

London's Economy Today

Issue 223 | March 2021

UK economy shrinks in January



By **Gordon Douglass**, Supervisory Economist, **Mike Hope**, Economist

A gradual easing in lockdown restrictions in England has now started, with children returning to school from 8th March but with most restrictions still remaining in place. Meanwhile, data on the impact of the third national lockdown on the economy have started to come to light. The Office for National Statistics (ONS) published estimates for UK GDP growth at the start of the year which showed that output fell by 2.9% in January (Figure 1). Consumer-facing services and education led the fall in the services sector which fell by 3.5%, the biggest fall of the major sectors of the economy.

London sees another rise in unemployment



London remains heavily impacted by the pandemic as shown by the latest data on employment from the ONS. This showed that of the 693,000 decrease in payroll employment in the UK since February 2020, 209,000 of that drop can be attributed to London,

with a further 105,000 attributed to the South East. Unemployment in London in the three months to January 2021 stood at 7.2%, an increase of 0.8 percentage points on the previous three months and

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Datastore

The main economic indicators for London are available to download from the [London Datastore](#).

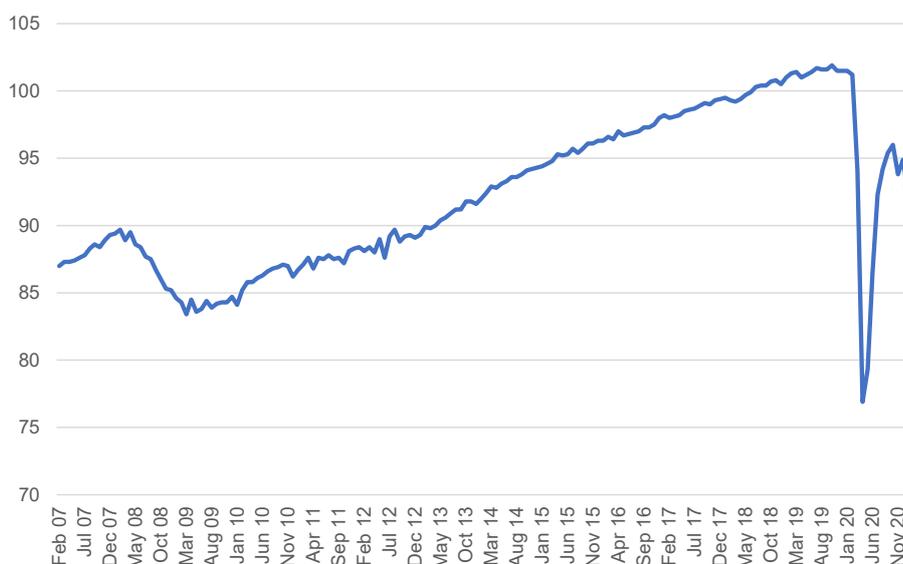


Figure 1: Monthly UK GDP, Monthly index, January 2007 until January 2021, 2018 = 100

Source: ONS

a 2.7 percentage points increase on the same period last year. This was the both the highest rate and the largest increase of any UK nation or region. The capital also saw the largest fall in workforce jobs between September and December 2020 with a decrease of 60,000 workforce jobs. Elsewhere the business insights and impact on the UK economy survey from the ONS found that at 6% London and the South East had the highest percentages of businesses with sites that were either temporarily or permanently closed at the beginning of the month.

UK economy expected to return to growth in the second quarter



Looking forward the Office for Budget Responsibility (OBR) published updated forecasts for the UK economy and public finances in March in which they revised down their GDP growth forecast for this quarter due to “the resurgence in infections, imposition of another lockdown, and temporary disruption to UK-EU trade”. Given this the OBR expects the economy to contract by 3.8% in Q1 2021, leaving it 11% below pre-pandemic level.

Beyond that the OBR has slightly upgraded its forecasts for the next 18 months. After declining by an unprecedented 9.9% in 2020, UK real output is now expected to grow by 4% in 2021, which is still 1.5 percentage points less than the OBR’s central scenario in November. In 2022 and 2023, the real GDP growth rate is now estimated to pick up to

7.3% before slowing to 1.7%, respectively, a faster rate for next year but a slower rate for 2023 than was expected in November. The UK’s unemployment rate is now expected to peak at the end of this year at 6.5% in their central scenario.

Longer-term, the economy is projected to remain 3% lower than it would have been without the pandemic at the end of their forecast period due to the economic scarring effect of the pandemic (Figure 2). In particular this scarring reflects lower investment, lower factor productivity and lower labour supply. The latter partly reflects higher assumed long-run unemployment due to the reallocation of workers between sectors and lower net migration, as well as lower participation rates due to long-term health effects of the virus.

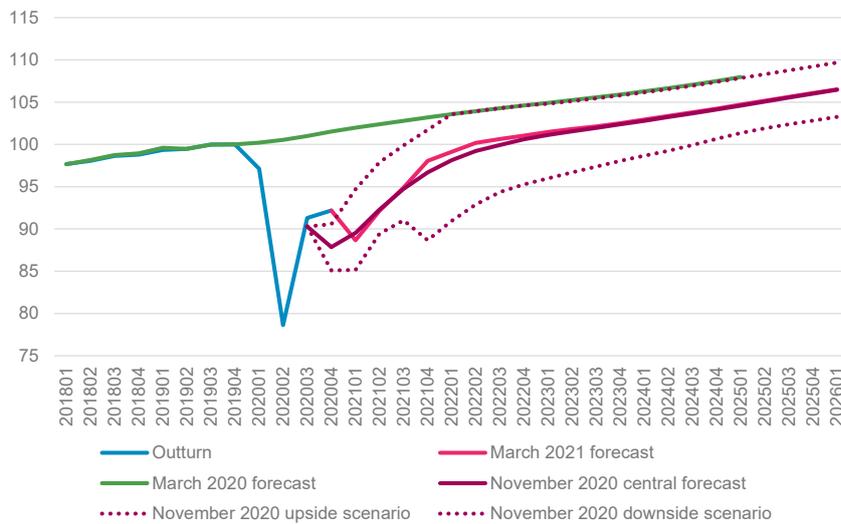


Figure 2: UK's real GDP growth forecast, 2019 Q4 GDP = 100

Source: ONS & OBR

London should see a return to growth in the spring



Taking account of the new OBR forecasts for the UK, GLA Economics has updated its economic scenarios for London. The pace of the output recovery (W-shaped) is expected to be markedly slower than the pace of the initial fall. Under the gradual return to economic growth scenario, London's economy reaches pre-crisis levels in Q1 2022 (Figure 3). In this scenario businesses continue to adapt to new ways of working and the re-structuring of the economy continues in this quarter. However, there is some long-term damage to the heavily affected sectors of the economy. From the next quarter onwards, the recovery picks up as the vaccination role out continues. However, the recovery in jobs takes longer, with net employment creation starting by the end of 2021 and employment overall not recovering pre-crisis levels until 2023.

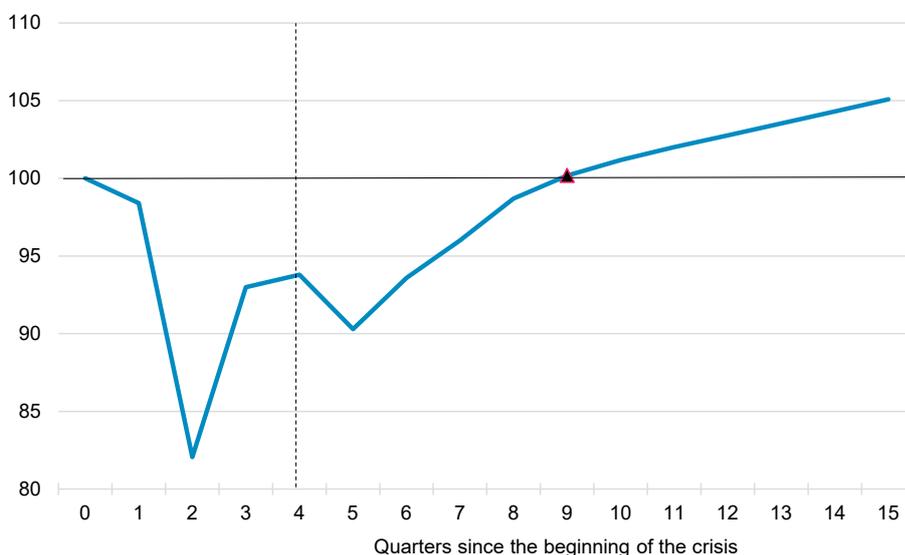


Figure 3: The shape of the recovery in London's output under the gradual growth scenario (Index, Q4 2019 = 100)

Source: GLA Economics modelling

The Chancellor extends furlough but warns about the public finances



The Chancellor of the Exchequer, Rishi Sunak, delivered the Budget on 3 March. This saw the extension of a number of the Government's COVID-19 support measures. The Coronavirus Job Retention Scheme (CJRS or 'furlough') will now continue until the end of September 2021. The scheme will be phased out gradually from July onwards, as the economy is expected to reopen. In London – the UK region/country with the most furloughed staff (and the highest take up rate at 17% compared to a UK average of 16%) – there were 712,200 employments furloughed at 31 January 2021. The Self-Employment Income Support Scheme was also extended until the end of September. Around 899,000 people in London were assessed for eligibility for the third SEISS grant up to 31 January 2021.

It was also announced that the business rates holiday for retail, hospitality and leisure businesses and nurseries in England will be extended at the 100% discount for three months from 1 April, and a 66% discount for the rest of the financial year. The temporary reduced rate of VAT on supplies of accommodation, food and beverage services (excluding alcohol) will be extended at 5% for another six months to 30 September 2021, and at 12.5% until 31 March 2022 before returning to 20%. However, the Chancellor also announced the freezing in income tax allowance thresholds at 2021-22 levels from 2022-23 to 2025-26. Overall there were generally little London-specific announcements.

Given the cost of the pandemic the OBR thinks public sector net borrowing (PSNB) is expected to reach 16.9% of GDP in the current fiscal period 2020-21 (£355 billion). This is £298 billion higher than the deficit in 2019-20. Total public spending is expected to hit a post-WW2 peak of 54.4% of GDP in 2020-21 before unwinding in the next financial year. The total cost of the pandemic support measures has now reached £344 billion. As a result of the unparalleled shock to public finances that COVID-19 has generated, headline public sector net debt (PSND) is forecast to rise by £399.7 billion in 2020-21 to above 100% of GDP (the first time it has been so high since 1960-61) and peaks at 109.7% of GDP in 2023-24 (its highest level since 1958-59). The Institute for Fiscal Studies (IFS) said that taking account of non-virus related spending cuts and the Barnett formula, unprotected departments could see "more like a 3% real-terms cut" in their spending in 2022-23.

Large drop in UK trade with Europe

March also saw the publication by the ONS of the first post-Brexit trade statistics for the UK. These showed that UK exports to the EU fell by 40.7% while imports dropped by 28.8%; these were the largest falls since comparable records began in 1997. There was no similar fall in UK exports to the rest of the world outside the EU in January, although the Government argued that the drop with the EU reflected in part the impact of pre-Brexit stockpiling.



As part of its forecast the OBR has also undertaken analysis of the impact of Brexit given the signing of the Trade and Cooperation Agreement between the UK and EU. The OBR judged that this agreement was either similar or better than a “typical” free trade agreement in most aspects except for financial services, where the impact remains uncertain. Given this uncertainty around the impact of non-tariff barriers on services (which accounted for 42% of the UK’s exports to the EU in 2019) the OBR has retained its assumption of a reduction in UK productivity of 4% in the long run compared to a no Brexit baseline.

London sees challenges to its financial capital position



At the London level, there was continuing evidence of the impact of Brexit on the City. This was seen by €100bn of Irish securities moving from London to Brussels over the weekend of 12 March. This was due to 50 companies listed on the Irish stock exchange moving from the security depository of Euroclear’s London based unit to its Belgian based one.

Also published in March was the 29th Global Financial Centres Index from the China Development Institute and Z/Yen Partners. This showed London maintaining its second place in the index behind New York. However, the gap between the centres has increased since the last report and the gap between London in second place and Shanghai in third place also narrowed to just one point. The gaps between London and Hong Kong in fourth place and fifth placed Singapore, were only 2 and 3 points respectively.

Although there are signs of hope on the COVID-19 front, London’s economy will continue to face many challenges in the next few months and years. GLA Economics will continue to monitor and report on the challenges faced by the capital in our publications which can be found on our [publications page](#).

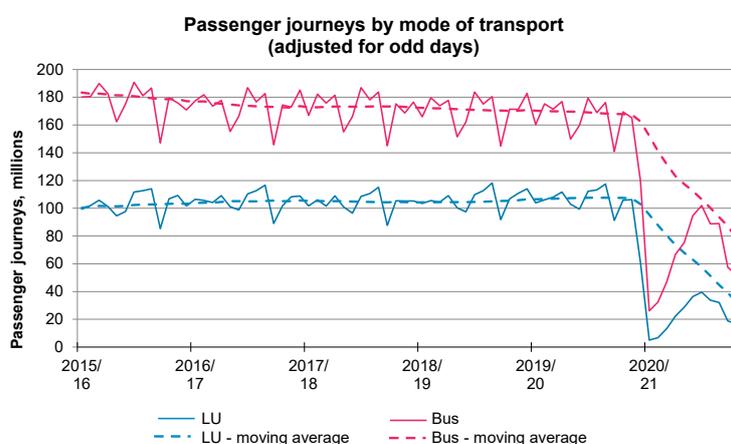
Economic indicators

Passenger journeys on London public transport fall again

- 68.5 million passenger journeys were registered between 10 January 2021 and 6 February 2021, 7.9 million journeys less than in the previous period (13 December – 9 January). This contraction represents the third period with a fall since the first national lockdown in the Spring and is essentially due to Christmas and the start of the third lockdown.
- In the latest period, 16.8 million of all journeys were underground journeys and 51.7 million were bus journeys.
- The 13-period-moving average in the total number of passenger journeys fell further from 126.4 in the previous period to 110.5 in the latest period.

Source: Transport for London

Latest release: March 2021, Next release: April 2021

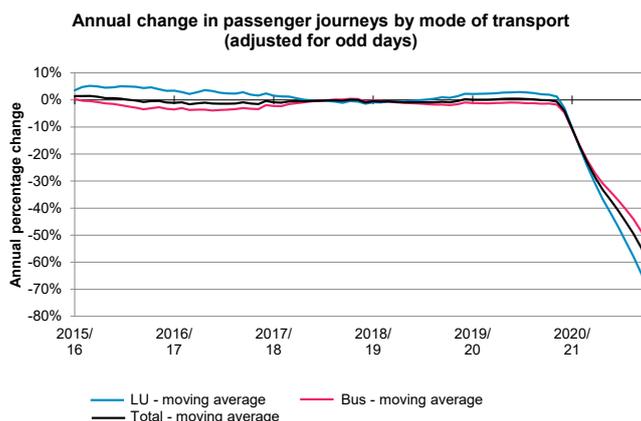


The moving average annual change in passenger journeys in London continues its dramatic fall

- The 13-period moving average annual growth rate in the total number of passenger journeys was -60.2% in the period 10 January – 6 February, further down from -54.5% in the period 13 December – 9 January and reaching a new historic low.
- The moving average annual growth rate of bus journeys decreased from -48.4% to -53.6% between the above-mentioned periods.
- Likewise, the moving annual average of underground passenger journeys went down from -63.9% to -70.3% between those periods.

Source: Transport for London

Latest release: March 2021, Next release: April 2021

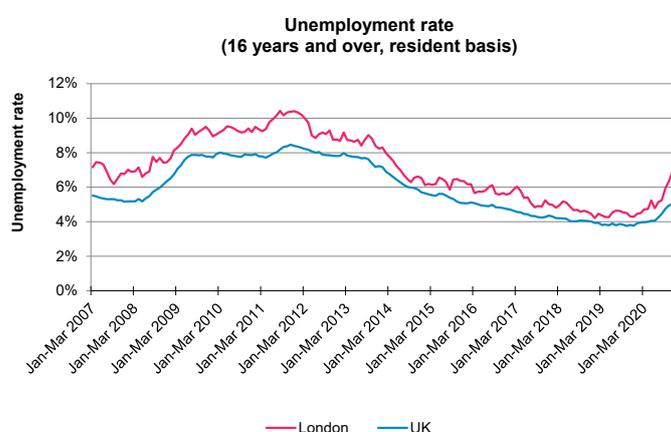


London's unemployment rate rose to 7.2% in the period November – January 2021, the highest rate in over six years

- Around 366,000 residents 16 years and over were unemployed in London in the period November to January 2021. The unemployment rate in London was 7.2% in that period, notably up from 6.3% in the previous period August to October 2020 and representing the highest rate in over six years.
- The UK's unemployment rate also increased if very marginally and by less than in London, from 4.9% in August – October to 5.0% in November – January.
- The ONS is advising that levels and changes in levels in labour market estimates should be used with caution. These are aligned to official population estimates which do not currently reflect the impact of the COVID-19 pandemic. Estimates of rates from the Labour Force Survey remain robust and reliable.

Source: ONS Labour Force Survey

Latest release: March 2021, Next release: April 2021

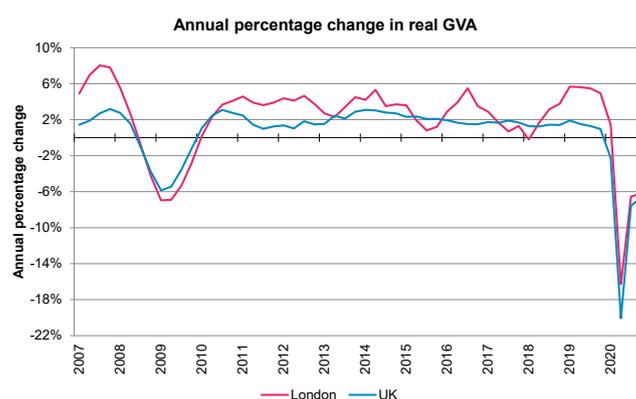


London's economy is estimated to have contracted by 6.2% in the year to Q4 2020

- London's real GVA grew by 0.9% in Q4 - compared with Q3 - after growth of 13.3% in the previous quarter. This has not been sufficient to offset the decline of 16.6% in the second quarter.
- London's real GVA in Q4 2020 remained 6.2% below its pre-crisis level in Q4 2019.
- The UK's real GVA quarterly growth rate for Q4 2020 was 1.0% after a fall by 18.2% in the second quarter and a recovery of 16.1% in the third quarter. Overall UK GVA in Q4 remained 6.6% below its pre-crisis level in Q4 2019.
- London's real GVA quarterly estimates for both the period Q1 1999 to Q4 2012 and the two most recent quarters have been produced by GLA Economics. Estimates for the intervening period are outturn data from the ONS, which does not publish quarterly estimates for London's real GVA prior to 2013.

Source: ONS and GLA Economics calculations

Latest release: March 2021, Next release: May 2021

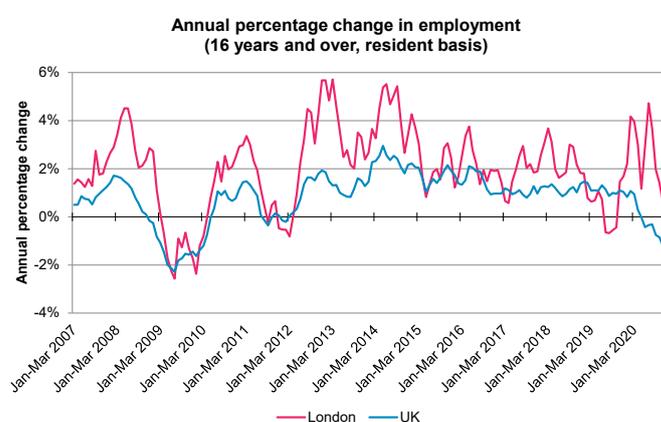


London's annual employment growth rate fell to -1.4% in the period November to January 2021

- Around 4.74 million London residents over 16 years old were in employment during the three-month period November – January 2021.
- The rate of employment growth in the capital was -1.4% in the year to this quarter, and the lowest rate since the same quarter in 2010. It is 2.8 percentage points down from August - October 2020.
- In the same direction, UK's employment annual growth rate continued its fall from -0.9% in August - October to -1.9% in November to January, the lowest rate since 2009.
- The ONS is advising that levels and changes in levels in labour market estimates should be used with caution. These are aligned to official population estimates which do not currently reflect the impact of the COVID-19 pandemic. Estimates of rates from the Labour Force Survey remain robust and reliable.

Source: ONS Labour Force Survey

Latest release: March 2021, Next release: April 2021

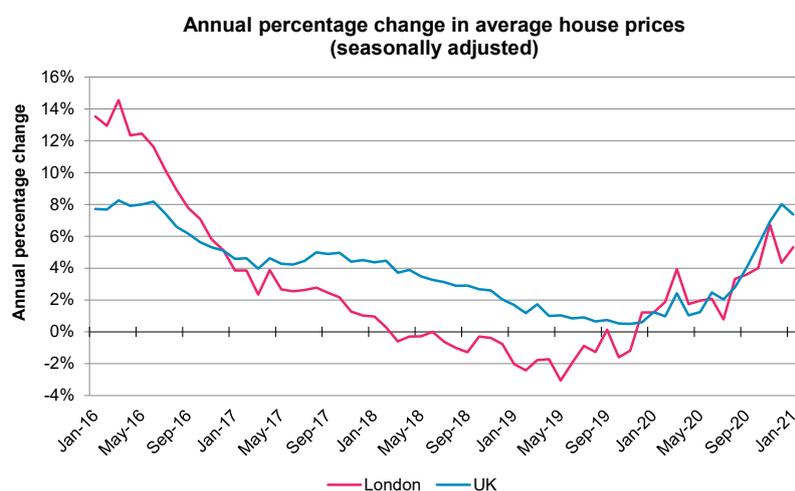


Annual growth in house prices in London steadies

- In January 2021, the average house price in London was £500,814 while for the UK it was £247,824.
- The annual growth rate in average house prices in the capital was 5.3% in January, up on December (4.3%), but below November (6.7%).
- Average house prices in the UK rose by 7.4% in annual terms in January, -0.6 percentage points below the same rate in December.
- The stamp duty holiday may be a contributory factor to rising house prices.

Source: Land Registry and ONS

Latest release: March 2021, Next release: April 2021

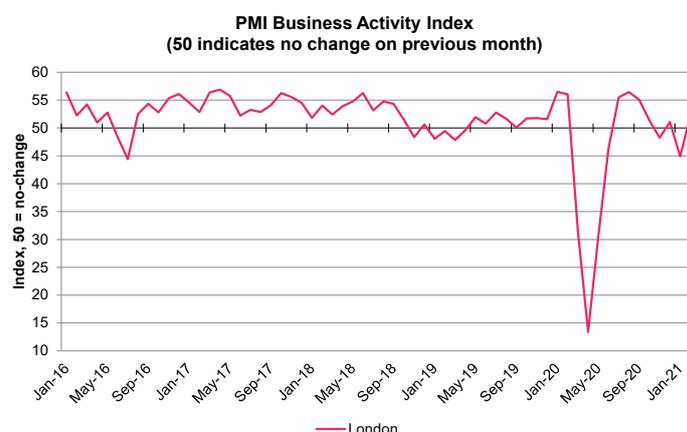


In February, London's PMI business activity index returned to positive sentiment

- The business activity PMI index for London private firms rose to 52.1 in February from 44.9 in January.
- The Purchasing Managers' Index (PMI) survey shows the monthly business trends at private sector firms. Index readings above 50 suggest a month-on-month increase in activity on average across firms, while readings below 50 indicate a decrease.

Source: IHS Markit for NatWest

Latest release: March 2021, Next release: April 2021

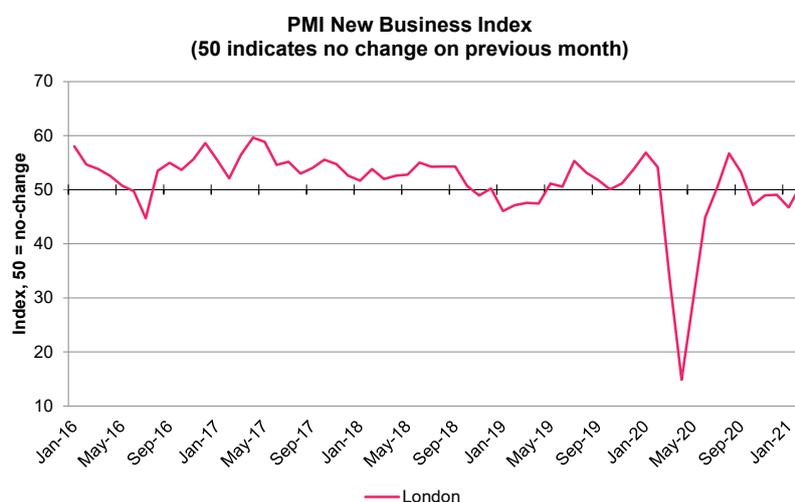


The PMI new business index rose to reach positive sentiment in February

- The PMI new business index in London rose in February to 50.7 from 46.7 in January. This is the first time there has been positive sentiment since September.
- An index reading above 50.0 indicates an increase in new orders on average across firms from the previous month.

Source: IHS Markit for NatWest

Latest release: March 2021, Next release: April 2021

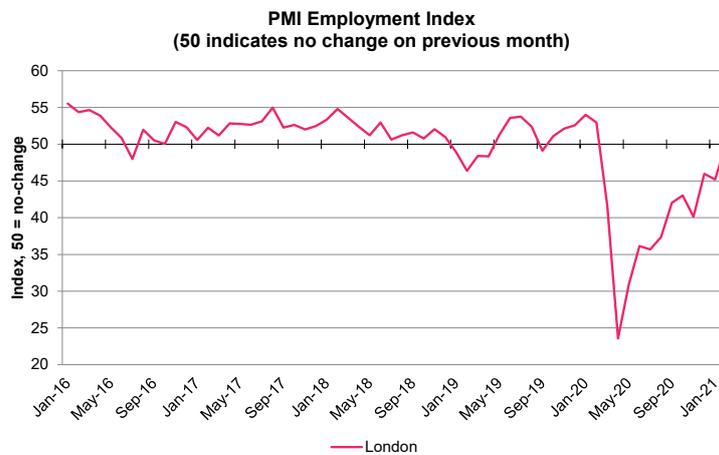


In February, the PMI employment index in London remained weak

- The Employment Index for London rose from 45.2 in January to 49.9 in February, marginally below the neutral figure of 50.0. Since March 2020, the majority of firms have been reporting a worsening of employment prospects.
- The PMI Employment Index shows the net balance of private sector firms of the monthly change in employment prospects. Readings above 50.0 suggests an increase, whereas a reading below 50.0 indicates a decrease in employment prospects from the previous month.

Source: IHS Markit for NatWest

Latest release: March 2021, Next release: April 2021

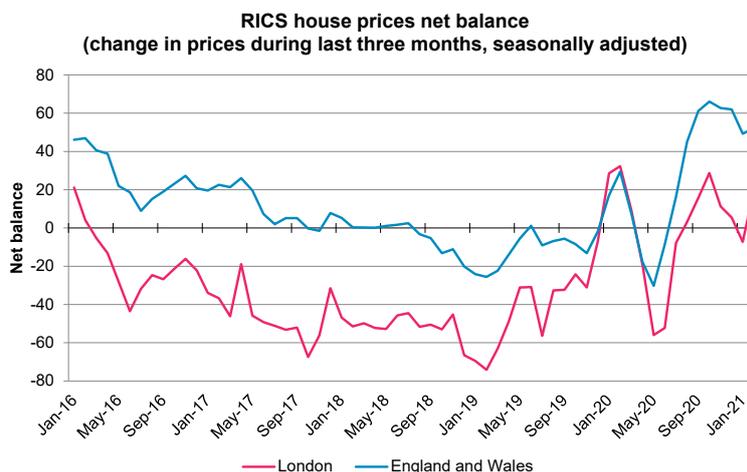


The net balance of property surveyors reported a rise in house prices in London in February

- In the three months to February, the net balance of property surveyors reporting a rise in house prices was 20, up from -7 in January.
- For England and Wales, the RICS house prices net balance index also rose in January to 52 from 49 in January.
- The net balance index measures the proportion of property surveyors reporting a rise in prices minus those reporting a decline.

Source: Royal Institution of Chartered Surveyors

Latest release: March 2021, Next release: April 2021

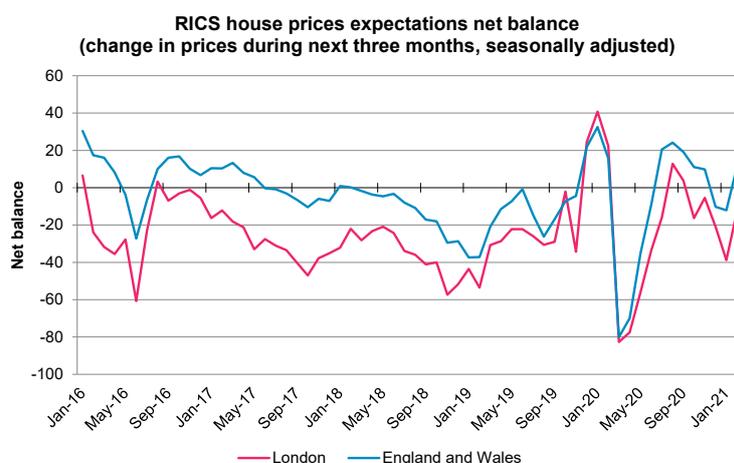


In February, expectations for house prices for the next three months remain negative despite a significant monthly improvement according to surveyors

- The net balance of house prices expectations was -13 in February in London, higher than the figure for January of -39.
- Sentiment in England and Wales also rose to 11 in February from -12 in January.
- The net balance index measures the proportion of property surveyors reporting a rise in prices minus those reporting a decline.

Source: Royal Institution of Chartered Surveyors

Latest release: March 2021, Next release: April 2021

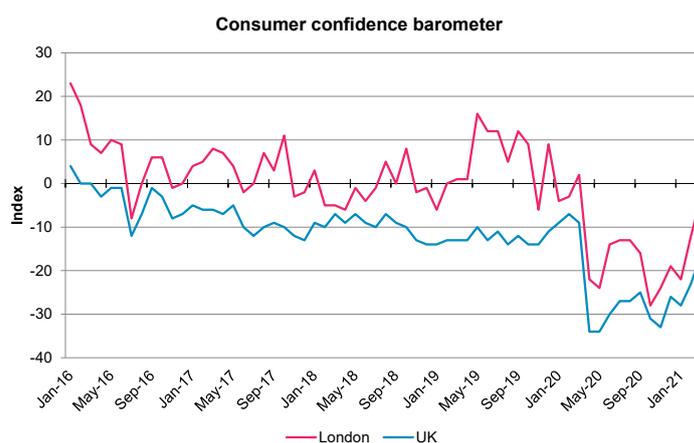


Consumer confidence in London improved but remained negative in March

- In March, the consumer confidence index in London rose to -3, to a level where it was in February 2020. It was -12 in February 2021.
- The sentiment for the UK also rose slightly from -23 in February to -16 in March. The UK has not seen a positive index score since January 2016.
- The GfK index of consumer confidence reflects people's views on their financial position and the general economy over the past year and in the next 12 months. A score above zero suggests positive opinions; a score below zero indicates negative sentiment.

Source: GfK

Latest release: March 2021, Next release: April 2021



GLA's Adult Education Budget Data Publication

By **Adama Lewis**, Economist, **Audrey Baker**, Data Scientist and **Héctor Espinoza**, Economist



The Adult Education Budget (AEB), devolved in August 2019 to the GLA, funds education and training for adults aged 19 and above. In this article, GLA Economics presents key aspects and findings of the latest AEB data release, covering for the first time a full academic year (2019/20). It should be noted that the Covid-19 pandemic has taken an impact on the Further Education (FE) sector in London during the reporting period. Thus, extra care should be taken in interpreting this data.

Background Information

From 1 August 2019, the Secretary of State for Education delegated responsibility for the commissioning, delivery, and management of London's Adult Education Budget (AEB)¹ to the Mayor of London.

In early 2020, the AEB Mayoral Board agreed that AEB programme data should be published on a quarterly basis - following the Department for Education's Further Education and Skills data publication and in line with the UK Code of Practice for Official Statistics - to ensure transparency, engage stakeholders, and support learners and employers to make more informed decisions.

¹ The AEB funds education and training for adults aged 19 and above.

GLA's AEB data release

GLA Economics has published detailed information about the AEB programme in March 2021². This third AEB release, based on administrative education records³, provides London, Sub-regional and Borough level data and presents figures for the full 2019/20 academic year.

In this article, we show some headline statistics of the programme, such as AEB participation (number of learners and aims enrolments), demographic characteristics of the learners, course levels and subject areas chosen, and some of the Mayoral areas of interest.

Adult Education Budget, academic year 2019/20

In the 2019/20 academic year, there were 213,480 learners participating in the AEB programme. All of the Sub-Regional Partnerships⁴ and London Boroughs showed significant activity (above 2,500 learners) during the publication period⁵. The top five London Boroughs with the highest number of learners were Newham (11,510), Lambeth (9,630), Haringey (9,600), Southwark (9,400), and Brent (8,880). The full spatial distribution of learners by London Boroughs is shown in Figure A1.

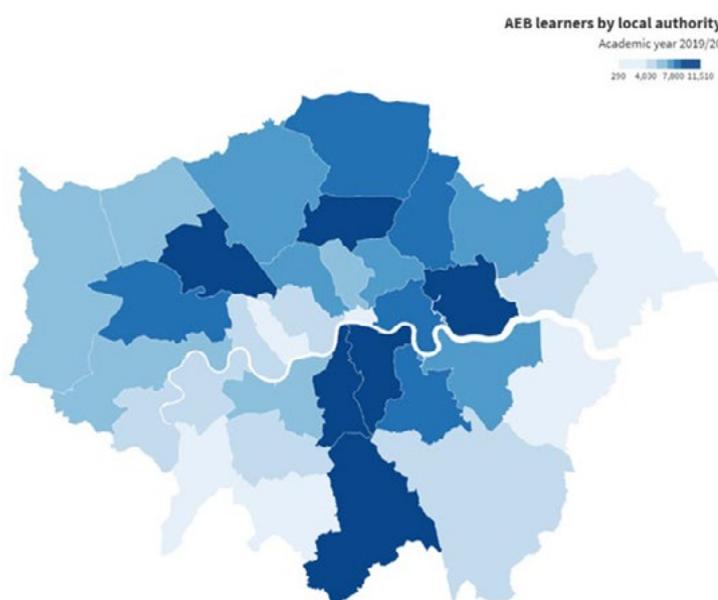


Figure A1: Learner participation by London Borough

Source: R14 (August-July) ILR data

Note: Figures are based on a learner's home postcode on the learning start date and excludes records without a valid postcode.

Background characteristics

Table A1 shows key demographic characteristics of the AEB learners. Of the 213,480 participants in the full academic year 2019/20:

- 70% were female (149,310 learners) and 30% were male (64,160);
- 55% were from a Black or Minority Ethnic background (113,800 learners including Mixed, Asian, Black and Other Ethnic Group learners) and 45% were from a White background (92,200)⁶;
- 10% were aged 19–23 (21,560 learners), 62% aged 24–49 (131,330), and 28% 50+ (60,590).

² Data tables and further information are available here: <https://data.london.gov.uk/dataset/gla-adult-education-budget>

³ R14 (August-July) Individualised Learner Records (ILR) data, Funding Claims and Funding Summary Report.

⁴ Central London Forward includes all learning matched to LADs of Camden, the City of London, Hackney, Haringey, Islington, Kensington and Chelsea, Lambeth, Lewisham, Southwark, Tower Hamlets, Wandsworth and Westminster. Local London includes all learning matched to LADs of Barking and Dagenham, Bexley, Bromley, Enfield, Greenwich, Havering, Newham, Redbridge and Waltham Forest. South London Partnership comprises all learning matched to LADs of Croydon, Kingston upon Thames, Merton, Richmond upon Thames and Sutton. West London Alliance comprises all learning matched to LADs of Barnet, Brent, Ealing, Hammersmith & Fulham, Harrow, Hillingdon and Hounslow.

⁵ The exception is the City of London that, with a relatively small population, is a historic financial district.

⁶ Note that this excludes "Unknown" observations.

Table A1: Demographic characteristics of the learners

Background characteristics		Learner participation	
		Frequency	%
Sex	Male	64,160	30
	Female	149,310	70
Ethnicity group	White	92,200	45
	Mixed / Multiple Ethnic Groups	11,820	6
	Asian / Asian British	39,270	19
	Black / African / Caribbean / Black British	40,970	20
	Other Ethnic Group	21,740	11
Age	19-23	21,560	10
	24-49	131,330	62
	50+	60,590	28
Total		213,480	100

Source: R14 (August-July) ILR data

Note: Age is based on learner's age on 31st August of the academic year.

Aims enrolments

Learners can take more than one aim during the academic year. There were 424,750 aims over the course of the 19/20 academic year (on average each learner undertakes two aims).

Figure A2 shows cumulative enrolments (starts) until the end of the academic year. By 31st July 2020⁷, the majority of these aim enrolments for the AEB (67%) belong to funding category Adult Skills (285,250). 139,500 aims were funded under community learning.

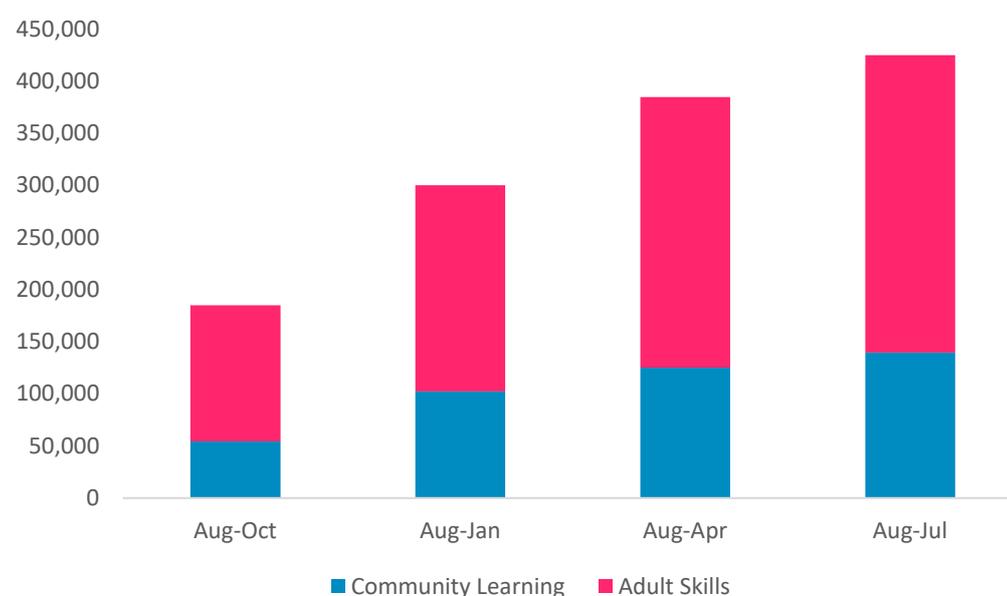


Figure A2: Cumulative aims enrolments by funding category

Source: R14 (August-July 2019/20) ILR data

⁷ End of the academic year in England.

Figure A3 shows that the aim level composition differs between Adult Skills and Community Learning. Adults Skills delivery range between Entry Level and Level 3 with entry level accounting for just under half (47%) of this provision. On the other hand, Community Learning tends to be concentrated at Other Level (i.e. level not applicable).

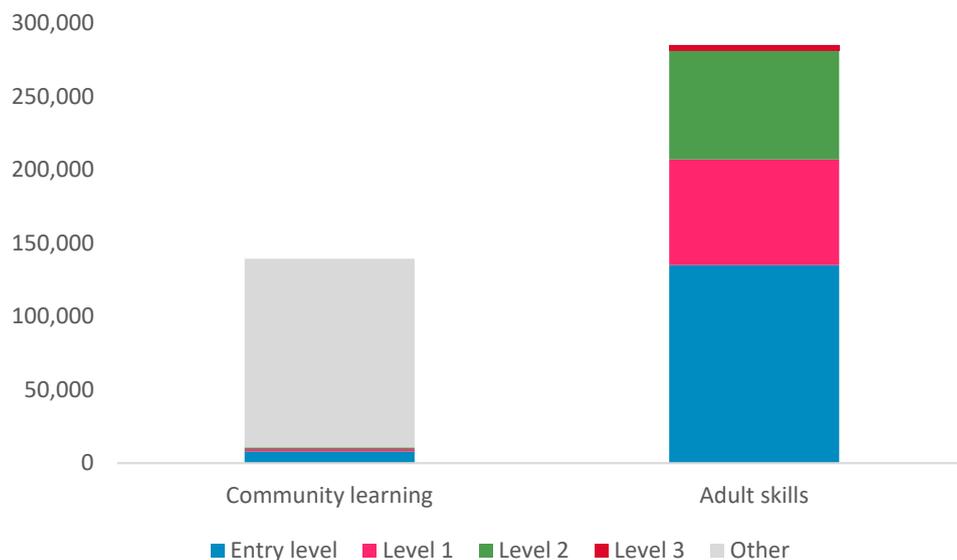


Figure A3: AEB provision by funding model (i.e. Adult Skills or Community Learning) and level

Source: R14 (August-July) ILR data

Note: Levels are based on the notional NVQ level version two

In general, there is a strong correlation between sector subject area and funding model. For instance, Construction, Business, Education and Engineering are strongly associated with Adult Skills. Conversely, Languages, Arts and History and Philosophy clearly correlate with Community Learning (see Figure A4).

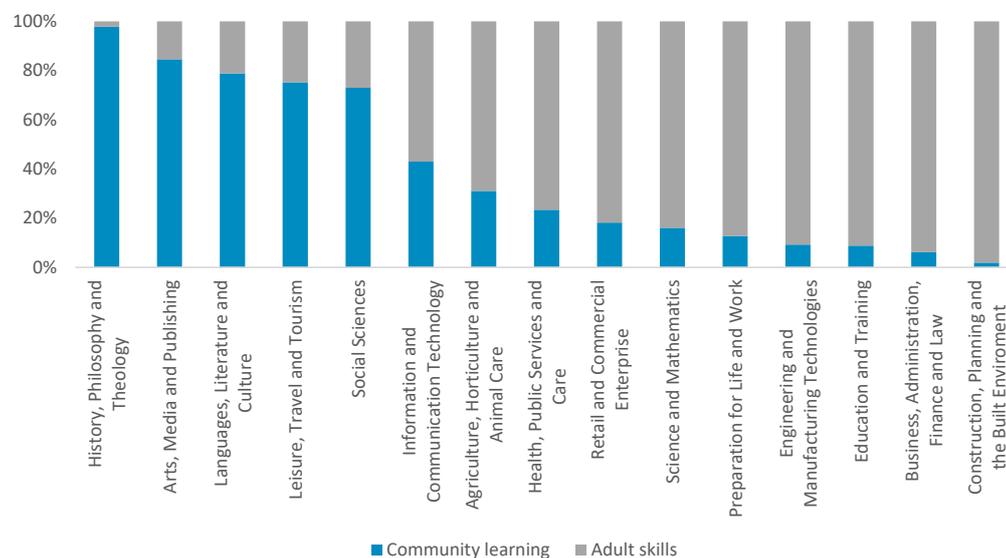


Figure A4: AEB provision by funding model (i.e. Adult Skills or Community Learning) and sector subject area

Source: R14 (August-July) ILR data

In terms of learning outcomes (counts), of the total number of aims (424,750), the end of academic year AEB data shows on average that:

- 81% of the qualifications were achieved;
- 15% were not achieved;
- Around 4% of the aims were recorded as “study continuing”.

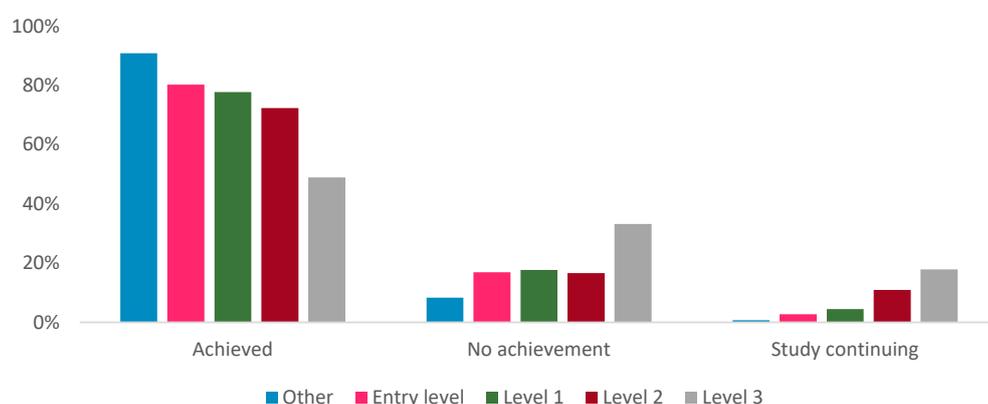
As shown in Figure A5, the achievement proportions drop the higher the level of the learning aims. Around 80% and 78% of the Entry level and Level 1 courses have been achieved, respectively. Whereas, Level 2 and Level 3 have lower achievement proportions at 72% and 49%. Other Level, on the other hand, has

the highest achievement proportion of 91%. Level 2 and Level 3 courses also have a higher proportion of enrolments which are continuing study, 10% and 18% respectively, when compared with Entry level and Level 1.

It should be noted that there is a trade-off between achievers and continuing learners, which might be more relevant this year in the context of the pandemic. Furthermore, the percentages presented here are not achievement rates and should not be considered, for instance, as a performance measure of providers.

**Figure A5:
Achievements by Level**

Source: R14 (August-July 2019/20) ILR data



Mayoral areas of interest

Table A2: English and Maths (Entitlements)

Entitlement	Level	Learner Participation	Aims Enrolments	Funding to Date
English	Entry Level	11,510	13,260	£9,526,000
	Level 1	5,570	5,970	£4,234,000
	Level 2	7,930	8,010	£6,769,000
	Total	24,380	27,240	£20,530,000
Maths	Entry Level	11,090	11,940	£11,977,000
	Level 1	5,450	5,580	£4,049,000
	Level 2	7,610	7,720	£6,590,000
	Total	23,390	25,240	£22,617,000
Total		34,560	52,480	£43,147,000

Source: R14 (August-July) ILR data

Note: Entitlement learning is learning taken as part of the legal entitlements to full funding for eligible adult learners for English and Maths and Level 2 and Level 3 learning⁸. Levels are based on the notional NVQ level version two

English and Maths Entitlement

Basics skills, such as English and Maths skills are essential in enabling people to function in society and progress in learning and employment. Table A2 shows, in total, 34,560 learners participated in 52,480 courses. Out of this total, 30% of these aims are taken at Level 2.

In terms of achievements, out of the 52,480 enrolments, 69% of basic skills were achieved (36,390 aims) in the 2019/20 academic year, 24% had no achievement (12,470) and 6% continued study (3,380). Less than 1% were either partially achieved or complete or unknown.

⁸ See the GLA's Adult Education Budget funding rules for further information on entitlements (<https://www.london.gov.uk/what-we-do/skills-and-employment/skills-londoners/adult-education-budget/information-gla-aeb-providers>) and the methodology note for details on how entitlement learning has been identified.

British Sign Language

During the full 2019/20 academic year, 300 people participated in 330 British Sign Language courses⁹. In the context of the pandemic, 33% of these enrolments were achieved (110), 48% were not achieved (160), 12% completed the course but the outcome was unknown (40) and 6% were continuing study (20).

Learners in receipt of low wage

From August 2019 to July 2020, 19,980 learners in receipt of low wage participated in the Adult Skills' stream of the AEB programme, which is equivalent to £25,405,000 in spend.

In terms of achievements, out of the 34,460 enrolments, 27,050 were achieved, 5,500 had no achievement, 1,670 were still progressing (study continuing).

Further breakdowns and more information about Mayoral areas of interest are available in <https://data.london.gov.uk/dataset/gla-adult-education-budget>

⁹ The GLA fully fund any learner aged 19+ whose first or preferred language is British Sign Language (BSL), or who cannot access spoken language because of their deafness and would benefit from BSL, to study for qualifications in BSL, up to and including level 2.

Our latest publications

We publish regularly on the state of London's economy, providing the latest economic data for London and interpret how this may affect policy. This includes analysis of recent developments in London's economy and forecasts for the next couple of years.

We provide analysis on sectors of the economy including tourism, retail, housing, health, science, technology and more.

We analyse recent developments in London's labour market, by sector and borough.

View all the GLA Economics publications on our [website](#).



The Evidence Base for London's Local Industrial Strategy - Final report

This is the final report on the evidence base that is informing and supporting the development of London's Local Industrial Strategy, following on from the interim report published in August 2019. It presents clear, robust and comprehensive evidence on London's economy with a view to supporting the overall objective of achieving inclusive growth in London. It reports on London's strengths, key constraints, issues and risks for the five foundations of productivity introduced by the Industrial Strategy White Paper (Business Environment, People, Infrastructure, Ideas and Place), while also highlighting the linkages between the economy of London and the rest of the UK.

[Download](#) the full publication.

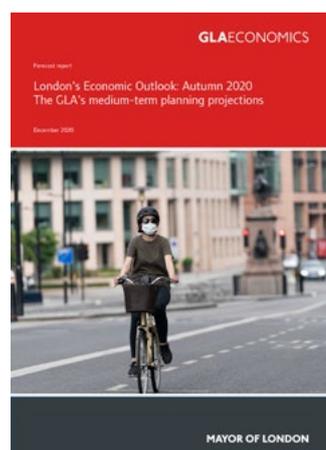


Retail in London

This report provides an assessment of developments in the retail sector before the outbreak of COVID-19. The conclusion uses these findings to provide an assessment of some of the impacts of the spread of the virus on the sector.

The growth in ecommerce has been impacting adversely on the number of comparison shops since 2015. Despite this the number of retail shops in London rose in 2019.

[Download](#) the full publication.



London's Economic Outlook: Autumn 2020

GLA Economics' 37th London forecast suggests that:

London's real Gross Value Added (GVA) growth rate is forecast to be -9.5% this year due to the present COVID-19 crisis. This growth rate is expected to rebound to 6.2% in 2021 and 6.9% in 2022.

[Download](#) the full publication.

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London's Economy Today is published towards the end of every month. It provides an overview of the current state of the London economy, and a selection of the most up-to-date data available. It tracks cyclical economic conditions to ensure they are not moving outside the parameters of the underlying assumptions of the GLA group.

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About GLA Economics

GLA Economics provides expert advice and analysis on London's economy and the economic issues facing the capital. Data and analysis from GLA Economics provide a sound basis for the policy and investment decisions facing the Mayor of London and the GLA group. The unit was set up in May 2002.