

Subject: The Impact of Remote Working on Central London

Report to:	Economy Committee
Report of:	Executive Director of Assembly Secretariat
Date:	13 December 2023
Public Access:	This report will be considered in public

1. Summary

- 1.1 This report provides background for the Economy Committee meeting focusing on the impact of remote working on central London.

2. Recommendations

- 2.1 **That the Committee notes the report as background to putting questions to invited guests and notes the subsequent discussion.**
- 2.2 **That the Committee delegates authority to the Chair, in consultation with party Group Lead Members, to agree any output arising from the discussion.**

3. Background

- 3.1 The recovery from the pandemic has been slower in the Central Activities Zone (CAZ) than in the rest of the capital. In July 2022, footfall in areas within the CAZ was on average 45 per cent lower than July 2019, while spending has recovered more slowly than in the rest of London.¹ There is data to indicate that there has been a partial return to the office since the pandemic. According to the Centre for Cities, in April 2023, central London workers came into the office 2.3 days per week on average, 59 per cent of January 2020 levels.²

¹ GLA, [Supporting the Central Activities Zone \(CAZ\)](#)

² Centre for Cities, [Office politics: London and the rise of home working, May 2023](#)

- 3.2 There is unlikely to be a return to pre-pandemic working patterns. As part of research carried out by King's College London (KCL) in 2022, 61 per cent of Londoners said they were hybrid working.³ 79 per cent of workers who reported working from home at least one day a week said it has had a positive impact for them, highlighting quality of life and a feeling of being "in control" as benefits.⁴
- 3.3 Office vacancies have reached their highest levels in 30 years, with vacant units now exceeding 20 per cent in Canary Wharf.⁵ It remains unclear what impact these trends will have on central London in the long-term. The research from KCL concluded that "There is little consensus on whether working from home threatens the quality of life in central London or future jobs in the capital."⁶

4. Issues for Consideration

- 4.1 The overall purpose of the meeting is to examine:
- To what extent workers have returned to offices in central London since the pandemic;
 - The impact of increased levels of working from home on the central London economy, in particular the CAZ and Canary Wharf;
 - Future trends relating to land use and office space in central London, and the opportunities and challenges these present; and
 - What action the Mayor, local authorities and Business Improvement Districts (BIDs) can take to support the central London economy.
- 4.2 Members will hold a public meeting with the following invited guests:
- Kaya Comer-Schwartz, Leader of Islington Council and Deputy Chair of Central London Forward;
 - Kate Hart, Chief Executive Officer, Eastern City Business Improvement District;
 - Jonathan Seager, Policy Delivery Director, Research and Impact, Business LDN; and
 - Rosie Day, Director, London Property Alliance.

5. Legal Implications

- 5.1 The Committee has the power to do what is recommended in the report.

6. Financial Implications

- 6.1 There are no direct financial implications to the GLA arising from this report.

³ King's College London, [The WFH revolution: how new ways of working are changing London, King's College London, June 2022](#)

⁴ King's College London, [The WFH revolution: how new ways of working are changing London, King's College London, June 2022](#)

⁵ CNN Business, [London is suffering an office 'recession.' Meta just paid \\$181 million to dump a lease](#), September 2023

⁶ King's College London, [The WFH revolution: how new ways of working are changing London, King's College London, June 2022](#)

List of appendices to this report:

None.

Local Government (Access to Information) Act 1985

List of Background Papers:

None.

Contact Information

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