 2021, the largest employment sector in Bromley was human health and social work activities (15.6 per cent). As a comparison this sector only represent 11.6 per cent of the total number of jobs in London. Other large employment sectors include wholesale and retail trade (14.5 per cent) and administrative and support service activities (11.0 per cent).

Sector of employment in Bromley
Number of jobs held by employees broken down by industry

Bromley
London

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Bromley, situated in the south of London and bordering Kent, is the largest borough in terms of land area. While Bromley is one of the most populated boroughs, it isn't densely populated and less than a quarter of its land was developed in 2022.

The Council has identified seven priority areas for regeneration including: Bromley Town, Biggin Hill, Crystal Palace, Orpington and smaller town centres such as Beckenham or Plaistow. The regeneration schemes, if successful, would bring significant economic and social changes to the borough within the next ten years.[2] Furthermore, the 2021 London Plan identified Bromley as one of the opportunity areas which could be impacted by the extension of the Bakerloo Line, if this goes ahead.[3] The borough is also home to Biggin Hill Airport, a business aviation airport. One of the Strategic Industrial Location is also situated in the borough, Cray Valley.

2   London Borough of Bromley (2020) Regeneration Strategy 2020 to 2030. Retrieved from: https://cds.bromley.gov.uk/documents/s50083012/RegenerationStrategy.pdf

3   Mayor of London (2021) 2021 London Plan. Retrieved from: https://www.london.gov.uk/sites/default/files/the_london_plan_2021.pdf

CROYDON

Areas of deprivation

Croydon is the 15th most deprived borough in London when looking at the Index of Multiple Deprivation (IMD).[1] There are significant inequalities within the borough with small areas being amongst the least and the most deprived areas in England. Five small areas are amongst the most 10 per cent deprived in England. The north and the east of the borough is generally more deprived than the south.

Figure 1: Areas of deprivation in Croydon

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.
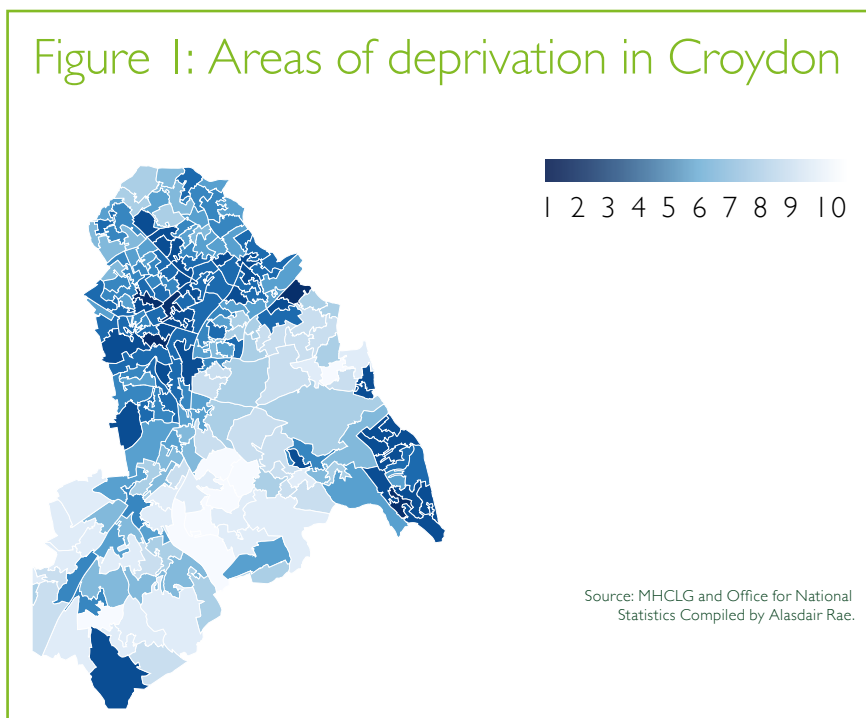
Population characteristics

In 2021, Croydon was estimated to have a population of 390,506, above the average number of residents in London boroughs and highest in London. The borough population has increased by 7.0 per cent since 2011, a growth above London's average (6.8 per cent).

Its population density (4,515 people sq km) is below London's population density (5,596).

In the 2021 Census, 48 per cent of the population in Croydon identified their ethnic group as White, lower than the average across London (54 per cent). 23 per cent identified as Black, Black British, Black Welsh, Caribbean or African. 18 per cent of residents identified their ethnic group as within the Asian, Asian British, or Asian Welsh category and 12 per cent identified with other ethnic groups.

The borough is third least expensive to rent in (out of the 32 boroughs). But it is the 23rd least affordable borough when looking at the rent in relation to the median monthly household income.

Median annual pay: £34,226.
Twelve months average asking rent (all categories): £1,514.

Labour market

76 per cent of the working age population (16-64) in Croydon were in employment in 2022, similar to London's average. The borough had a relatively high unemployment rate (4.7 per cent), compared to London's average (4.3 per cent). Its inactivity rate (21.5 per cent) was fairly similar to London's average (20.2 per cent). In June 2023, 5.7 per cent of the population were claiming unemployment related benefits. This compares to an average of 4.9 per cent across London. Meanwhile, 7.7 per cent of the population were in work and claiming Universal Credit, the fifth highest rate among London's boroughs and above the average of 6 per cent. 18.5 per cent of the borough's residents in employment work in the human health and social work sector, 10.7 per cent work in education, and 9.4 per cent work in construction.

Skills and level of qualifications

Croydon's residents are on average less formally qualified than the rest of London population. In 2022, 1.9 per cent of 16–17-year-olds were not in education, employment or training, higher than the average across London (1.5 per cent). 6.1 per cent of the working age population have no qualification in Croydon and slightly less than half of the residents hold a level 4 qualification or higher, compared to 59 per cent of the overall London workforce.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The two domains of income and employment deprivation are forming half of the total IMD scores. See more information here.
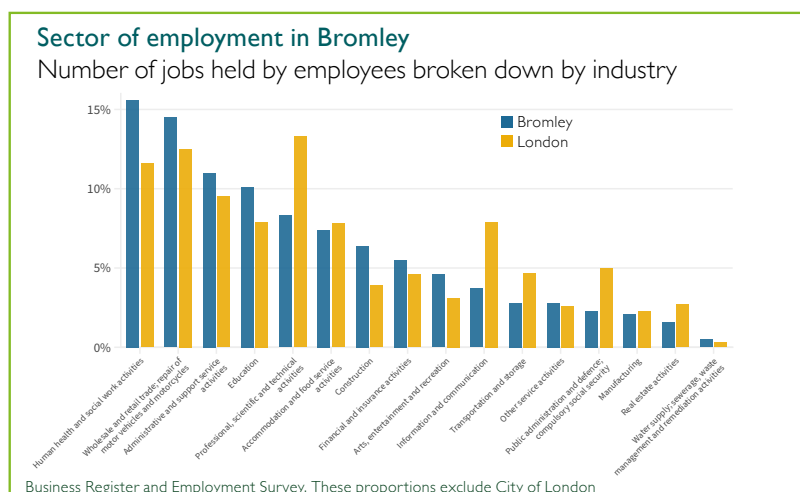
Economic output and productivity

Croydon generated 2.7 per cent of London's total economic output in 2021. 27.3 per cent of its economic output was generated through real estate activities, while these activities generated 17.4 per cent of the total economic output in London. Real estate, financial and insurance activities and wholesale and retail trade generated more than half of the borough's total economic output in 2021.

The borough's productivity was below London's average until 2020. But its productivity increased to just above London's average in 2021. Its productivity was also 31 per cent higher than the UK average in 2021, while it was only 11 per cent higher in 2004.

CROYDON PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.
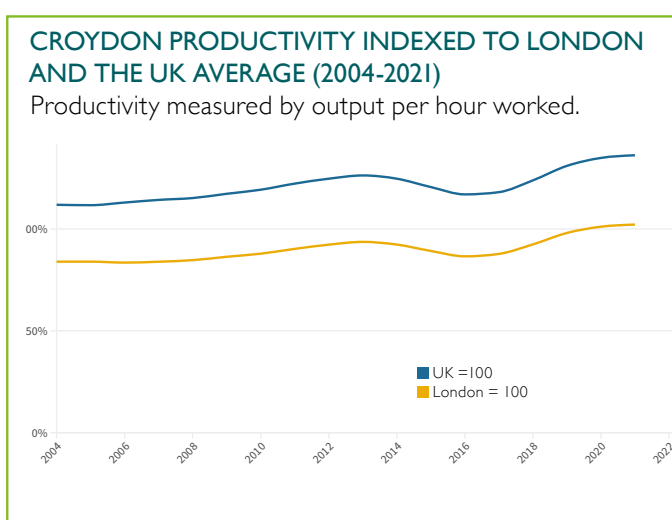
Employment Sectors

In 2021, the largest employment sector in Croydon was wholesale and retail trade (18.3 per cent). As a comparison this sector only represent 12.5 per cent of the total number of jobs in London.

Other large employment sectors include human health and social work (13.5 per cent) and education (9.5 per cent).

Sector of employment in Croydon
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London
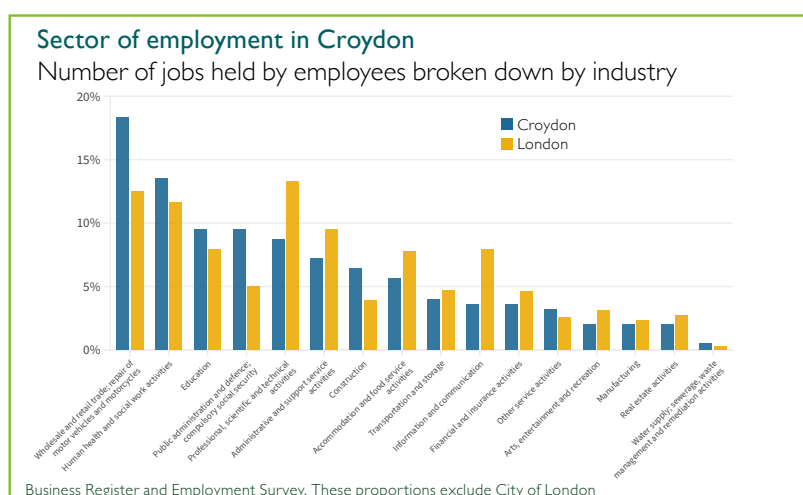
Economic Stories

While Croydon only generates 2.7 per cent of London total economic outputs, the borough is the tenth highest contributor to London's GVA. Croydon benefits from strong connection with the coast and Gatwick Airport and the borough has the third largest office market in London.[2] The 2021 London Plan identified Croydon affordable office market as one of the strategic areas to focus on to boost London's employment.[3]

Marlpit Lane, Purley Way and Beddington Lane Industrial Area have been identified as Strategic Industrial Locations (SILs) in the London Plan, which means these lands are protected to support employment growth of the borough and more widely of London.[4]

Croydon is also amongst the borough with the lowest proportion of developed land, with only 40 per cent of the total amount of land developed in 2022.

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2   Delivering for Croydon (2021) Croydon's economic strategy. Retrieved from: https://democracy.croydon.gov.uk/documents/s18894/Appendix%201%20Economic%20Growth%20Strategy.pdf

3   Mayor of London (2021) 2021 London Plan. Retrieved from: https://www.london.gov.uk/sites/default/files/the_london_plan_2021.pdf

4   Ibid.

KINGSTON-UPON-THAMES

Areas of deprivation

Kingston is the second least deprived borough in London when looking at the Index of Multiple Deprivation (IMD).[1] It does not contain any areas among the most 10 per cent deprived in England. However, there some areas amongst the 20 per cent most deprived in the east. Cambridge Road Estate in Norbiton Ward are significantly more deprived than the rest of the borough.

Figure 1: Areas of deprivation in Kingston

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.
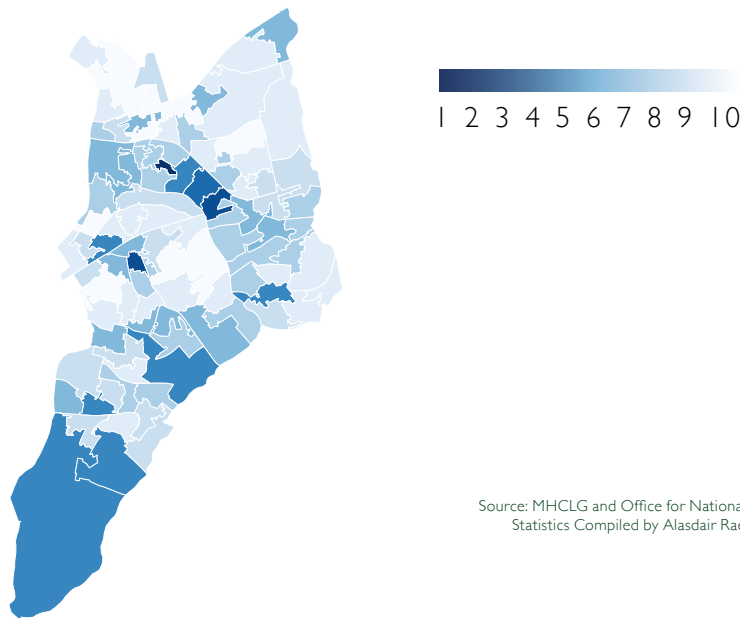
Population characteristics

In 2021, Kingston was estimated to have a population of 167,845, below the average number of residents in London boroughs and the second least populated borough. The borough has experienced a 4.6 per cent population increase since 2011, a growth below London's average (6.8 per cent).

Its population density (4,505 people sq km) is below London's population density (5,596).

In the 2021 Census, 69 per cent of the population in Kingston identified their ethnic group as White, higher than the average across London (54 per cent). 18 per cent of residents identified their ethnic group as within the Asian, Asian British, or Asian Welsh category and 14 per cent identified with other ethnic groups.

The borough is the 20th most expensive to rent in (out of the 32 boroughs). But it is also the third most affordable borough when looking at the rent in relation to the median monthly household income.

Median annual pay: £37,495.
Twelve months average asking rent (all categories): £1,844.

Labour market

82.3 per cent of the working age population (16-64) in Merton were in employment in 2022 – this is higher than London's average of 76.2 per cent. The borough also had a relatively low unemployment rate (2.3 per cent) compared to London's average (4.3 per cent). Similarly, its inactivity rate (16.1 per cent) was below London's average (20.2 per cent). In June 2023, 2.7 per cent of the population were claiming unemployment related benefits – the second lowest proportions across London. Meanwhile, 4 per cent of the population were in work and claiming Universal Credit, lower than the London average of 6 per cent.

15.6 per cent of the borough's residents in employment work in the human health and social work sector, 11.7 per cent work in education, and 9.5 per cent work in professional, scientific and technical activities.

Skills and level of qualifications

In 2022, 1.7 per cent of 16–17-year-olds were not in education, employment or training, slightly higher than the average across London (1.5 per cent). 2.9 per cent of the working age population have no qualification in Kingston. 65 per cent hold a level 4 qualification or higher (compared to 59 per cent of the overall London working wage population).

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The two domains of income and employment deprivation are forming half of the total IMD scores. See more information here.

Economic output and productivity

Kingston generated 1.2 per cent of London's total economic output in 2021. 21.1 per cent of its economic output was generated through real estate activities, while these activities generated 17.4 per cent of the total economic output in London. Real estate, administrative and support service, wholesale and retail trade and human health and social activities generated more than half of the borough's total economic output in 2021.

The borough's productivity has been below London's average since 2004. While its productivity was around 10 per cent higher than the UK productivity until 2013, it has decreased to just the UK average productivity in 2018 and experienced a slight increase since then.

KINGSTON PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

Legend: UK =100; London = 100
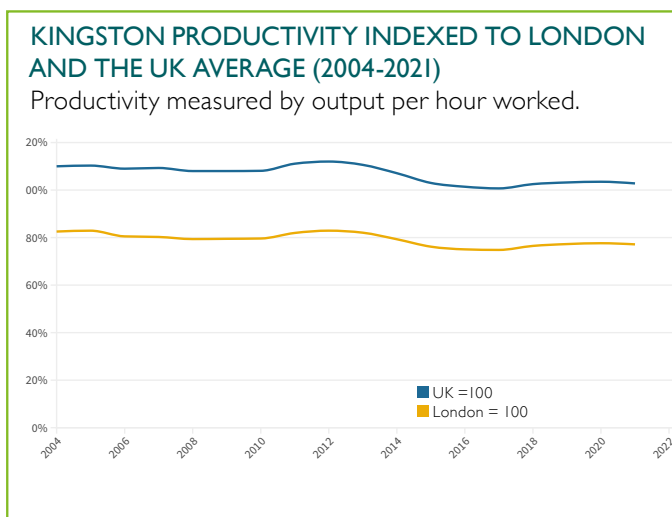
Employment Sectors

In 2021, the largest employment sector in Kingston was human health and social work activities (18.1 per cent). As a comparison this sector only represents 11.6 per cent of the total number of jobs in London. Other large employment sectors include wholesale and retail trade (16.7 per cent) and education (12.6 per cent).

Sector of employment in Kingston
Number of jobs held by employees broken down by industry

Legend: Kingston; London

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Kingston-upon-Thames is the second least deprived borough in London. However, 20 per cent of its residents earned below the Living Wage in 2021.[2]

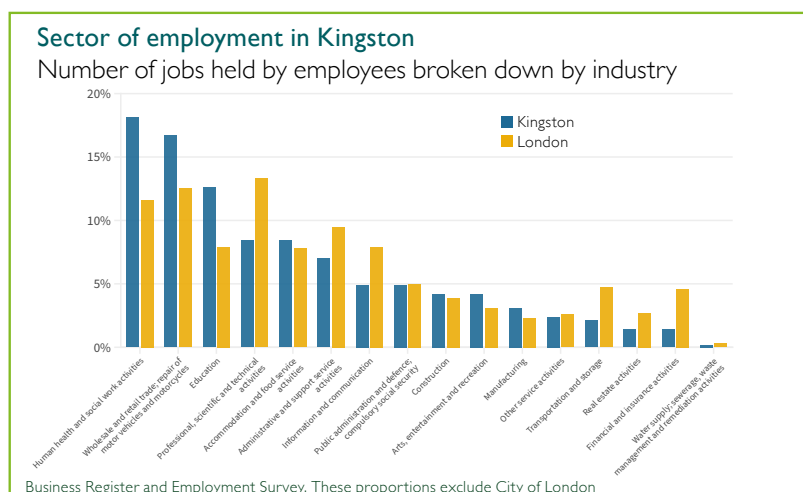Many areas across the borough have been identified in the 2021 London Plan as areas for development and changes, including Kingston Town Centre, Norbiton, London Road and Cambridge Road Estate, New Malden and Tolworth.[3]

Building on the presence of existing anchor institutions and heritage assets such as Kingston University, the ancient market, and Kingston College, the borough is expecting to go through significant economic changes in the coming years. Crossrail 2, a proposed new railway line connecting London and the Wider South East, has the potential to boost Kingston's economic development.

2   Trust for London (2022) London's Poverty Profile by Borough, Kingston-upon-Thames. Retrieved from: https://trustforlondon.org.uk/data/boroughs/kingston-upon-thames-poverty-and-inequality-indicators/#:~:text=In%20Kingston%20upon%20Thames%2C%2018.9,the%20Living%20Wage%20in%202021.

3   Mayor of London (2021) 2021 London Plan. Retrieved from: https://www.london.gov.uk/sites/default/files/the_london_plan_2021.pdf

MERTON

Areas of deprivation

Merton is the fifth least deprived borough in London when looking at the Index of Multiple Deprivation (IMD).[1] It does not contain any areas among the most 10 per cent deprived in England. But the east of the borough is more deprived than the west, with some areas amongst the 10 per cent least deprived in England in the west, and some areas amongst the 20 per cent most deprived in the east.

Figure 1: Areas of deprivation in Merton
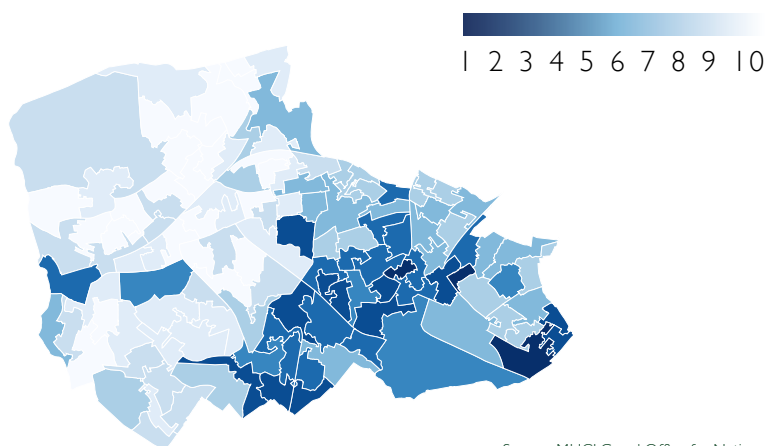
1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Population characteristics

In 2021, Merton was estimated to have a population of 215,324, below the average number of residents in London boroughs. The borough ranks 25th when ordered by total population and has experienced a 7.4 per cent population increase since 2011, a growth above London's average (6.8 per cent).

Its population density (5,723 people sq km) is just above London's population density (5,596).

In the 2021 Census, 60 per cent of the population in Merton identified their ethnic group as White, higher than the average across London (54 per cent). 19 per cent of residents identified their ethnic group as within the Asian, Asian British, or Asian Welsh category. 11 per cent identified as Black, Black British, Black Welsh, Caribbean or African.

The borough is the 12th most expensive to rent in (out of the 32 boroughs). But it is the 19th most affordable borough when looking at the rent in relation to the median monthly household income.

Median annual pay: £30,117. Twelve months average asking rent (all categories): £2,042.

Labour market

83.8 per cent of the working age population (aged 16 to 64) in Merton were in employment in 2022 – this is higher than London's average of 76.2 per cent. The borough also had a relatively low unemployment rate (3.1 per cent) compared to London's average (4.3 per cent). Similarly, its inactivity rate (15.8 per cent) was below London's average (20.2 per cent). In June 2023, 4.0 per cent of the population were claiming unemployment related benefits – the third lowest proportions across London. Meanwhile, 5.1 per cent of the population were in work and claiming Universal Credit, lower than the London average of 6 per cent.

13.9 per cent of the borough's residents in employment work in the human health and social work sector, 11.6 per cent work in professional, scientific and technical activities and 9.1 per cent work in education.

Skills and level of qualifications

In 2022, 1.1 per cent of 16–17 year-olds were not in education, employment or training, lower than the average across London (1.5 per cent). 2.3 per cent of the working age population have no qualification in Merton. 67 per cent hold a level 4 qualification or higher (compared to 59 per cent of the overall London working age population).

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The do indices. Income and employment deprivation are the domains forming half of the total IMD scores. See more information **here.**

Economic output and productivity

Merton generated 1.5 per cent of London's total economic output in 2021. 25.0 per cent of its economic output was generated through real estate activities, while these activities generated 17.4 per cent of the total economic output in London. Real estate, administrative and support service, wholesale and retail trade and construction generated more than half of the borough's total economic output in 2021.

The borough's productivity has been below London's average since 2004. While its productivity was around 30 per cent higher than the UK productivity in 2013, it decreased to just 5 per cent higher than the UK productivity in 2019.

MERTON PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

However, it experienced a slight increase between 2019 and 2021, and in 2021 it was around 10 per cent higher than the UK average.
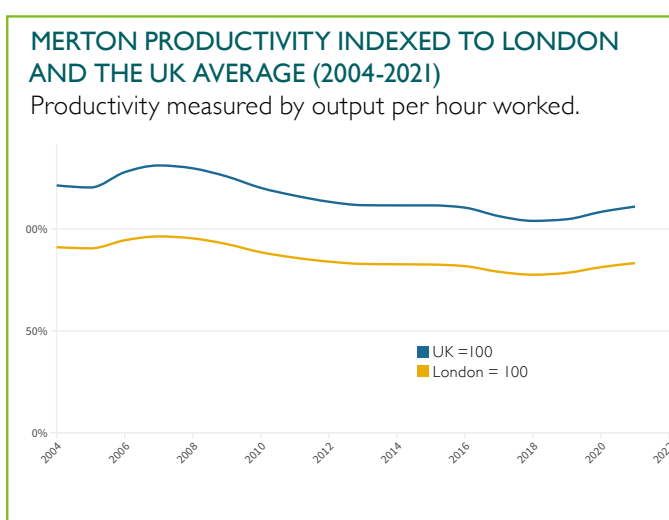
Employment Sectors

In 2021, the largest employment sector in Merton was wholesale and retail trade (17.1 per cent). As a comparison this sector only represents 12.5 per cent of the total number of jobs in London. Other large employment sectors include administrative and support activities (11.0 per cent) and professional, scientific and technical activities (11.0 per cent). The sectors of transportation and storage and construction also have high proportions of the jobs in the borough compared

Sector of employment in Merton
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

to the rest of London, with respectively 6.1 per cent and 5.5 per cent of the jobs in the borough in these sectors.
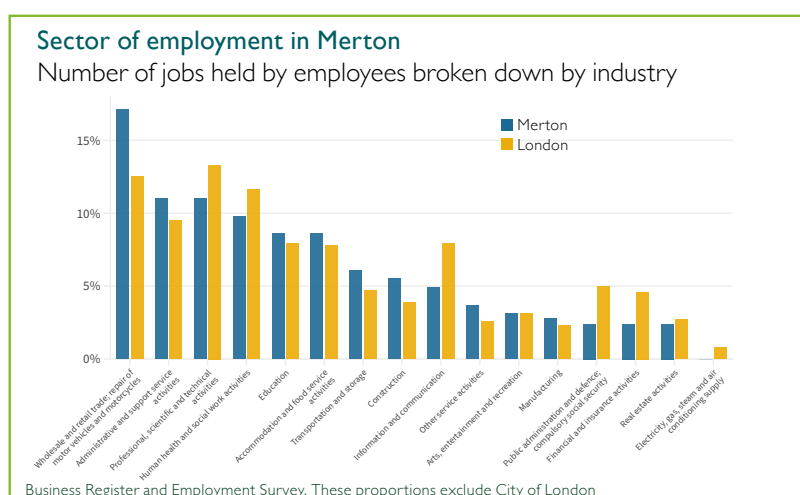
Economic Stories

While Merton is the fifth least deprived borough, 16 per cent of its residents earned below the Living Wage in 2021.[2] There is also a sharp divide between the west and the east parts of the borough, with Mitcham area being more deprived than the other areas. This was widely reported during the pandemic of COVID-19, as the pandemic revealed a significant discrepancy in terms of life expectancy between the east and the west of the borough.[3]

The borough is also characterised by a relatively limited amount of land dedicated to businesses, offices, retails and industries, with just 2.2 per cent of the total land in the borough used for commercial or industrial purposes.[4] It has an unusually seasonal economy, with many visitors generating high levels of spending during the annual Wimbledon tennis tournament.

2   Trust for London (2022) London's Poverty Profile by Borough, Merton. Retrieved from: https://trustforlondon.org.uk/data/boroughs/merton-poverty-and-inequality-indicators/?tab=work
3   Merton Council (unspecified) Merton Inequality. Retrieved from: https://www.merton.gov.uk/system/files/inequalities.pdf
4   Merton Council (unspecified) Merton Economy. Retrieved from: https://www.merton.gov.uk/system/files?file=stage2a_11_economy_final.pdf

SUTTON

Areas of deprivation

Sutton is the third least deprived borough in London when looking at the Index of Multiple Deprivation (IMD).[1] It does not contain any areas among the most 10 per cent deprived in England.

Figure 1: Areas of deprivation in Sutton
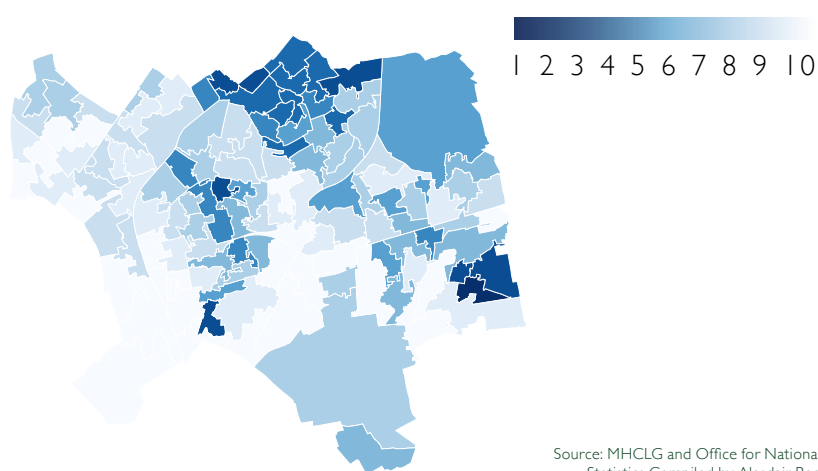
Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Population characteristics

In 2021, Sutton was estimated to have a population of 209,517, below the average number of residents in London boroughs. The borough ranks 27th when ordered by total population and has experienced a 9.6 per cent population increase since 2011, a growth above London's average (6.8 per cent).

Its population density (4,778 people sq km) is below London's population density (5,596).

In the 2021 Census, 68 per cent of the population in Sutton identified their ethnic group as White, 14 percentage points higher than the average across London (54 per cent). 18 per cent of residents identified their ethnic group as within the Asian, Asian British, or Asian Welsh category.

The borough is the least expensive to rent in within London. It is amongst the most affordable when looking at rent in relation to the median monthly household income.

Median annual pay: £28,836.
Twelve months average asking rent (all categories): £1,493.

Labour market

79.2 per cent of the working age population (16-64) in Sutton were in employment in 2022 – this is higher than London's average of 76.2 per cent. The borough has a relatively low unemployment rate (3.0 per cent) compared to London's average (4.3 per cent). Similarly, its inactivity rate (16.8 per cent) is below London's average (20.2 per cent). In June 2023, 2.9 per cent of the population were claiming unemployment related benefits – the third lowest proportions across London. Meanwhile, 5.2 per cent of the population were in work and claiming Universal Credit, lower than the London average of 6 per cent.

15.5 per cent of the borough's residents in employment work in the human health and social work sector, 9.8 per cent work in education and 9.6 per cent in construction.

Skills and level of qualifications

In 2022, 0.9 per cent of 16–17-year-olds were not in education, employment or training, lower than the average across London (1.5 per cent). But 5.4 per cent of the working age population have no qualification in Sutton, compared to 5.5 per cent across London. Only 53 per cent hold a level 4 qualification or higher, compared to 59 per cent of the overall London equivalent.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The two domains of income and employment deprivation are forming half of the total IMD scores. See more information **here.**

Economic output and productivity

Sutton generated 1.1 per cent of London's total economic output in 2021. 22.7 per cent of its economic output was generated through real estate activities, while these activities generated 17.4 per cent of the total economic output in London. Real estate, human health and social work, construction and professional, scientific and technical activities generated more than half of the borough's total economic output in 2021.

The borough's productivity has been below London's average since 2004 and it has experienced a constant decrease in its relative contribution to London's productivity. While its productivity was around 20 per cent higher than the UK productivity, in 2021 it was around 10 per cent lower than the UK average.

SUTTON PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.
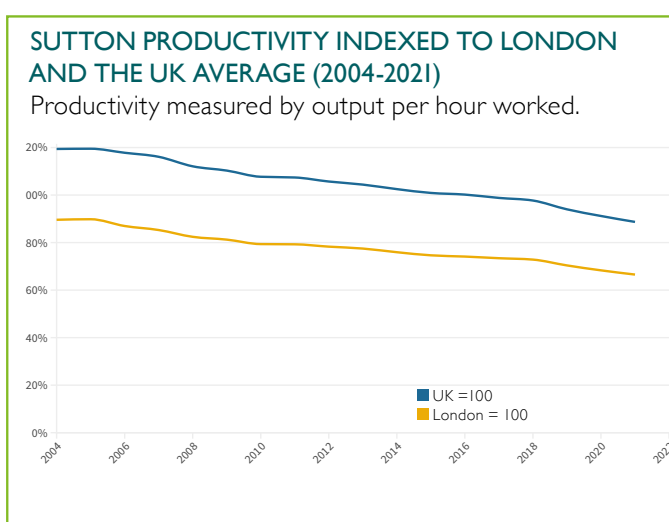
Employment Sectors

In 2021, the largest employment sector in Sutton was administrative and support service activities, making up 23.0 per cent of total jobs, higher than the London average of 13.3 per cent.
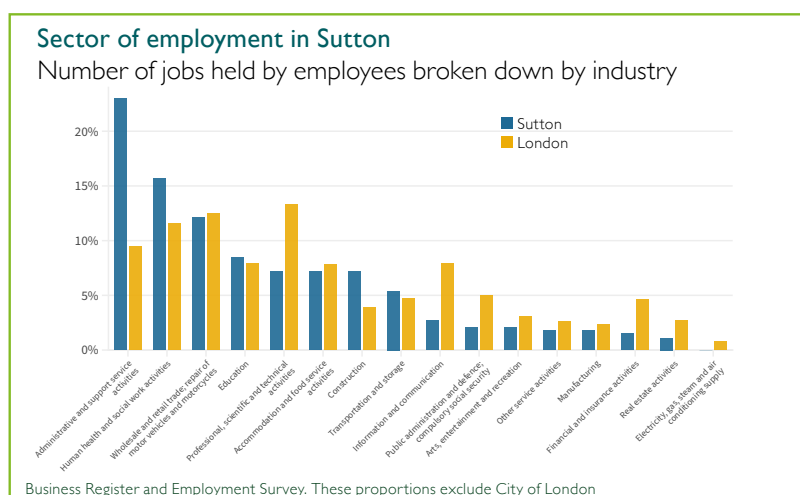
Other large employment sectors include human health and social work activities (15.7 per cent) and wholesale and retail trade (12.1 per cent).

Sector of employment in Sutton
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Sutton's relatively low productivity compared to other boroughs can be partly explained by the borough's specialisation in particular industries, such as construction or administrative and support activities. These sectors are less productive than other sectors.[2] It also struggles with transport connectivity, with no tube stations in the borough, a lack of public transport routes running east/west and low frequencies on some of its train lines into central London – this makes it harder for people to get to jobs which suit them and can put potential employers off from locating in the area. Sutton experienced a lower employment growth between 1971 and 2015 than other boroughs.[3]

Despite these issues it is popular with residents as a green and relatively affordable place to live, with good access to countryside.

2   Rocks, C. (2019) Productivity trends in London: An evidence review to inform the Local Industrial Strategy evidence base. Retrieved from: https://www.london.gov.uk/sites/default/files/productivity-trends-in-london-final.pdf

3   Hope, M. (2017) London's boroughs: borough by sector jobs, data and methodology. Retrieved from: https://www.london.gov.uk/sites/default/files/wp92-borough-sector-jobs.pdf

WANDSWORTH

Areas of deprivation

Wandsworth is the 24th most deprived borough in London when looking at the Index of Multiple Deprivation (IMD)[1]. While no areas in Wandsworth are amongst the ten per cent most deprived areas in England, six areas are amongst the 20 per cent most deprived areas.

Figure 1: Areas of deprivation in Wandsworth

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.
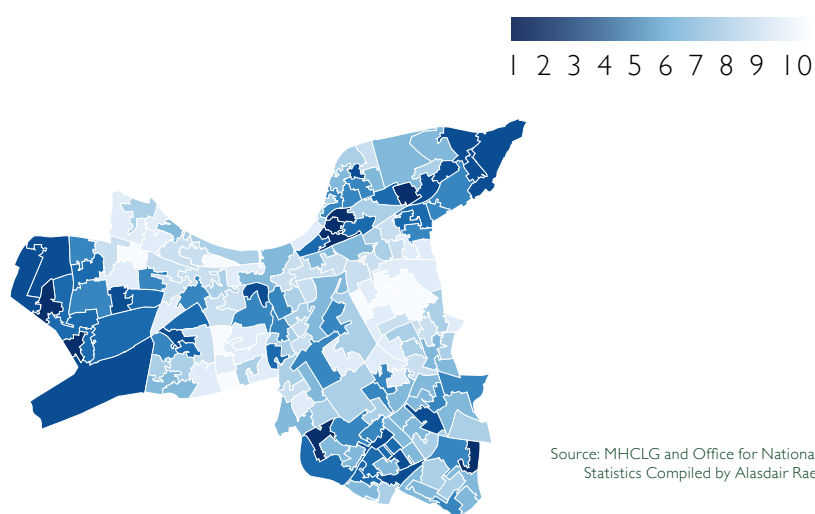
Population characteristics

In 2021, Wandsworth was estimated to have a population of 328,367. Wandsworth is the eighth largest boroughs in terms of population, and it has grown by 6.7 per cent since 2011: very similar to the growth across London in the same period..

Its population density (9,584 people sq km) is above London's population density (5,596).

In the 2021 Census, 68 per cent of the population in Wandsworth identified their ethnic group as 'White', more than ten percentage points higher than the average across London (54 per cent). 12 per cent of residents identified their ethnic group within the Asian, Asian British, or Asian Welsh category and 10 per cent identified within the Black, Black British, Black Wesh, Caribbean and African category.

Wandsworth is the fifth most expensive to rent in and the fourth most affordable when looking at the rent in relation to median household income.

Median annual pay: £42,665.
Twelve months average asking rent (all categories): £2,593.

Labour market

89.2 per cent of the working age population (aged 16 to 64) in Wandsworth were in employment in 2022 – this is higher than London's average. In 2022, 2.5 per cent of the population was unemployed, compared to 4.3 per cent in London. In June 2023, 3.3 per cent of the population were claiming unemployment related benefits – the third highest percentage across London. The equivalent across London in this period was 4.9 per cent. Meanwhile, 3.8 per cent of the population were in work and claiming Universal Credit, the third lowest rate among London's boroughs and below the average of 6 per cent.

17.0 per cent of the borough's residents in employment work in professional, scientific and technical activities, 12.3 per cent work in human health and social work activities and 11.4 per cent work in financial and insurance activities.

Skills and level of qualifications

In 2022, 1.6 per cent of 16-17 year-olds in Wandsworth were not in education, employment or training. The proportion of the working age population with no qualifications was 1.4 cent, the lowest proportions across London boroughs. 70 per cent of the population hold a level 4 qualification or higher in Wandsworth, compared 59 per cent for London as a whole.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The two domains of income and employment deprivation are forming half of the total IMD scores. See more information **here.**

Economic output and productivity

Wandsworth generated only 1.8 per cent of London's total economic output in 2021. 31.6 per cent of its economic output was generated through real estate activities, while these activities generated 17.4 per cent of the total London economic output. Real estate and human health and social work activities generated more than 50 per cent of the total economic output in 2021.
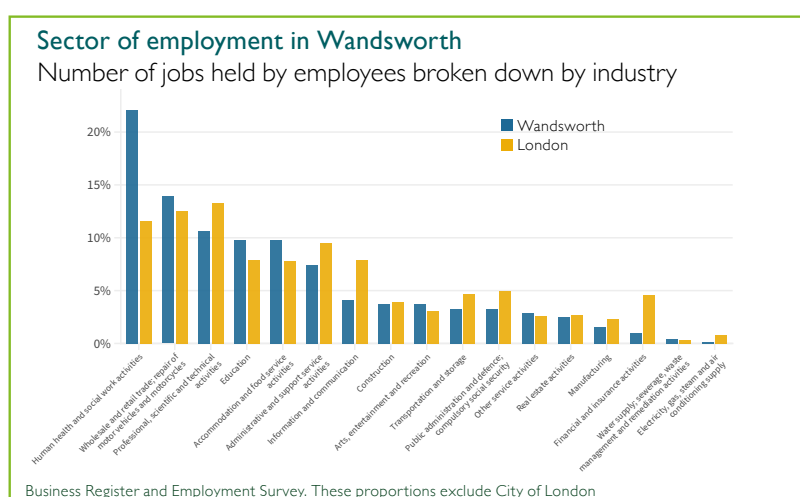
In 2021, Wandsworth labour productivity, measured as GVA per hour worked, was £34.90, compared to the London's average of £51.10.

Except between 2013 and 2017, Wandsworth productivity has consistently been below the UK average since 2004. It has also been below London's average.

WANDSWORTH PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.
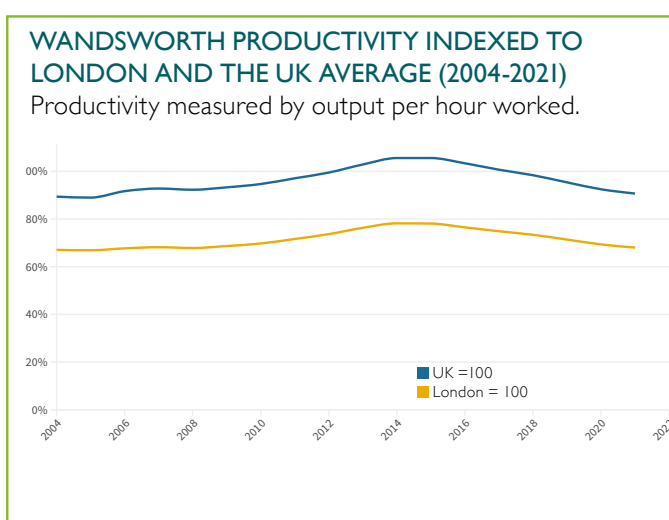
Employment Sectors

In 2021, Wandsworth largest proportion of jobs was in human health and social work activities, making up 22.1 per cent of the total number of jobs in the borough. The second largest employment sector in the borough is in wholesale and retail trade; repair of motor vehicles and motorcycles sector, making up 13.9 per cent of total jobs.

Sector of employment in Wandsworth
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

While the borough is the 10th least deprived borough in London, there are important spatial inequalities within the borough and between residents. In 2020-21, its pay inequality, measured by the ratio of wages at the 80th and 20th percentile, was worse than the average London borough.[2] Furthermore, 34 per cent of the residents lived in households with less than 60 per cent of the UK median income after housing costs.[3]

Wandsworth is one of the few London boroughs to have had a new tube line in recent years, with the opening of the Northern Line Extension to Battersea. Related to this development, Nine Elms, in the north/east of the borough, has undergone significant transformation over the past 10 years, with the Nine Elms Vauxhall Partnership, considered one of the largest regeneration areas in Europe.[4]

2   Trust for London (2022) London's Poverty Profile by Borough, Wandsworth. Retrieved from: https://trustforlondon.org.uk/data/boroughs/wandsworth-poverty-and-inequality-indicators/?tab=living-standards

3   Ibid.

4   Wandsworth Council (2021) The rebirth of Nine Elms: Once a study in urban decay now transformed into London's newest and most exciting residential and business district. Retrieved from: https://www.wandsworth.gov.uk/news/2021-news/news-july-2021/the-rebirth-of-nine-elms-once-a-study-in-urban-decay-now-transformed-into-london-s-newest-and-most-exciting-residential-and-business-district/
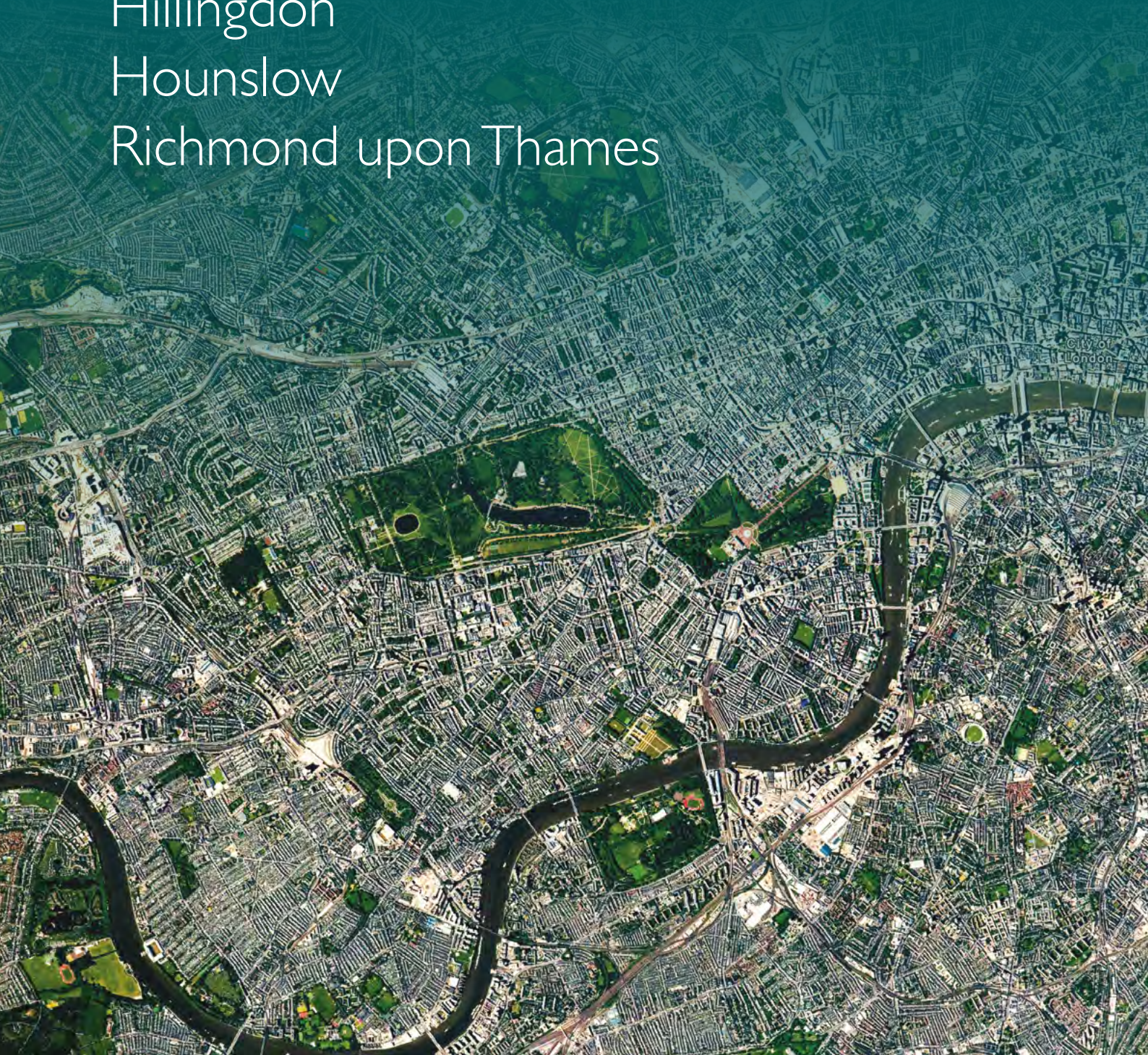
WEST BOROUGHS

Brent
Ealing
Hammersmith
Harrow
Hillingdon
Hounslow
Richmond upon Thames

BRENT

Areas of deprivation

Brent is the tenth most deprived borough in London when looking at the Index of Multiple Deprivation (IMD)[1]. 80 per cent of the areas in the borough are among the most deprived 50 per cent of areas in England.

Figure 1: Areas of deprivation in Brent

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.
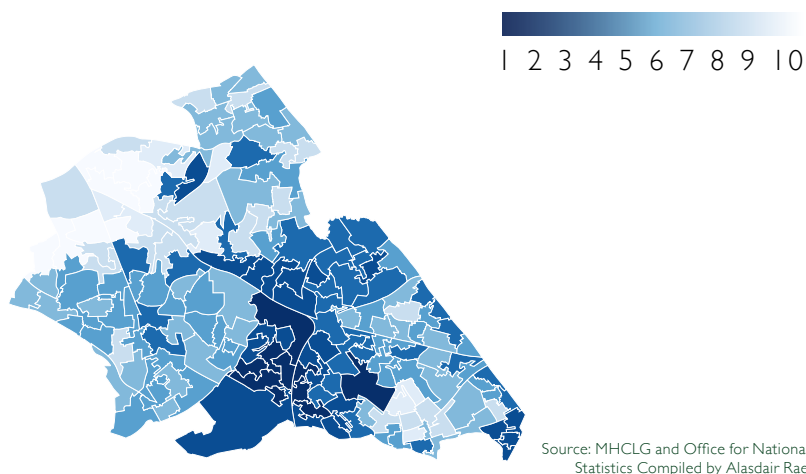
Population characteristics

In 2021, Brent was estimated to have a population of 338,918, above the average number of residents in London boroughs. Brent is the fifth biggest boroughs in terms of population. It has experienced the eleventh highest population increases since 2011 (8.5 per cent).

Its population density (7,839 people sq km) is above London's population density (5,596).

In the 2021 Census, 35 per cent of the population in Brent identified their ethnic group as White, almost 20 percentage points lower than the average across London (54 per cent). 33 per cent of residents identified their ethnic group as within the Asian, Asian British, or Asian Welsh category. 18 per cent identified as Black, Black British, Black Welsh, Caribbean or African.

Whilst this borough is the 14th most expensive to rent in, it is the second most affordable when looking at rent in relation to median household income.

Median annual pay: £30,855.
Twelve months average asking rent (all categories): £1,934.

Labour market

69.3 per cent of the working age population (aged 16 to 64) in Brent were in employment in 2022 – this is lower than London's average. Nearly a quarter of the working age population were economically inactive in 2022 (23.2 per cent), compared to a fifth across London (20.2 per cent). In 2022, 7.0 per cent of the population was unemployed, compared to 4.3 per cent in London. In June 2023, 6.3 per cent of the population were claiming unemployment related benefits – the third highest percentage across London. The equivalent across London in this period was 4.9 per cent. Meanwhile, 7.4 per cent of the population were in work and claiming Universal Credit, higher than the London average of 6 per cent.

14.4 per cent of the borough's residents in employment work in human health and social work activities, 13.5 per cent work in construction and 8.7 per cent work in education.

Skills and level of qualifications

In 2022, 1.5 per cent of 16–17 year olds in Brent were not in education, employment or training, similar to London's average. The proportion of the working age population in Brent with no qualifications is 7.5 cent, compared to 5.5 per cent across London. Just over half of the working age population in Brent hold a level 4 qualification or higher (51 per cent), compared to 59 per cent of the overall London workforce.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The two domains of income and employment deprivation are forming half of the total IMD scores. See more information here.

Economic output and productivity

Brent generated only 2.3 per cent of London's total economic output in 2021. 24.7 per cent of its economic output was generated through real estate activities, whilst these activities generated 17.4 per cent of the total London economic output. Real estate, construction, wholesale and retail trade, and human health and social work activities generated more than 50 per cent of the total economic output in 2021.

In 2021, Brent's labour productivity, measured as GVA per hour worked, was £37.10, compared to the London's average of £51.10. However, its productivity remained higher than the UK's average.

BRENT PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.
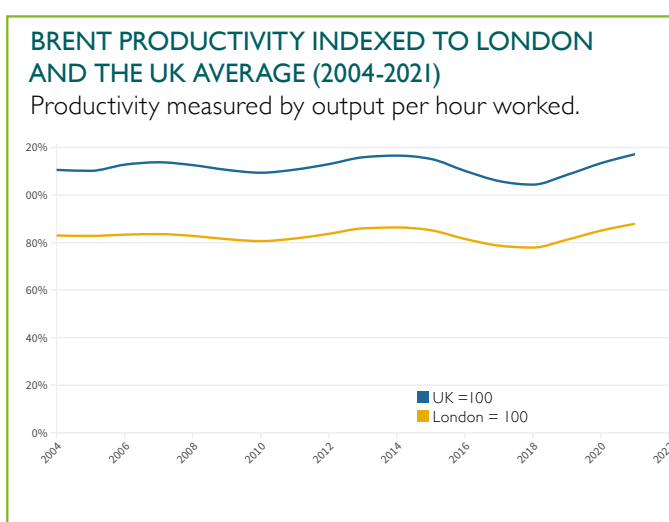
Employment Sectors

In 2021, the largest number of jobs in this borough was in wholesale and retail trade, repair of motor vehicles and motorcycles sector, making up 19.7 per cent of jobs, higher than the London average of 12.5 per cent.

14.7 per cent of jobs in the borough were human health and social work sector, and 9.2 per cent in the accommodation and food service activities sector in 2021. While professional, scientific and technical activities made up more than 12 per

Sector of employment in Brent
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

cent of the jobs in London, only 6.6 per cent of the jobs in Brent were in this sector. Similarly only 1.2 per cent of the jobs in Brent was in financial and insurance activities sector, while this sector made up 4.6 per cent of jobs in London.
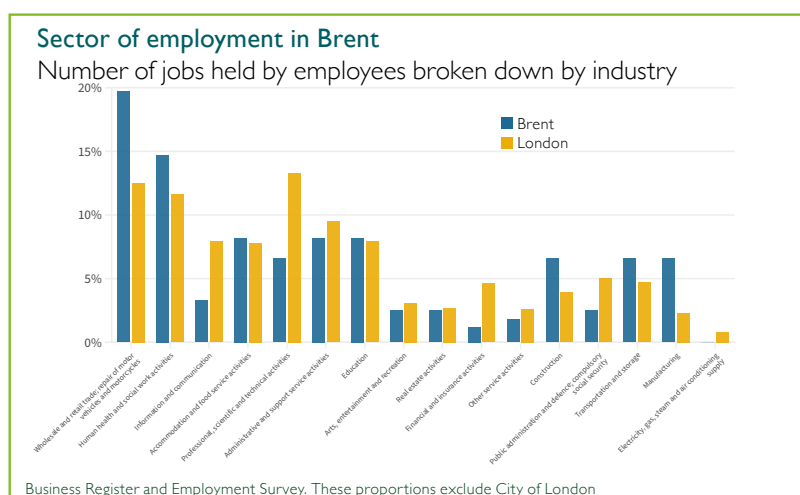
Economic Stories

Brent has high levels of poverty, with 36 per cent of its residents living in households with less than 60 per cent of the UK median income in 2019/20.[2]

The borough specialises in manufacturing activities, with a proportion of jobs in this sector almost twice that of jobs in manufacturing in London. Parts of the borough have been identified as Strategic Industrial Lands (SILs) in the 2021 London Plan, such as the areas around East Lane and Wembley. Furthermore, the borough has the largest proportion of land used for storage and warehousing (1.9 per cent). The borough is also home to Wembley Town Centre, which has been identified as a potential future metropolitan area in the London Plan.[3] Nearby Wembley Stadium, and the area around it, has also been a catalyst for significant change in recent years, with many new homes and retail sites.

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2   Trust for London (2022) London's Poverty Profile by Borough, Brent. Retrieved from: https://trustforlondon.org.uk/data/boroughs/brent-poverty-and-inequality-indicators/?gclid=EAIaIQobChMI_5KCzJK8gQMVCdntCh1ILgzNEAAYASAAEgL-GfD_BwE
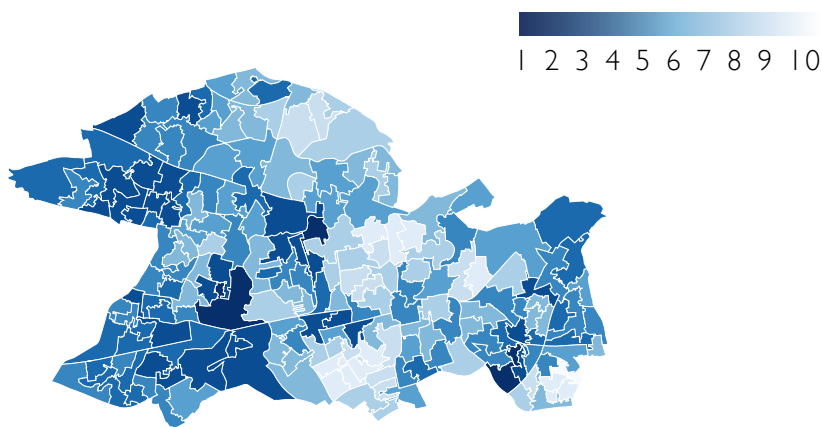
3   Mayor of London (2021) 2021 London Plan. Retrieved from: https://www.london.gov.uk/sites/default/files/the_london_plan_2021.pdf

EALING

Areas of deprivation

In Ealing, pockets of affluence can be found near pockets of deprivation. When looking at the Index of Multiple Deprivation (IMD)[1], Ealing is the 14th most deprived borough in London. Four small areas ranked amongst the 10 per cent most deprived in England.

Figure 1: Areas of deprivation in Ealing

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Labour market

74.7 per cent of the working age population (aged 16 to 64) in Ealing were in employment in 2022 – this is lower than London's average of 76.2 per cent. 5.2 per cent of the residents were unemployed in 2022 – this is higher than London's average of 4.3 per cent. Ealing was the borough with the 10th highest proportion of people claiming unemployment related benefits in June 2023 (5.4 per cent). Meanwhile, 6.8 per cent of the population were in work and claiming Universal Credit, higher than the London average of 6 per cent.

13.5 per cent of the borough's residents in employment work in human and social work activities, 11.1 per cent work in the construction sector and 10.0 per cent work in education.

Skills and level of qualifications

In 2022, 0.8 per cent of 16–17-year-olds were not in education, employment or training – lower than the average across London (1.5 per cent). 7.3 per cent of the working age population have no qualification in Ealing, compared to 5.5 per cent across London. Only 49 per cent of the working age population in Ealing hold a level 4 qualification or higher, compared to 59 per cent of the overall London working age population.

Economic output and productivity

1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The two domains of income and employment deprivation are forming half of the total IMD scores. See more information here.

Ealing generated 2.5 per cent of London's total economic output in 2021. 26.5 per cent of its economic output was generated through real estate activities, while these activities generated 17 per cent of the total London economic output. Real estate, wholesale and retail trade, manufacturing and construction generated more than half of the borough's total economic output in 2021.

Until 2019, the borough's productivity was below the London's average, but it is now equivalent or slightly above London's average. The borough's productivity has consistently been above the UK average by between 20 to 40 per cent.

EALING PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

UK =100
London = 100
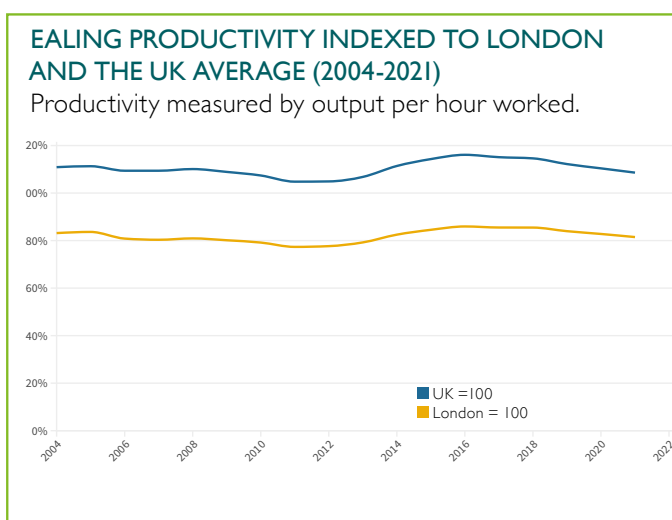
Employment Sectors

In 2021, the sector with the largest number of jobs in Ealing was wholesale and retail trade, making up 18.6 per cent of total jobs compared with 12.5 per cent across London. Other sectors employing large proportions of people in Ealing include human health and social work activities (10.0 per cent) and administrative and support activities (10.0 per cent). 9.3 per cent of the jobs in Ealing are in the manufacturing sector compared with only 2.3 per cent across Lon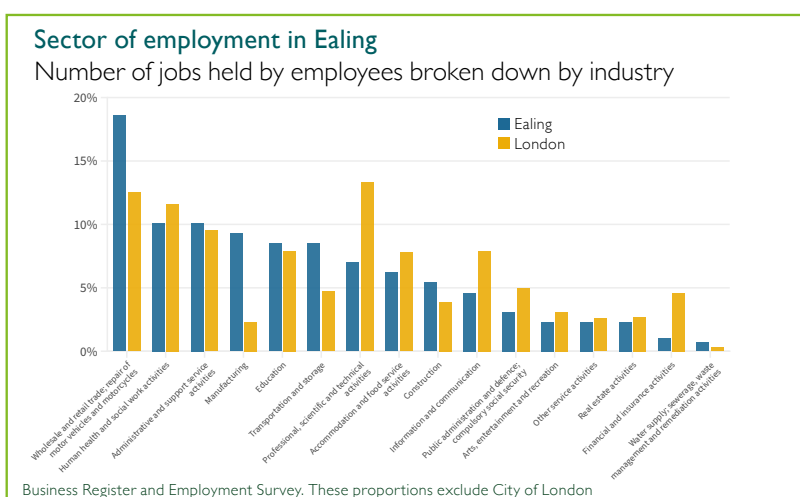don. Similarly, 8.5 per cent of the jobs in the borough are in the transportation and storage sector while this sector represents only 4.7 per cent of the total jobs across London.

Sector of employment in Ealing
Number of jobs held by employees broken down by industry

Ealing
London

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Compared to some other outer London boroughs, Ealing enjoys good transport connections. Ealing Broadway is only 15mins away from Heathrow Airport, and the HS2 station at Old Oak Common was supposed to connect the Midlands, the North and Scotland to London.[2] The arrival of the Elizabeth Line in 2022 has further improved connectivity, which may impact employment levels and housing costs in the next few years.

The borough has an employment specialisation in manufacturing.[3] This isn't surprising given that the borough is the nineth highest contributor of land used for industrial and commercial purposes, with 3.5 per cent of its land dedicated to these purposes. Parts of Park Royal, the largest area of Strategic Industrial Land (SIL) in London, are situated in the borough. Large areas of the borough have been identified as Opportunity Areas in the 2021 London plan, including Southall and Old Oak Park Royal.[4]

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2   We Made It, Urban Research Unit (2022) Industrious Ealing, Workspace Audit. Retrieved from: https://www.ealing.gov.uk/download/downloads/id/17943/workspace_audit.pdf
3   See the analysis of the employment location quotient.
4   We Made It, Urban Research Unit (2022) Industrious Ealing, Workspace Audit. Retrieved from: https://www.ealing.gov.uk/download/downloads/id/17943/workspace_audit.pdf

HAMMERSMITH AND FULHAM

Areas of deprivation

Hammersmith and Fulham is the 16th most deprived borough in London when looking at the Index of Multiple Deprivation (IMD).[1] The north of the borough is more deprived than the south, with some areas amongst the 20 per cent most deprived areas in England.

Figure 1: Areas of deprivation in Hammersmith

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.
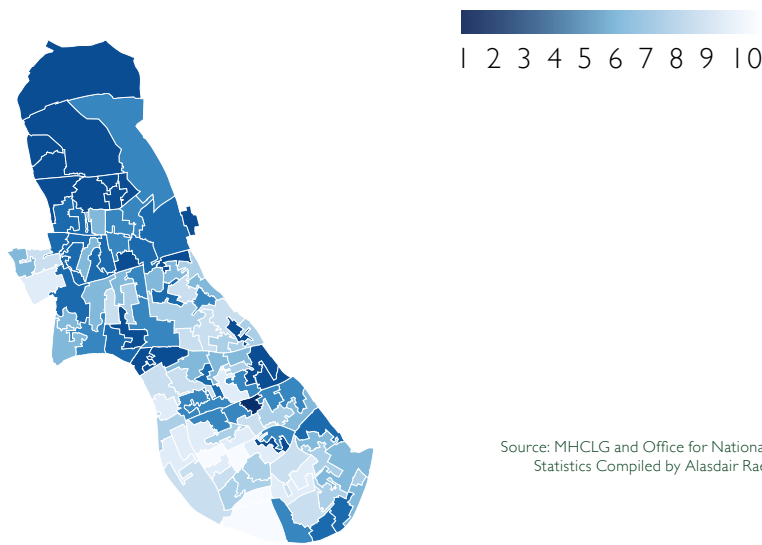
Population characteristics

In 2021, Hammersmith and Fulham was estimated to have a population of 183,295. The borough is the third lowest populated borough and it has experienced only a 0.5 per cent per cent population increase since 2011, below London's average of 6.8 per cent increase in the same time period.

However, it is a relatively densely populated borough with 11,174 people per sq km, which is above London's population density (5,596).

In the 2021 Census, 63 per cent of residents identified their ethnic group as as White, lower than the average across London (54 per cent). 12 per cent identified their ethnic group as Black, Black British, Black Welsh, Caribbean or African. 11 per cent identified as Asian, Asian British, or Asian Welsh.

The borough is the 4th most expensive borough to rent in, but it is the 16th least affordable when looking at the rent in relation to the median monthly household income.

Median annual pay: £37,884.
Twelve months average asking rent (all categories): £2,768.

Labour market

76.6 per cent of the working age population (16-64) in Hammersmith and Fulham were in employment in 2022, slightly higher than London's average of 76.2 per cent. In 2022, 4.2 per cent of the population was unemployed, compared to 4.3 per cent in London. In June 2023, 4.5 per cent of the population were claiming unemployment related benefits. Meanwhile, 5 per cent of the population were in work and claiming Universal Credit, lower than the London average of 6 per cent.

15.5 per cent of the borough's residents in employment work in professional, scientific and technical activities. 13.3 per cent work in the human health and social work activities sector, and 10 per work in education, with a similar proportion working in the information and communication activities sector.

Skills and level of qualifications

Hammersmith and Fulham's residents have on average higher levels of qualifications than residents across London. In 2022, 0.7 per cent of 16–17-year-olds were not in education, employment or training, lower than the average across London (1.5). Only 2.3 per cent of the working age population have no qualification, one the lowest across all London boroughs. 74 per cent of the working age population hold a level 4 qualification or higher, compared to 59 per cent of the overall London working age population.
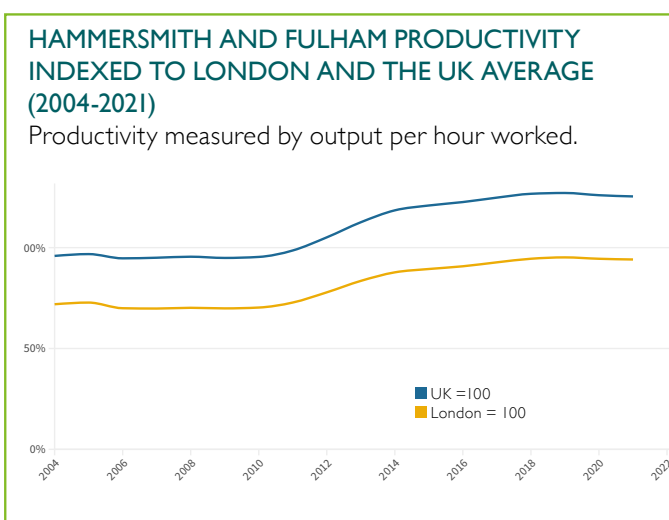
Economic output and productivity

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The two domains of income and employment deprivation are forming half of the total IMD scores. See more information **here.**

Hammersmith and Fulham generated 2.8 per cent of London's total economic output in 2021. 32 per cent of its economic output was generated through information and communication, while these activities generated only 12 per cent of the total London economic output. Information and communication and wholesale and retail trade sectors generated more than half of the borough's total economic output in 2021.

The borough is the nineth most productive borough in London (£45.00 GVA per hour worked).

Until 2012, the borough's productivity was below the UK average. Since 2012, the borough's productivity has exceeded UK's average. Although its productivity level has consistently been below London's average since 2004, the gap has narrowed since 2016.

HAMMERSMITH AND FULHAM PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

Employment Sectors

The largest employment sector in 2021 was wholesale and retail trade, accounting for 18.4 per cent of jobs in the borough. As a comparison, the proportion of jobs in this sector in London was only 12.5 per cent in 202.

Information and communication activities is the second largest employment sector in the borough, with 14.3 per cent of the jobs in this sector. While professional, scientific and technical activities are the third largest

Sector of employment in Hammersmith and Fulham
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

employment sector in the borough (13.0 per cent of the jobs), its proportion of jobs in this sector is slightly lower than that of London (13.3 per cent).
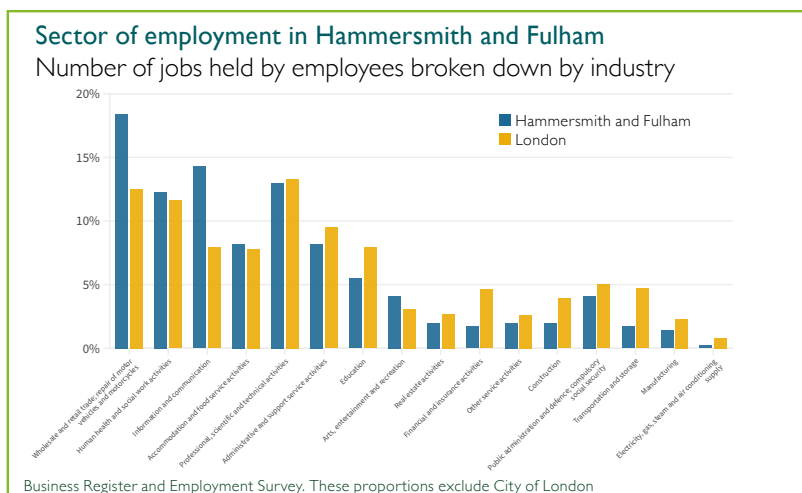
Economic Stories

Hammersmith and Fulham's business base is fairly similar to that of other inner London boroughs, but it has a notable employment specialism in the information and communication sector. The BBC has a long association with the borough through its iconic White City site (now converted to flats), and both the BBC and ITV have staff based in the area.
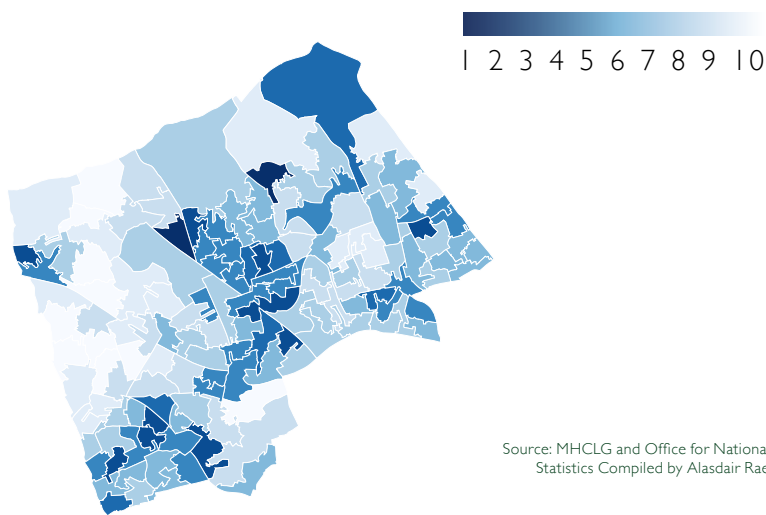
The White City Innovation District is now also home to a campus of Imperial College London and a cluster of life science firms, and the council hopes to further develop this specialism in years to come.

HARROW

Areas of deprivation

Harrow is the fifth least deprived London borough when looking at the Index of Multiple Deprivation (IMD)[1]. 50 per cent of the areas in the borough are among the most deprived 50 per cent of areas in England.

Figure 1: Areas of deprivation in Harrow

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Labour market

76.8 per cent of the working age population (16-64) in Harrow were in employment in 2022 – this is slightly higher than London's average (76.2). The borough has a slightly lower inactivity rate (18.9 per cent) compared to a fifth across London (20.2 per cent). The unemployment rate is also marginally lower than the rate across London, with 4.2 per cent of the population unemployed in 2022, compared to 4.3 per cent in London. In June 2023, 3.6 per cent of the population were claiming unemployment related benefits. The equivalent across London in this period was 4.9 per cent. Meanwhile, 4.7 per cent of the population were in work and claiming Universal Credit, lower than the London average of 6 per cent.

14.8 per cent of the borough's residents in employment work in the human health and social work activities sector, 13.7 per cent work in construction sector, 10.0 per cent work in education and a similar proportion work in professional, scientific and technical activities sector.

Skills and level of qualifications

In 2022, 1.1 per cent of 16–17-year-olds in Hounslow were not in education, employment or training. 3 per cent of the working age population in Harrow had no qualifications, less than half the proportion across London (6.7 per cent). But the proportion of the working age population with a level 4 qualification was slightly lower (58 per cent) than that of London (59 per cent).

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The two domains of income and employment deprivation are forming half of the total IMD scores. See more information here.

Economic output and productivity

1.4 per cent of London's total economic output in 2021 (excluding City of London) was generated in Harrow. 29.4 per cent of its economic output was generated through real estate activities, whilst these activities only generated 17.4 per cent of the total London economic output. Real estate activities, construction and administrative and support service activities generated more than half of the borough total economic output in 2021.

Between 20204 and 2021, Harrow's productivity remained higher than the average UK productivity, but below the average productivity in London. Harrow is the 18th most productive borough in London.

HARROW PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.
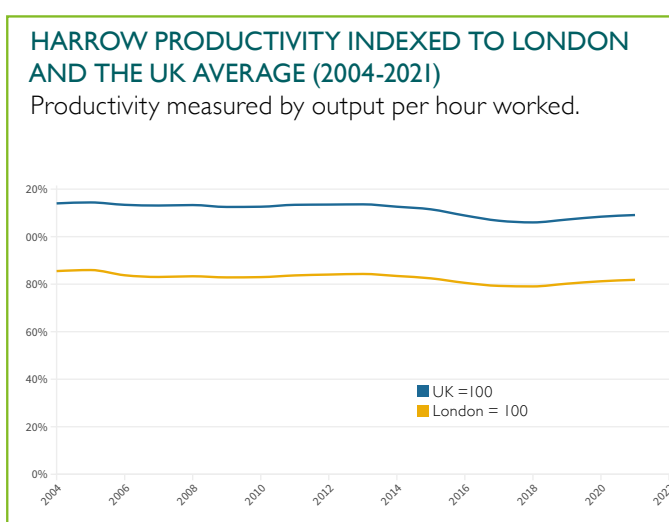
Employment Sectors

In 2021, the sector with largest proportion of jobs in Harrow was employment sector in Harrow was 'Wholesale and retail trade', with 14.9 per cent of the total jobs in the borough being in this sector. Other sectors that made up a large proportion of the total employment in Harrow include professional, scientific and technical activities (13.5 per cent), human health and social work activities (13.5 per cent) and education (10.8 per cent).

Sector of employment in Richmond upon Thames
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London

Economic Stories

Harrow's local economy is largely driven by small and medium sized businesses. Many of its residents commute to work in other parts of London.

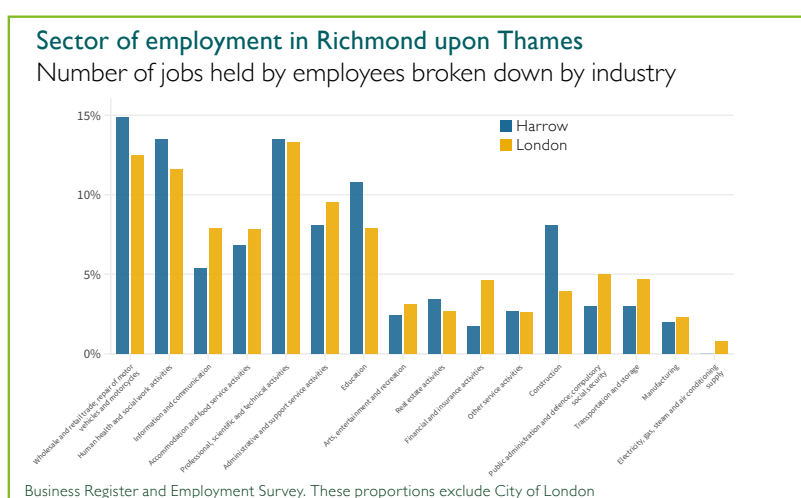Despite having unemployment and benefit claimant rates below London's average, the level of unemployment has almost doubled in Harrow since 2019.[2] Furthermore, many residents in employment are on low wages, as is fairly common in areas dominated by small and medium sized enterprises – this has been identified as one of the main challenges faced by the Council.[3]

The 2021 London Plan has two areas as Strategic Industrial Locations (SILs): Honeypot Lane, Stanmore and Wealdstone Industrial Are.[4]

2   London Borough of Harrow (2022) 2023-2026 Economic Strategy. Retrieved from: https://www.lbhf.gov.uk/sites/default/files/section_attachments/borough-profile-2018.pdf
3   Ibid.
4   Mayor of London (2021) 2021 London Plan. Retrieved from: https://www.london.gov.uk/sites/default/files/the_london_plan_2021.pdf

HILLINGDON

Areas of deprivation

Hillingdon is the 21st most deprived London borough when looking at the Index of Multiple Deprivation (IMD).[1] 53 per cent of the areas in the borough are among the most deprived 50 per cent of areas in England.

Figure 1: Areas of deprivation in Hillingdon

1 2 3 4 5 6 7 8 9 10

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.
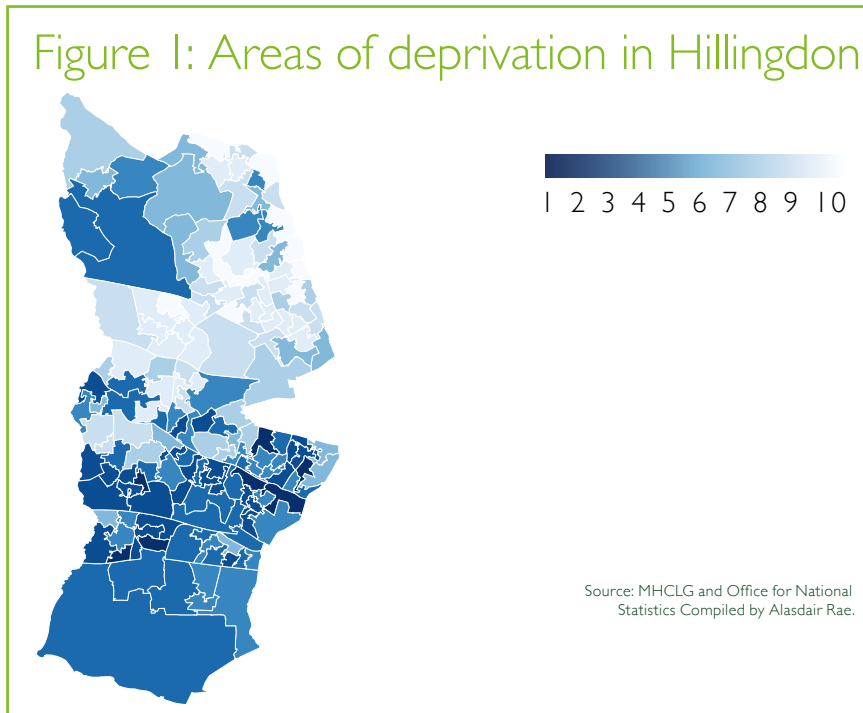
Population characteristics

In 2021, Hillingdon was estimated to have a population of 304,792, above the average number of residents in London boroughs. The borough ranked 13th when ordered by total population, and it has experienced the sixth highest population increases since 2011 (10.6 per cent). Its population density (2,634 people sq km) is below London's population density (5,596).

In the 2021, 48 per cent of the population in Hillingdon identified their ethnic group as White, compared with 54 per cent across London. 33 per cent of residents identified their ethnic group as within the Asian, Asian British, or Asian Welsh category. 8 per cent identified as Black, Black British, Black Welsh, Caribbean or African, 4 per cent as Mixed or Multiple ethnic groups and 6 per cent as Other.

This borough's monthly rent is one of the cheapest in London (third least expensive borough to rent in). However, when looking at the rent in relation to the median household income, it is the 8th most affordable borough in London.

Median annual pay: £34,149. Twelve months average monthly asking rent (all categories): £1,527.

Labour market

70.3 per cent of the working age population (16-64) in Hillingdon were in employment in 2022 – this is lower than London's average (76.2). The borough has one of the highest levels of inactivity, with a quarter of the working age population economically inactive in 2022, compared to a fifth across London. In 2022, 4.3 per cent of the population was unemployed, similar level to London's unemployment rate. In June 2023, 4.1 per cent of the population were claiming unemployment related benefits – slightly below average for London. The equivalent across London in this period was 4.9 per cent. Meanwhile, 5.6 per cent of the population were in work and claiming Universal Credit, similar to the London average of 6 per cent.

14.4 per cent of the borough's residents in employment work in the human health and social work activities sector, 10.9 per cent work in each of the construction and education sectors, and 9.8 per cent work in transportation and storage.

Skills and level of qualifications

In 2022, Hillingdon had the lowest proportion of 16–17-year-olds not in education, employment or training in London (0.5 per cent). The proportion of the working age population in Hillingdon with no qualifications is higher than the London average – 7.3 per cent compared to 6.7 per cent across London. Half of the working age population in Hillingdon hold a level 4 qualification or higher, compared to 59 per cent of the overall London workforce.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation The two domains of income and employment deprivation are forming half of the total IMD scores. The dark blue areas in the map correspond to the most deprived and the white one to less deprived. See more information here.

Economic output and productivity

Hillingdon generated 3.1 per cent of London's total economic output in 2021 (excluding City of London). 12.3 per cent of its economic output was generated through real estate activities in 2021. Together, wholesale and retail trade, transportation and storage, administrative and support service activities, and manufacturing generated more than 50 per cent of the total economic output in 2021. Hillingdon is the tenth most productive boroughs with £44.40 GVA per hours worked. But its productivity level is lower than the average across London (£51.10). Its productivity has consistently been higher than UK average, but lower than the London's average. In 2021, its productivity was 20 per cent lower than the London's average.

HILLINGDON PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

UK =100
London = 100
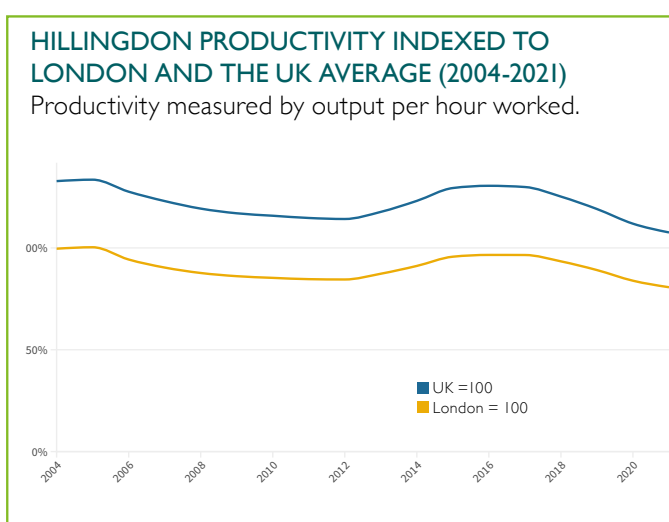
Employment Sectors

The sector employing the largest proportion of people in 2021 was 'transportation and storage', making up 16.5 per cent of total employment, higher than the London average of 4.7 per cent.
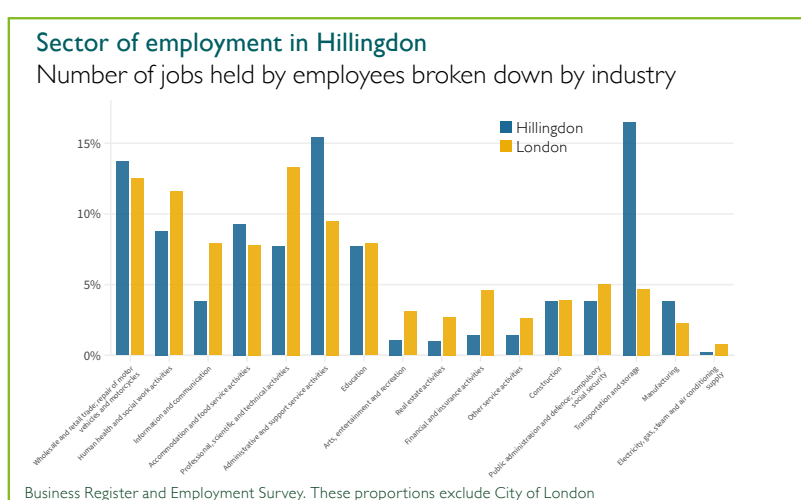
Other sectors employing large proportions of people in Hillingdon include administrative and support service activities (15.4 per cent) and wholesale and retail trade (13.7 per cent).

Sector of employment in Hillingdon
Number of jobs held by employees broken down by industry

Hillingdon
London

Business Register and Employment Survey. These proportions exclude City of London

Only 7.7 per cent of jobs in Hillingdon are in professional, scientific and technical activities, compared to 13.3 per cent across London.

Economic Stories

Hillingdon's economy is largely driven by Heathrow airport, situated in the south of the borough. This bring significant advantages in terms of jobs, but the economic focus on one major employer and its supply chain can make it less resilient to external shocks and stresses – in particular, the Covid pandemic was very challenging. The transition to net zero poses serious questions for the area, if airport capacity reduces in the medium term.
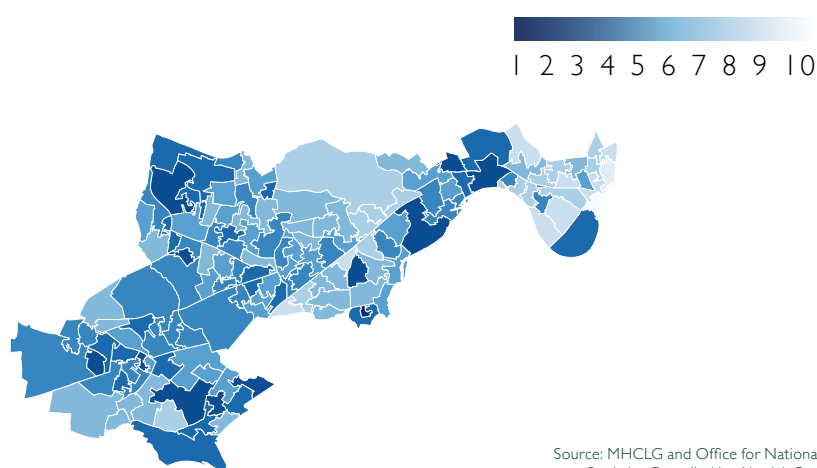
In part because of the proximity of the airport, the borough benefits from excellent connections with the rest of the capital and to the central south of England, and its connectivity has increased with the Elizabeth line. However, local public transport connections within the borough are not always as strong and many people commute to jobs in the airport and elsewhere by car.

HOUNSLOW

Areas of deprivation

Hounslow is the 18th most deprived London borough when looking at the Index of Multiple Deprivation (IMD).[1] 63 per cent of the areas in the borough are among the most deprived 50 per cent of areas in England.

Figure 1: Areas of deprivation in Hounslow

Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Labour market

73.5 per cent of the working age population (aged 16-64) in Hounslow were in employment in 2022 – this is lower than London's average (76.2). Nearly a quarter of the working age population was economically inactive in 2022 (23.3 per cent), compared to a fifth across London (20.2 per cent). In 2022, 4.9 per cent of the population was unemployed, compared to 4.3 per cent in London. In June 2023, 5.0 per cent of the population were claiming unemployment related benefits – the sixteenth highest percentage across London and marginally above average. Meanwhile, 7.6 per cent of the population were in work and claiming Universal Credit, higher than the London average of 6 per cent.

12.2 per cent of the borough's residents in employment work in the human health and social work activities sector, 11.4 per cent work in transportation and storage sector, and 9.7 per cent work in information and communication.

Skills and level of qualifications

In 2022, 1.7 per cent of 16–17-year-olds in Hounslow were not in education, employment or training, slightly higher than the average across London. The proportion of the working age population (aged 16-64) in Hounslow with no qualifications is lower than the London average – 5.1 per cent compared to 6.7 per cent across London. More than half of the working age population in Hounslow hold a level 4 qualification or higher (57 per cent), close to the London average.
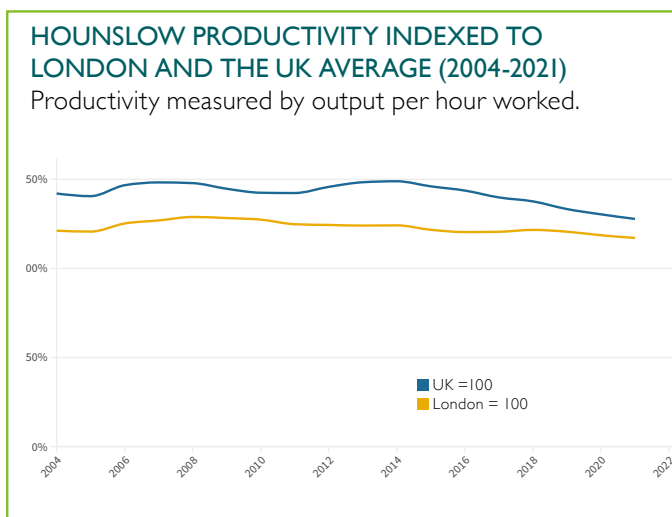
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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The two domains of income and employment deprivation are forming half of the total IMD scores. See more information **here.**

Economic output and productivity

Hounslow generated 4.1 per cent of London's total economic output in 2021 (excluding City of London).

34 per cent of its economic output was generated through information and communication activities, while these activities only generated 12 per cent of the total London economic output. Information and communication, wholesale and retail trade and real estate activities generated more than 50 per cent of the total economic output in 2021.

Hounslow is one of the most productive boroughs (£57.8 GVA per hours worked compared to the London's average of £51.1). Its productivity has consistently been higher than the UK and London's average. Between 2004 and 2016, its productivity was between 40 and 50 per cent higher than the UK average and around 20 per cent higher than the London average. In 2021, its productivity was only 20 per cent higher than the UK's average. But its productivity relative to London's average did not decrease, remaining approximately 20 per cent higher than the London average.

HOUNSLOW PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

Employment Sectors

In 2021, the sector employing the largest proportion of people in Hounslow was transportation and storage, making up 24.9 per cent of total employment, much higher than the London average of 4.7 per cent.

Other sectors employing large proportions of people in Hounslow include wholesale and retail trade (14 per cent) and information and communication (13 per cent). Only 1.4 per cent of people employed work in the financial and insurance sector in Hounslow, compared to 4.6 per cent across London.

Sector of employment in Hounslow
Number of jobs held by employees broken down by industry

Business Register and Employment Survey. These proportions exclude City of London
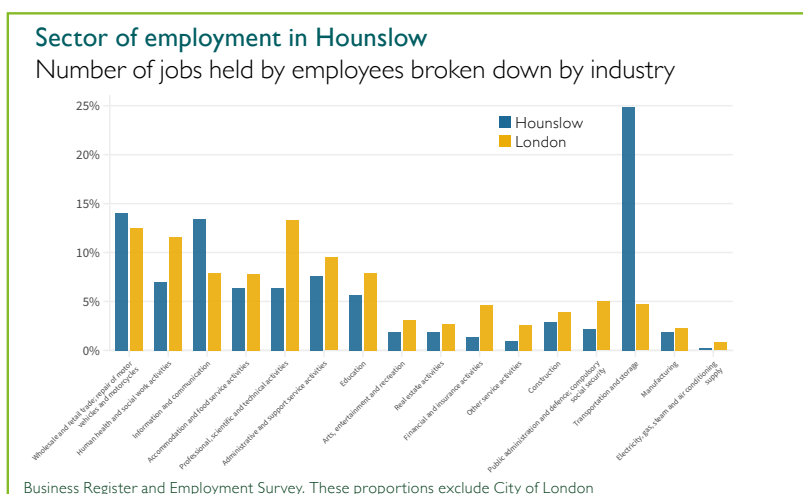
Economic Stories

The borough's economy has been largely driven by Heathrow Airport, explaining the high level of employment in transportation and storage. The reliance of Hounslow economy on this sector of activities meant the borough was particularly impacted by the ongoing effects of Covid 19.[2] In response, the local authority is seeking to diversify the employment base by encouraging more jobs in other sectors, particularly health and social care and life sciences.

The areas of Hounslow which are further away from Central London are more deprived than the areas in the East areas, despite their proximity to Heathrow.[3]

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2   https://www.local.gov.uk/case-studies/borough-partnerships-and-sector-diversification-hounslow-council
3   https://ocsi.uk/wp-content/uploads/2020/10/Hounslow-Equality-Impact.pdf

RICHMOND UPON THAMES

Areas of deprivation

In Richmond, areas of affluence can be found near smaller pockets of deprivation. However, when looking at the Index of Multiple Deprivation (IMD)[1], Richmond upon Thames is the least deprived borough in London. It does not contain any areas among the most 10 per cent deprived in England.

Figure 1: Areas of deprivation in Richmond

1 2 3 4 5 6 7 8 9 10
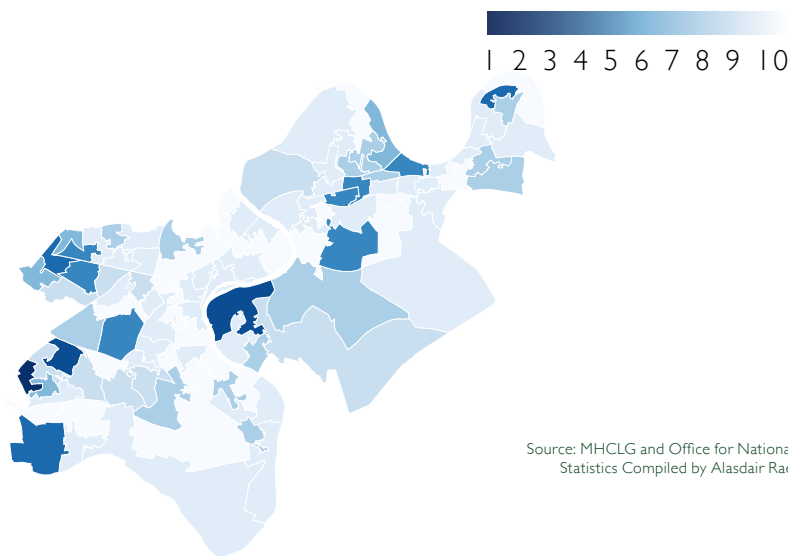
Source: MHCLG and Office for National Statistics Compiled by Alasdair Rae.

Population characteristics

In 2021, Richmond was estimated to have a population of 195,232, below the average number of residents in London boroughs. The borough ranks 29th when ordered by total population and has experienced a 4.1 per cent population increase since 2011, below London's average (6.8 per cent).

Its population density (3,402) people sq km) is below London's population density (5,596).

In the 2021 Census, 80 per cent of the population in Richmond identified their ethnic group as White, almost thirty percentage points higher than the average across London (54 per cent). 9 per cent of residents identified their ethnic group as within the Asian, Asian British, or Asian Welsh category.

The borough is the 11th most expensive to rent in (out of the 32 boroughs), but it's the second most affordable borough when looking at rent in relation to the median monthly household income.

Median annual pay: £38,012.
Twelve months average asking rent (all categories): £2,174.

Labour market

75.1 per cent of the working age population (16-64) in Richmond were in employment in 2022 – this is lower than London's average of 76.2 per cent. While the borough has a relatively low unemployment rate (2.9 per cent) compared to London's average (4.3 per cent), the inactivity rate (21.9 per cent) is above London's average (20.2 per cent). In June 2023, 2.4 per cent of the population were claiming unemployment related benefits – the lowest proportion across London. Meanwhile, 3.1 per cent of the population were in work and claiming Universal Credit, the lowest rate among London's boroughs and below the average of 6 per cent.

15.5 per cent of the borough's residents in employment work in professional, scientific and technical activities, 12.7 per cent work in education and 12.3 per cent work in information and communication activities.

Skills and level of qualifications

Richmond's residents have on average higher levels of qualifications than across London. In 2022, 1.1 per cent of 16–17-year-olds were not in education, employment or training, lower than the average across London (1.5 per cent). Only 2.9 per cent of the working age population have no qualification in Richmond upon Thames, one of the lowest across all London boroughs. 70 per cent of the working age population in Richmond hold a level 4 qualification or higher, compared to 59 per cent of the overall London working age population.

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1   The IMD is the official measure of deprivation in England composed of seven domains of deprivation. The two domains of income and employment deprivation are forming half of the total IMD scores. See more information here.

Economic output and productivity

Richmond generated 1.9 per cent of London's total economic output in 2021. 28.1 per cent of its economic output was generated through real estate activities, while these activities generated 17.4 per cent of the total economic output in London. Real estate, human health and social work, and professional, scientific and technical activities generated more than half of the borough's total economic output in 2021.

Until 2019, the borough's productivity was below London's average, but it is now equivalent or slightly above the average. The borough's productivity has consistently been higher than the UK average by between 20 to 40 per cent.

RICHMOND UPON THAMES PRODUCTIVITY INDEXED TO LONDON AND THE UK AVERAGE (2004-2021)
Productivity measured by output per hour worked.

UK =100
London = 100
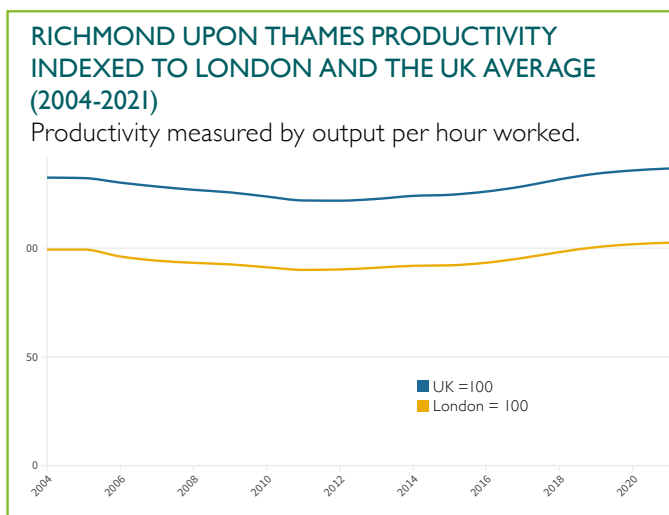
Employment Sectors

In 2021, the largest employment sector in Richmond was professional, scientific and technical activities, making up 14.7 per cent of total jobs, higher than the London average of 13.3 per cent.

Other sectors employing large proportions of people in Richmond include wholesale and retail trade (12.2 per cent) education (12.2 per cent), and human health and social work activities (11.0 per cent). 8.5 per cent of the total employment in the borough are in arts, entertainment and recreation activities, which represents more than twice the proportion of employment in this sector across London.

Sector of employment in Hounslow
Number of jobs held by employees broken down by industry

Richmond upon Thames
London

Business Register and Employment Survey. These proportions exclude City of London
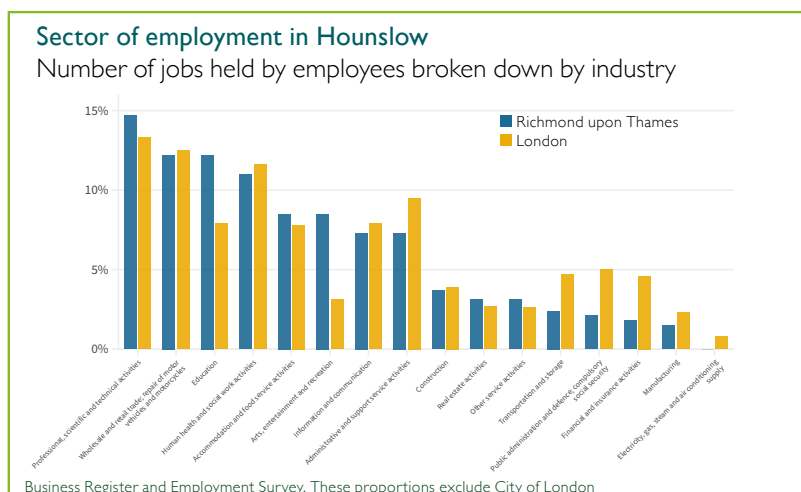
Economic Stories

Richmond is one of only three boroughs with more than 70 per cent of its land not developed, and has an unusually low population density given that it is not on the outskirts of the city. This can be explained by large areas of outdoor residential spaces, Kew Gardens, Richmond Park, Bushy Park and Old Deer Park. The large proportion of employment in arts, recreation and entertainments activities can also be explained by these amenities in the borough – many are cultural attractions as well as outdoor spaces.

While Richmond is the least deprived borough in London, this hides important inequality within the borough, with 11.1 per cent of residents earning below the Living Wage in 2021.[2]

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2   Trust for London (2022) London's Poverty Profile by Borough, Richmond upon Thames. Retrieved from: https://trustforlondon.org.uk/data/boroughs/richmond-upon-thames-poverty-and-inequality-indicators/?tab=work

APPENDIX 1: GEOGRAPHIC DEFINITION

In this report, we focus on the 32 local authorities that along with City of London make up Greater London. Below is a list of the borough and whether they are located in inner or outer London as defined in the London Plan 2021[1].

Boroughs	Location
Barking and Dagenham	Outer
Barnet	Outer
Bexley	Outer
Brent	Outer
Bromley	Outer
Camden	Inner
Croydon	Outer
Ealing	Outer
Enfield	Outer
Greenwich	Inner
Hackney	Inner
Hammersmith and Fulham	Inner
Haringey	Outer
Harrow	Outer
Havering	Outer
Hillingdon	Outer
Hounslow	Outer
Islington	Inner
Kensington and Chelsea	Inner
Kingston upon Thames	Outer
Lambeth	Inner
Lewisham	Inner
Merton	Outer
Newham	Inner
Redbridge	Outer
Richmond upon Thames	Outer
Southwark	Inner
Sutton	Outer
Tower Hamlets	Inner
Waltham Forest	Outer
Wandsworth	Inner
Westminster	Inner

Other geographies used in this report:

1. **International Territorial Level (ITL):** this level of geography was created for the statistical purposes to replace the Nomenclature of Territorial Units for Statistics (NUTS) following Brexit. In this report we used ITL 2 which divides London in five geographical areas: 'Inner London – West', 'Inner London – East', 'Outer London – East and North East', 'Outer London – South', 'Outer London - West and North West'. We also used ITL 3 which consists of one or several local authorities in London.

2. **Lower Layer Super Outputs Areas (LSOAs):** these small areas consist of geographical areas with between 1,000 and 3,000 usual residents.

1   Mayor of London (2021) 2021 London Plan. Retrieved from: https://www.london.gov.uk/sites/default/files/the_london_plan_2021.pdf

APPENDIX 2: CLAIMANT COUNT ANALYSIS

The Claimant Count measures the number of people who are claiming unemployment benefits. In London, in June 2023, 4.9 per cent of the residents aged 16 to 64 were claiming unemployment benefits, that is either Jobseeker's Allowance (JSA) or Universal Credit (UC) on condition that they are seeking work to qualify for their benefits. The proportions more than doubled during the pandemic due to the change in the eligibility rules for Universal Credit, with the proportion in London rising from 2.7 per cent in January 2020 to 7.1 per cent in January 2021.[1] Across the UK, the rate increased from 3.0 per cent in January 2020 to 6.5 per cent a year later.[2] The number decreased after the pandemic, but it remained higher than pre-pandemic levels.[3] The table below shows the proportion of people by local authorities.

London Borough	Claimants as a proportion of residents aged 16-64 in June 2023
Richmond upon Thames	2.4
Kingston upon Thames	2.7
Bromley	2.9
Sutton	2.9
Bexley	3.2
Kensington and Chelsea	3.3
Wandsworth	3.3
Harrow	3.6
Havering	4.0
Merton	4.0
Westminster	4.0
Hillingdon	4.1
Barnet	4.4
Camden	4.4
Hammersmith and Fulham	4.5
Greenwich	5.0
Hounslow	5.0
Redbridge	5.0
Southwark	5.0
Lambeth	5.2
Tower Hamlets	5.3
Ealing	5.4
Islington	5.4
Croydon	5.7
Lewisham	5.8
Enfield	5.9
Waltham Forest	6.0
Hackney	6.1
Brent	6.3
Newham	6.6
Barking and Dagenham	6.7
Haringey	6.8

1   ONS (2023) Claimant count: London. Retrieved from: https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/outofworkbenefits/timeseries/dpdq/unem
2   ONS (2023) Claimant count: UK. Retrieved from: https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/outofworkbenefits/timeseries/bcje/unem
3   Department for Work and Pensions (2023). Universal Credit statistics, 29 April 2013 to 12 October 2023. Retrieved from: https://www.gov.uk/government/statistics/universal-credit-statistics-29-april-2013-to-12-october-2023

PEOPLE CLAIMING UNIVERSAL CREDIT AND IN EMPLOYMENT

People who work are eligible to receive Universal Credit, with the amount that a household is eligible for depending on a number of factors, including their earnings. Across London, 6 per cent of the working age population were in receipt of Universal Credit while in employment in June 2023.[4] This is slightly higher than the average across England (5.6 per cent). The proportion of people in work and claiming Universal Credit varies considerably across London's boroughs, from 3.1 per cent in Richmond to 8.8 per cent in Barking and Dagenham.

London Borough	People claiming Universal Credit while in employment in June 2023 as a proportion of residents aged 16-64
Richmond upon Thames	3.1%
Kensington and Chelsea	3.4%
Wandsworth	3.8%
Bromley	3.9%
Kingston upon Thames	4.0%
Westminster	4.0%
Camden	4.1%
Harrow	4.7%
Bexley	4.8%
Hammersmith and Fulham	5.0%
Havering	5.1%
Merton	5.1%
Sutton	5.2%
Islington	5.3%
Hillingdon	5.6%
Barnet	5.8%
Redbridge	5.8%
Lambeth	5.8%
Greenwich	6.1%
Southwark	6.4%
Waltham Forest	6.4%
Tower Hamlets	6.8%
Ealing	6.8%
Lewisham	6.9%
Hackney	7.1%
Brent	7.4%
Hounslow	7.6%
Croydon	7.7%
Newham	7.8%
Haringey	8.1%
Enfield	8.6%
Barking and Dagenham	8.8%

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4   ONS (2023) Claimant count: London. Retrieved from: https://www.ons.gov.uk/employmentandlabourmarket/

APPENDIX 3: SECTORAL PRODUCTIVITY

The table below show the productivity of each sector in the UK in 2022, measured as output per hour worked.

Sector of activities	GVA per hour worked (£)
Real estate activities	294.14
Mining and quarrying	217.55
Electricity, gas, steam and air conditioning supply	215.05
Financial and insurance activities	97.75
Water supply; sewerage, waste management and remediation activities	78.58
Information and communication	56.91
Manufacturing	49.19
Public administration and defence; compulsory social security	47.53
Whole economy	**43.81**
Education	37.16
Professional, scientific and technical activities	36.92
Construction	35.69
Wholesale and retail trade; repair of motor vehicles and motorcycles	33.00
Transportation and storage	31.19
Human health and social activities	30.00
Administrative and support service activities	28.84
Arts, entertainment and recreation	28.67
Agriculture forestry and fishing	28.58
Other service activities	24.78
Accommodation and food service activities	23.72
Activities of households as employers	18.32

Data source:
https://www.ons.gov.uk/economy/economicoutputandproductivity/productivitymeasures/datasets/outputperhourworkeduk

APPENDIX 4: AFFORDABILITY AND AVERAGE RENT

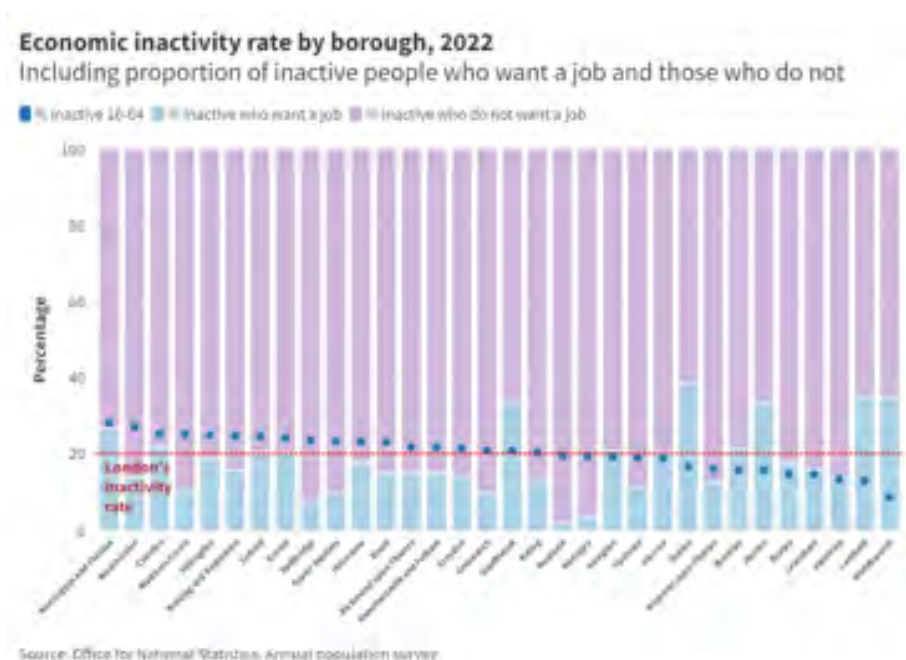| London Borough	2 month average asking rents (£) by bedroom categories	Ranked 12 month average asking rents	Household gross annual income (£)	Affordability	Rank Affordability
	All categories	1 is the most expensive, 32 is the least expensive	Median Income (HH)	12 month asking rent as a proportion of annual income	1 is the least affordable & 32 is the most affordable
Westminster	4017	1	85600	56.3%	4
Kensington and Chelsea	3865	2	92300	50.2%	10
Camden	2881	3	64100	53.9%	6
Hammersmith and Fulham	2768	4	75900	43.8%	16
Wandsworth	2593	5	85000	36.6%	28
Islington	2456	6	61600	47.8%	12
Tower Hamlets	2439	7	65700	44.5%	14
Hackney	2395	8	50900	56.5%	3
Southwark	2363	9	53300	53.2%	7
Lambeth	2210	10	61500	43.1%	18
Richmond upon Thames	2174	11	88600	29.4%	31
Merton	2042	12	57000	43.0%	19
Newham	2002	13	36800	65.3%	1
Brent	1934	14	40900	56.7%	2
Barnet	1904	15	57900	39.5%	25
Ealing	1904	15	48900	46.7%	13
Greenwich	1890	17	43500	52.1%	8
Haringey	1864	18	44400	50.4%	9
Hounslow	1862	19	50200	44.5%	15
Kingston upon Thames	1844	20	65200	33.9%	30
Lewisham	1693	21	48000	42.3%	20
Waltham Forest	1683	22	48800	41.4%	22
Harrow	1650	23	51300	38.6%	26
Enfield	1633	24	40500	48.4%	11
Redbridge	1598	25	51200	37.5%	27
Bromley	1585	26	65000	29.3%	32
Havering	1563	27	45200	41.5%	21
Barking and Dagenham	1557	28	33800	55.3%	5
Hillingdon	1527	29	44800	40.9%	24
Croydon	1514	30	44200	41.1%	23
Bexley	1500	31	41300	43.6%	17
Sutton	1493	32	52400	34.2%	29
Data sources: +	Search period: Jun 22-May 23		HH: household level	Average 12 month asking rent timed by twelve and divided by the Gross annual income.	
	Data source: REalise		Data source: Experian		

APPENDIX 5: COMPLEMENTARY GRAPHS

1. Population estimates

Figure 1: Croydon has the highest population and Kensington and Chelsea the lowest

Population in each London borough, 2021
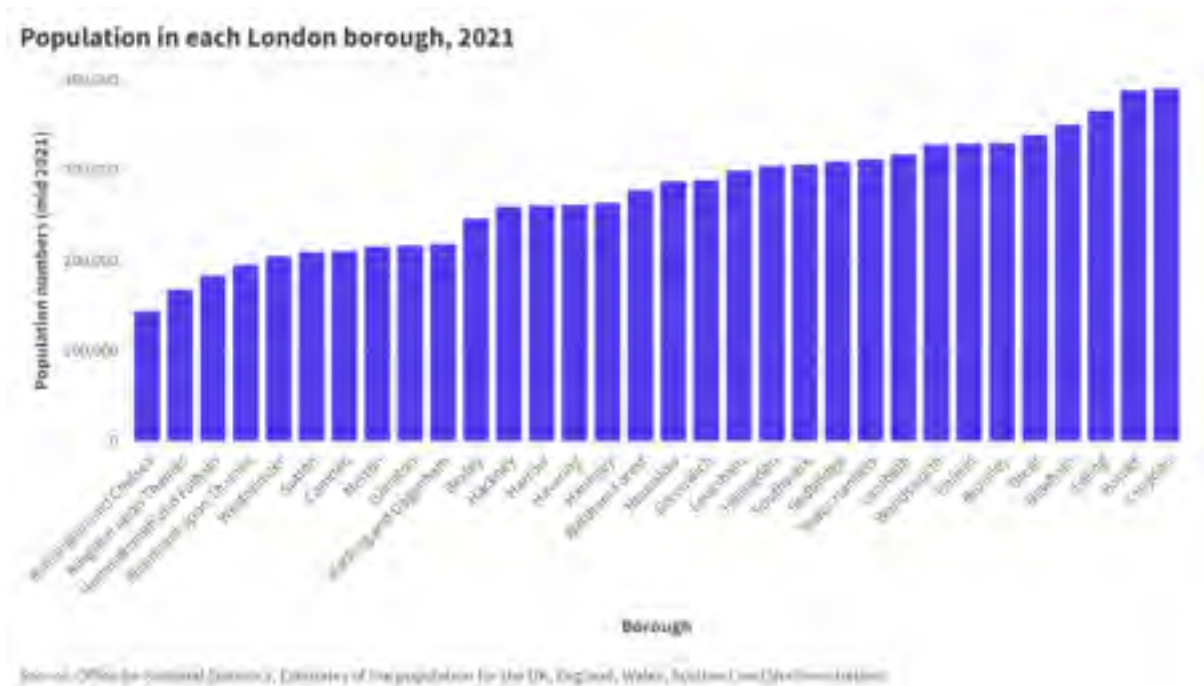
2. Labour market: reasons for inactivity

The ONS also collects information on whether people who are economically inactive want a job. A large majority of this group do not want a job, but 17 per cent of Londoners who are economically inactive reported wanted a job in 2022. Sutton, Lambeth and Wandsworth are the boroughs with the highest proportion of inactive people who want a job. Newham has the highest proportion of inactive people who do not want a job, with 98 per cent of economically inactive people not wanting a job.

Figure 21: Inactivity rates vary between boroughs.

Economic inactivity rate by borough, 2022
Including proportion of inactive people who want a job and those who do not

Source: Office for National Statistics. Annual population survey.
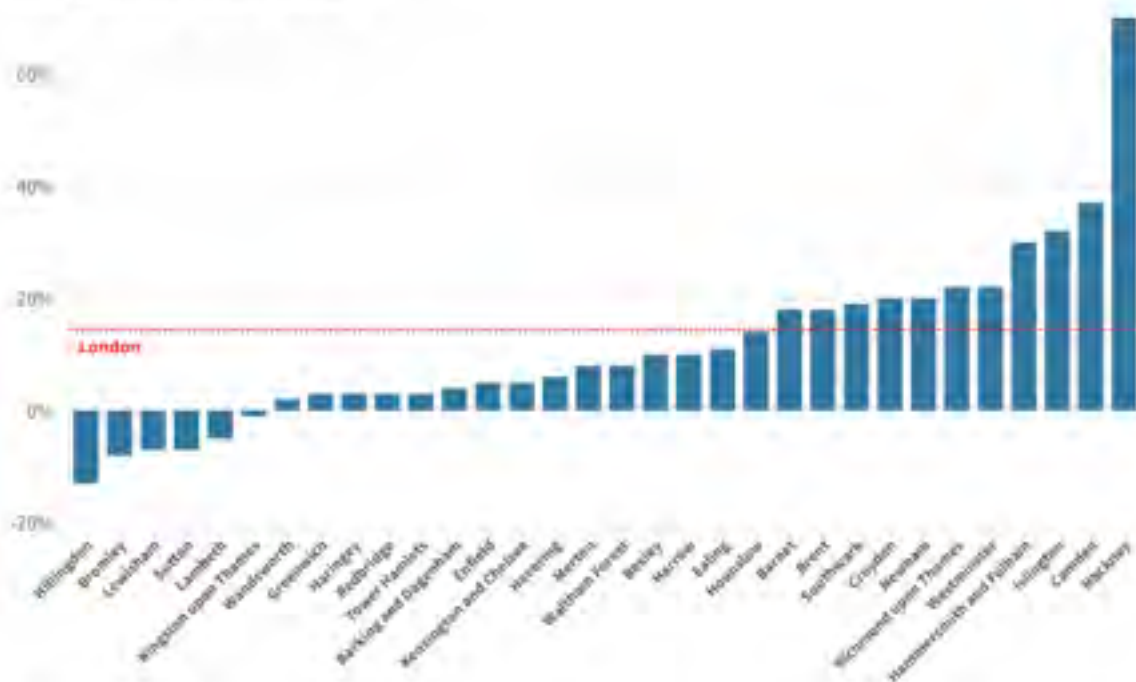
3. Economic outputs and employment

Figure 22: Five boroughs account for more than 50 per cent of the total GVA generated in London.

Gross Value Added (GVA) generated by each borough as proportion of total London GVA, 2021
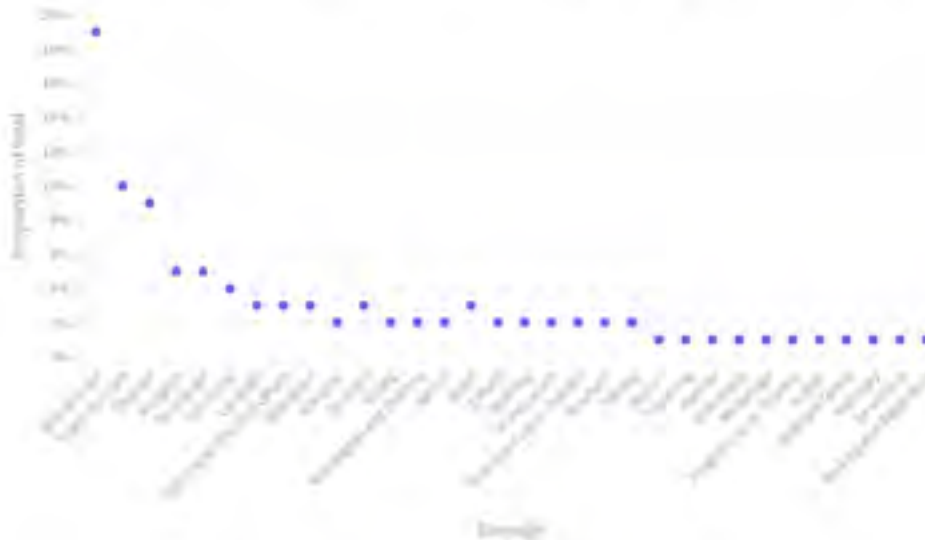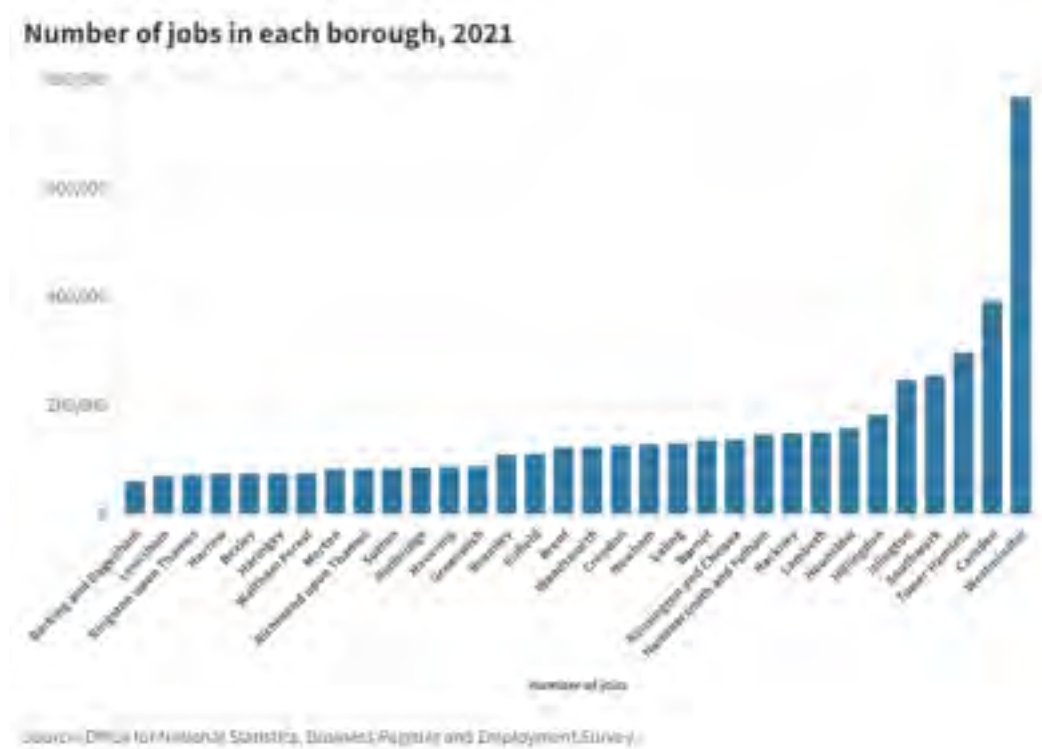

Source: Office for National Statistics, Regional gross value added (balanced) by industry: local authorities by ITL1 region

GVA growth, 2011-2021

Source: Office for National Statistics, Regional gross value added (balanced) by industry: local authorities by ITL1 region: T1f London, chained volume measures in 2019 money value, pounds million

Figure 23: Eleven boroughs experienced an economic growth above London's average growth.

Number of jobs in each borough, 2021

Source: Office for National Statistics, Business Register and Employment Survey

APPENDIX 6: DATA SOURCES – DESCRIPTION AND HYPERLINKS

Description	Source link
Annual labour productivity (gross value added (GVA) per hour worked and GVA per filled job) indices by local authority districts. Indexed against the UK avg for that year.	Link
Annual labour productivity (GVA per hour worked and GVA per filled job), current and CVM indices against the UK average for that year.	Link
Annual data on births, deaths and survival of businesses in the UK, by geographical area and Standard Industrial Classification 2007.	Link
Counts of businesses in size bands, micro, small, medium and large by borough	Link
Avison Young analysis. 12 month asking rent by boroughs	N/A
Affordability ratios calculated by dividing house prices for existing dwellings, by gross annual residence-based earnings. Based on the median and lower quartiles of both house prices and earnings in England and Wales.	Link
Participation in education, training and NEET age 16 to 17 by local authority for the 2021/22 Academic Year	Link
National and subnational mid-year population estimates for the UK and its constituent countries by administrative area, age and sex	Link
Borough level data of the qualifications of the working age population (16-64) and the proportion of people aged 25-64 with each level of qualification.	Link
Number of households on universal credit by Borough (note this doesn't = individuals on UC)	Link
Table 11 has the summary data by local authority - this then divides into health, income, crime etc.	Link
Regional gross value added by industry; local authorities by ITL1 region	Link
Census 2021 data – residents employment by sector.	Link
An extract compiled from the Inter Departmental Business Register (IDBR) recording the number of Local Units that were live at a reference date in March, broken down by employment size band, detailed industry (5 digit SIC2007) and legal status. Local Units are individual sites that belong to an Enterprise.	Link
Employees and Employment by Industry Section and borough. e can also use to calculate total employment rates per borough	Link
Counts of businesses in size bands, micro, small, medium and large by borough and by industry.	Link
Estimates for gross value added (GVA), hours worked and output per hour worked by bespoke, section and division level industry, as defined by the Standard Industrial Classification (SIC). Contains annual and quarterly statistics. Contains estimates for industry quarter on quarter, year on year and quarter on year contributions to whole economy output per hour worked.	Link
A residence-based labour market survey encompassing population, economic activity (employment and unemployment), economic inactivity and qualifications. These are broken down where possible by gender, age, ethnicity, industry and occupation. Available at Local Authority level and above. Updated quarterly.	Link
This dataset provides information on land uses across England. Land uses are classified in 28 categories, aggregated into 13 land use groups. These are then split between developed, non-developed and vacant land use types.	Link
Claimant Counts: the number of people claiming Jobseeker's Allowance plus those who claim Universal Credit and are required to seek work and be available for work and replaces the number of people claiming Jobseeker's Allowance as the headline indicator of the number of people claiming benefits principally for the reason of being unemployed.	Link

Data cited in this report was correct at the report's time of writing in 2023. Data can be subject to revision by statistical authorities.