GLA ECONOMICS

London Economic Development

Snapshot

Issue 06 January 2008

Transport for London

MAYOR OF LONDON

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Greater London Authority
January 2008

Published by
Greater London Authority
City Hall
The Queen's Walk
London SE1 2AA
www.london.gov.uk
enquiries 020 7983 4100
minicom 020 7983 4458

ISBN **978-1-84781-107-3**

Photography
Cover © Shutterstock
Page 7 © visitlondon.com
Page 23 © Daryl Rozario

Paper
Printed on 9Lives 80 silk – 80 per cent recycled fibre,
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For more information about this publication, please contact:
GLA Economics
telephone 020 7983 4922
email glaeconomics@london.gov.uk

GLA Economics provides expert advice and analysis on London's economy and the economic issues facing the capital. Data and analysis from GLA Economics form a basis for the policy and investment decisions facing the Mayor of London and the GLA group. The unit is funded by the Greater London Authority (GLA), Transport for London (TfL) and the London Development Agency (LDA).

The *Snapshot* report is produced by the London Development Agency's economic analysis team, which is part of the wider GLA Economics unit. The *Snapshot* report comprises one of three GLA Economics publications that monitor and analyse the performance of London's economy on a regular basis. *London's Economy Today* is a monthly bulletin featuring the most up-to-date information on the state of London's economy (see http://www.london.gov.uk/mayor/economic_unit/lon-ec-today.jsp). *London's Economic Outlook* is a six-monthly publication that provides a forecast for London's economy over the next three years (see http://www.london.gov.uk/mayor/economic_unit/glaepublications.jsp#economy_forecasts).

Contents

Main findings

London's performance against the four investment themes of the Mayor's Economic Development Strategy (EDS) shows:

- **Places and Infrastructure:** Funding for Crossrail has been agreed and other significant infrastructure projects are underway across London. Housing completions exceed targets and a number of health and environmental indicators show improvement over the past decade or so. However, London's household recycling rate remains below the UK average.

- **People:** Performance against all three people objectives remains modest – although the gap between the employment rate for London's disadvantaged areas and that for London as a whole has closed over the past two and a half years.

- **Enterprise:** London extended its lead as the best European city in which to locate a business. London's net business start-up rate over the current economic cycle has been above that for the UK as a whole. Almost half of London's businesses are innovation active. However, productivity growth over this cycle remains below that achieved in the previous economic cycle.

- **Marketing and Promotion:** Visits and spending by overseas and UK tourists to London grew in 2006. However, London's share of the UK's total overseas visits and spending has decreased since the beginning of this decade. London continues to attract a significant amount of foreign direct investment and students from overseas.

The priority for London's economic development remains improving the employment rate. The most recent data shows that London's employment rate has increased slightly since 2006. However, London's employment rate remains around 5 percentage points below that for the UK as a whole, and has done so since the end of 2004. Since the early 1990s, London's employment rate has fallen below that for the UK as a whole, reversing the position of earlier decades.

There are however encouraging signs for some of the employment objectives of the EDS. The employment rate for London's disadvantaged areas has increased by more than that for London as a whole in the past two and a half years, closing the gap between the two to its lowest level for the past 15 years or so. Furthermore, over the past nine months, there are signs of improvement in the employment rate for Black Asian and Minority Ethnic Groups, although it should be noted that previous improvements to this indicator have not been sustained over time.

A significant change since the previous Snapshot report is the approval of the funding package for Crossrail. Crossrail will benefit the London economy by improving the accessibility to London's most productive and fastest growing areas. In other words, Crossrail can improve access to jobs, potentially raise the employment rate for London, increase productivity and make London a more attractive place to locate businesses.

Data limitations continue to prevent detailed analysis for some objectives and indicators in this report. As such, the case for better quality and more timely regional data needs to be made to central Government and the ONS. Since April 2007 the Office for National Statistics (ONS) has established a regional presence, consisting of two ONS staff, in each of the English regions. Over time this should help improve the quality of regional statistics.

Summary of performance

	Objective	Headline	Previous Status	Current Status
Places and infrastructure	1 Support the delivery of the London Plan, to promote sustainable growth and economic development	Improvements shown in workforce employment for most of London's sub-regions; London exceeded its housing completion target for 2005/2006.	good	good
Places and infrastructure	2 Deliver an improved and effective infrastructure to support London's future growth and development	A funding package for Crossrail has been agreed. Other significant work is being done to improve London's infrastructure.	unclear	good
Places and infrastructure	3 Deliver healthy, sustainable, high quality communities and urban environments	Some health indicators for London show improvements over the past decade but London's recycling rate is still below the UK average.	good	unclear
People	4 Tackle barriers to employment	London's employment rate increased in the year to September 2007; the gap between the UK and London employment rate remains close to 5 percentage points.	poor	poor
People	5 Reduce disparities in labour market outcomes between groups	The employment rates of most disadvantaged groups do not appear to have improved significantly relative to London's overall employment rate over the economic cycle to date.	poor	poor
People	6 Address the impacts of concentrations of disadvantage	The gap between the employment rate for London's seven most deprived boroughs and that for London as a whole has reduced over the past two and a half years.	unclear	unclear
Enterprise	7 Address barriers to enterprise start-up, growth and competitiveness	London's net business start-up rate remained above UK levels during 2006.	good	good
Enterprise	8 Maintain London's position as a key enterprise and trading location	London has extended its lead as the best European city in which to locate a business.	good	good
Enterprise	9 Improve the skills of the workforce	Fewer businesses in London considered the availability of appropriately skilled employees a very significant problem in 2006, when compared to 2005.	unclear	unclear
Enterprise	10 Maximise the productivity and innovation potential of London's enterprises	Revised data on GVA and employment show that workforce productivity in London has grown faster than in the UK as a whole over the current economic cycle.	good	good
Marketing and promotion	11 Ensure a coherent approach to marketing and promoting London	London performs well in attracting overseas students, Foreign Direct Investment and most aspects of overseas tourism.	good	good
Marketing and promotion	12 Co-ordinate effective marketing and promotion activities across London	The number of overseas visitors to London grew strongly in Q2 2007 when compared to Q2 2006.	good	good
Marketing and promotion	13 Maintain and develop London as a top international destination and principal UK gateway for visitors, tourism and investment	International visitor spending continued to grow strongly in the first half of 2007.	good	good

good — Performance is good, for example, achieving a specific target or performing above the UK average over a period of time.

unclear — Performance is unclear at the present time, for example, London's performance is average compared to its main competitors, or a previously strong performance shows signs of weakening or there is some cause for concern about this objective in the short term.

poor — Performance is poor, for example, London's performance compares badly to the UK average and shows no sign of sustained improvement.

Introduction

This report provides a snapshot of progress made in delivering the objectives set out in the Mayor's Economic Development Strategy (EDS) for London up to the beginning of 2008.

The aim of this report is to:

- identify and review London's progress against the strategic priorities of the EDS;
- provide a basis for reviewing the priorities for London's economic development; and
- act as a catalyst for directing economic development activities in London.

The report has been produced by the London Development Agency's Economic Analysis Team, which is part of the wider GLA Economics unit, drawing on data from a variety of sources. The report follows the structure of the EDS Action Plan, highlighting performance against 13 key objectives, under the four Investment Themes set out in the EDS.


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Places and infrastructure

Objective 1

Objective:
Support the delivery of the London Plan, to promote sustainable growth and economic development.

Indicator:
Achievement of London Plan housing targets and job projections in London's sub-regions.

Improvements shown in workforce employment for most of London's sub-regions; London exceeded its housing completion target for 2005/2006.

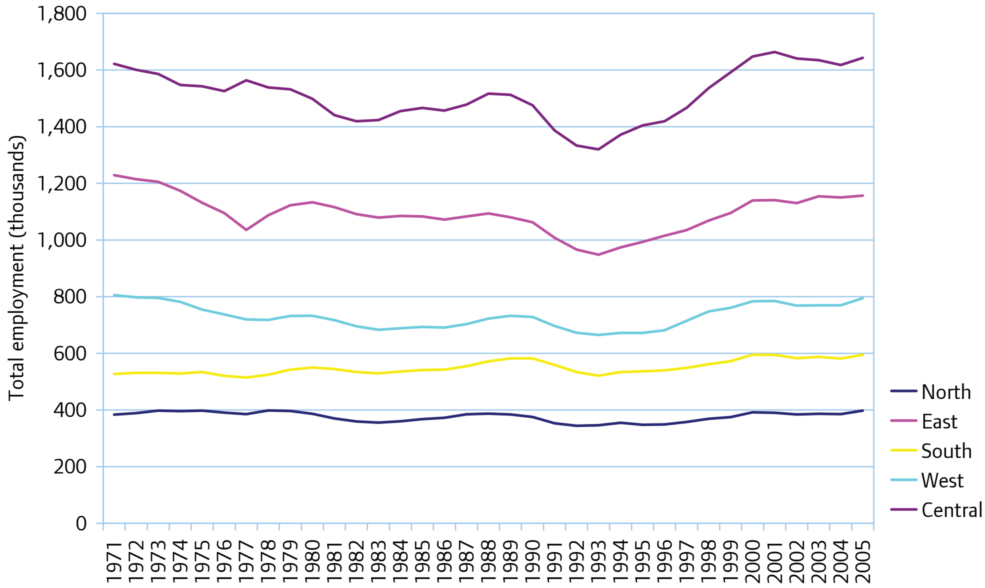


Figure 1.1: Employment by sub-region

Source: EBS

Note: Changes in the composition of the London sub-regions have been included in the draft alterations to the London Plan, published in September 2006. We will be adopting the new definitions once they have been accepted by the Mayor. For more details see the Glossary.

Job projections
In 2005 (the latest year for which sub-regional employment data consistent with that used for the London Plan is available) employment grew in London and all of the London sub-regions compared to the previous years (see Figure 1.1). More recent data show that in 2006 workforce employment grew by 2 per cent for London as a whole. GLA Economics' medium term forecast suggests employment growth will fall back close to trend growth of 1 per cent between 2007 and 2009.

Revised long-term employment projections suggest employment in London will grow by just over one million between 2004 and 2026. Whilst all London sub-regions are projected to share in this growth, the Central and East sub-regions are expected to account for the majority of London's employment growth over this period.

For more information see: London's Economic Outlook: Autumn 2007 at http://www.london.gov.uk/gla/publications/economy.jsp#leo_1007 and Borough employment projections to 2026 available at http://www.london.gov.uk/gla/publications/economy.jsp#ci13

Housing targets
In 2005/2006, 28,309 new homes were created in London, around 1,000 more than the number completed in 2004/2005; this exceeds the target set out in the London Plan by 32 per cent. Housing completions in all London's sub-regions exceeded their target with the exception of the North sub-region, where just over half of the housing completion target was achieved. As these are annual data, there is no change in this indicator from the previous Snapshot.

For more information see: London Plan Annual Monitoring Report available at http://www.london.gov.uk/mayor/planning/docs/monitoring_report3.pdf

Objective 2

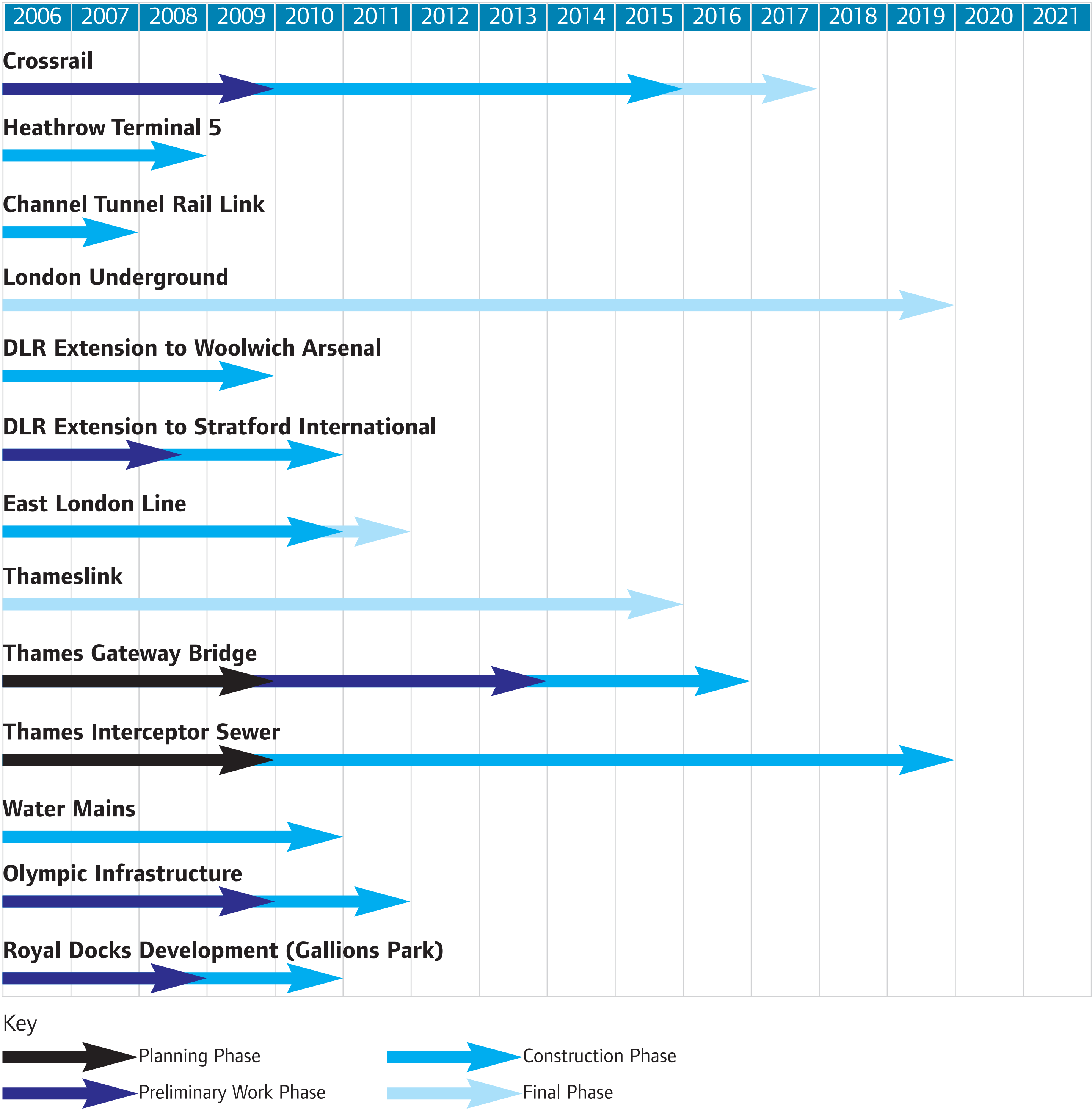
Objective

Deliver an improved and effective infrastructure to support London's future growth and development.

Indicator

Delivery of identified key projects.

A funding package for Crossrail has been agreed; other significant work is being done to improve London's infrastructure.



Crossrail
A funding package for Crossrail has been confirmed by the government. The Hybrid Bill should be given Royal Assent in the first half of 2008. Main construction will begin in 2010 and the whole project will be delivered by 2017.

Heathrow Terminal 5 £4.2bn
Construction is on schedule with the opening planned for March 2008.

Channel Tunnel Rail Link £3.3bn
The Channel Tunnel Rail Link is now completed and Eurostar has been running on the new high speed link from St Pancras since November 2007.

London Underground and Docklands Light Railway (DLR)
Significant increases in network capacity through upgrades to all Underground lines, rolling stock improvements and station refurbishments, by 2019. Also DLR extensions to Woolwich Arsenal by 2009 and Stratford International by 2010.

East London Line £1.0bn
Extensions to Dalston, Crystal Palace and West Croydon by June 2010, with a link to the North London Line at Highbury and Islington planned for 2011.

Thameslink £5.5bn
New stations at Blackfriars and London Bridge and platform extensions at 50 other stations to increase capacity via longer trains and more services at peak hours. Capacity will be increased in stages and the project completed in 2015.

Thames Gateway Bridge £450m
The Planning Inquiry for the Bridge is planned to be re-opened in Spring 2009. The Mayor remains fully committed to the project. Subject to government approval, construction would start in 2013 and the Bridge open in 2016.

Thames Interceptor Sewer £2bn
In March 2007, the Government approved in principle construction of an overflow relief sewer to divert outflows from the Thames and other waterways to Beckton Sewage Treatment Works. The project will construct almost 40km of sewer, will cost around £2bn and finish in 2019. Funding will be via Thames Water customer bills.

Water Mains
Thames Water have a major programme to replace leaking water mains. Over 1,100 miles of water main are due to be replaced between 2004 and 2010. The programme has so far replaced over 400 miles of water mains. The cost is approximately £0.5m per day and is funded through Thames Water customer bills.

Olympic Infrastructure
The planning and preliminary work for the Olympic Park and venues is underway leading to a construction programme from 2009-11 for the main Olympic stadium as well as a Velopark, indoor arenas, the Aquatics Centre, Eton Manor (Hockey / Tennis / Football), Olympic Parklands and infrastructure, the Media Centre, and the Olympic Village.

Royal Docks Development
Gallions Park, the LDA's first zero carbon housing project, will comprise around 260 new homes. The developer has been selected by competitive tender. The project will show that zero carbon schemes are technically and commercially viable.

Objective 3

Objective:
Deliver healthy, sustainable, high quality communities and urban environments.

Indicator:
Indicators of health and environmental improvement.

Some health indicators show improvements over the past decade but London's recycling rate is still below the UK average.

There is no single indicator by which to measure performance against this objective. For instance, in terms of health indicators the Local Authority Health Profiles use a wide variety of indicators to show the health of people in local authorities across England. Moreover for many of the indicators that do exist there is no robust time-series of data. As a result the Snapshot reports the most recently available data from a variety of indicators.

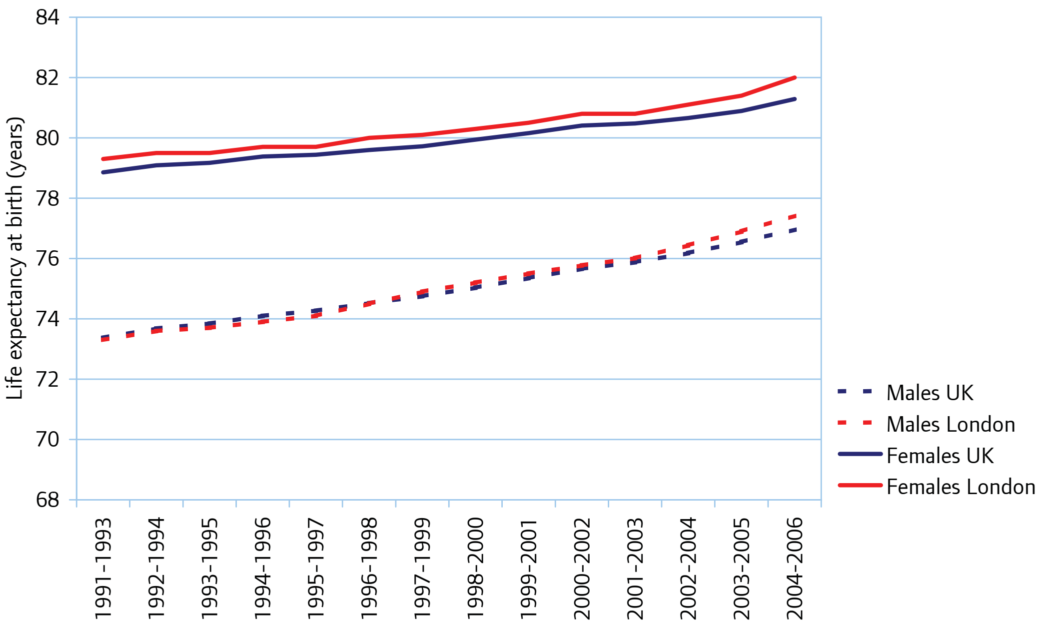


Figure 3.1 Life expectancy at birth

Source: ONS

Life expectancy at birth

The life expectancy of babies born in London and the UK has grown since 1991-1993. In 2004-2006 life expectancy averaged 82.0 years for females and 77.4 years for males across the whole of London. However, the difference between the boroughs with the highest and the lowest life expectancy in London increased from 7.8 years in 2003-2005 to 8.2 years in 2004-2006.

Carbon dioxide (CO_2) emissions

London produced 43.7 million tonnes of CO_2 in 2003. Around 70 per cent of London's CO_2 emissions are accounted for by industrial and commercial electricity consumption, domestic gas consumption and road transport. UK CO_2 emissions have remained unchanged in each of the three years to 2005. These data remain unchanged since the last Snapshot report.

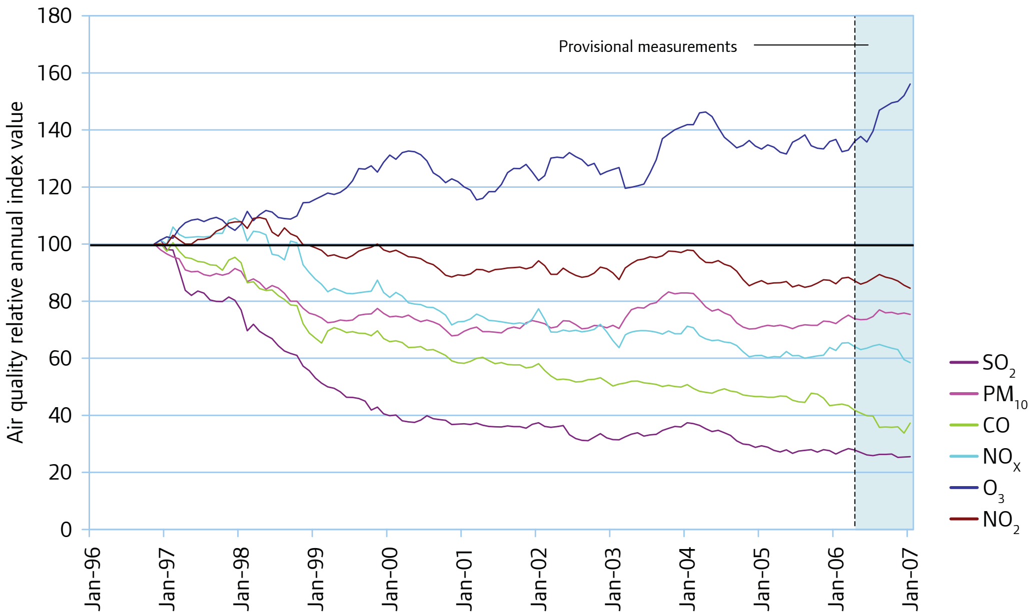


Figure 3.2: Air quality relative index value

Source: King's College London, London Air quality Network

Air quality

Provisional data to January 2007 show that all air quality indices in London were below their November 1996 levels, with the exception of ozone. During the year to January 2007 the provisional index values for most pollutants showed little change, although the index for ozone increased by 14 per cent and the index for PM_{10} increased by 4 per cent. These data remain unchanged since the previous Snapshot report.

Waste

The amount of waste produced by London's households increased by 4.3 per cent to 3,470 thousand tonnes in 2006/2007; over the same period England increased its household waste by 1.6 per cent. In 2006/2007 London had a recycling rate of 22.4 per cent, which was below the average household recycling rate for England as a whole of 30.8 per cent. Total municipal waste in London marginally increased by 0.1 per cent to 4,218 thousand tonnes. Over the same period municipal waste for England increased by 1.4 per cent.

For more information see DEFRA: http://www.defra.gov.uk

Access to open space

In 2005/2006 London lost approximately four hectares of open space as a result of land development leading to land use changes. This data remains unchanged from the previous Snapshot report.

People

Objective 4

Objective:
Tackle barriers to employment.

Indicator:
Increase the overall employment rate for London over the economic cycle.

London's employment rate increased in the year to September 2007; the gap between the UK and London employment rate, remains close to 5 percentage points.

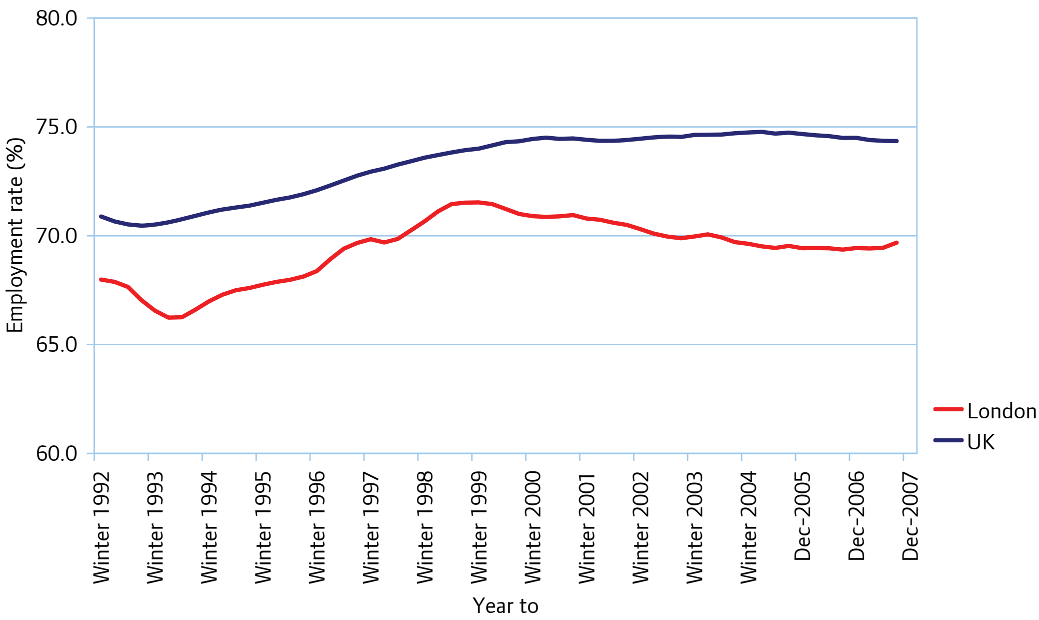


Figure 4.1: Working age employment rates (rolling annual average)

Source: LFS

London's employment rate (the proportion of the working age population living in London that are in employment – see data appendix for more details) stood at 69.7 per cent when averaged over the year to September 2007 compared to 74.3 per cent for the UK as a whole.

There has been little, if any, increase in London's employment rate over the economic cycle to date (see glossary) and the gap between London's employment rate and that for the UK as a whole has increased over the course of the cycle from just over 3 percentage points in 1997 to around 5 percentage points since 2004.

GLA Economics' most recent forecast sees above trend output growth and around trend employment growth over the next two years or so. The extent to which these conditions will close the gap between the employment rate for London and the UK as a whole will depend on, amongst other things, the growth in London's working age population relative to the UK as a whole and the ability of London's workless population – both the unemployed and economically inactive – to compete effectively for jobs in London's labour market.

For more information see: London's Economic Outlook Autumn 2007 available at http://www.london.gov.uk/gla/publications/economy.jsp#leo_1007

Objective 5

Objective:
Reduce disparities in labour market outcomes between groups.

Indicator:
Increase the employment rates of key target groups in London by more than the overall increase in the employment rate in London, over the economic cycle.

The employment rates of most disadvantaged groups do not appear to have improved significantly relative to London's overall employment rate over the economic cycle to date.

The average employment rate for **women** stood at 62.7 per cent in the year to September 2007, 7 percentage points below the rate for all London. The average employment rate for **women with dependent children** stood at 55.6 per cent for April-June 2007. The evidence suggests that the gap between the employment rate for both women and women with dependent children and the employment rate for all London has not reduced significantly over the economic cycle to date.

The employment rate for **people aged between 50 and retirement** (older people) stood at 68.0 per cent in the year to September 2007. Data suggests that, whilst it has fallen quite sharply since the beginning of 2006, the employment rate for older people has increased by more than the employment rate for London as a whole over the economic cycle to date.

The employment rate for **disabled people** stood at 44 per cent in the year to September 2007. The available data shows no narrowing between this employment rate and that for London as a whole.

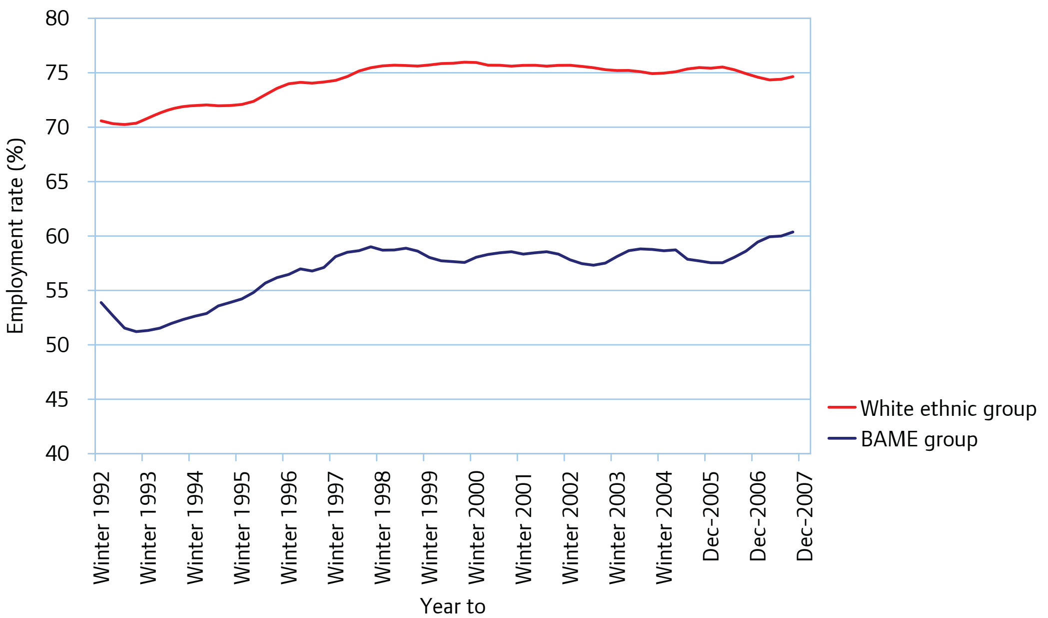


Figure 5.1: Employment rates of Black, Asian and Minority Ethnic groups in London (rolling annual average)

Source: LFS

Figure 5.1 compares the employment rate for all **Black Asian and Minority Ethnic (BAME) groups** with the employment rate for the white ethnic group in London. Over the past nine months, the gap between the two employment rates has fallen below 16 percentage points for the first time since the beginning of the 1990s. However, as Figure 5.1 shows, since 1998 fluctuations in the employment rate for BAME groups have usually been short term and have not been sustained over time.

Objective 6

Objective:

Address the impacts of the concentrations of disadvantage.

Indicator:

Increase the employment rates in London's most disadvantaged areas by more than the rest of London, over the economic cycle.

The gap between the employment rate for London's seven most deprived boroughs and that for London as a whole has reduced over the past two and a half years.

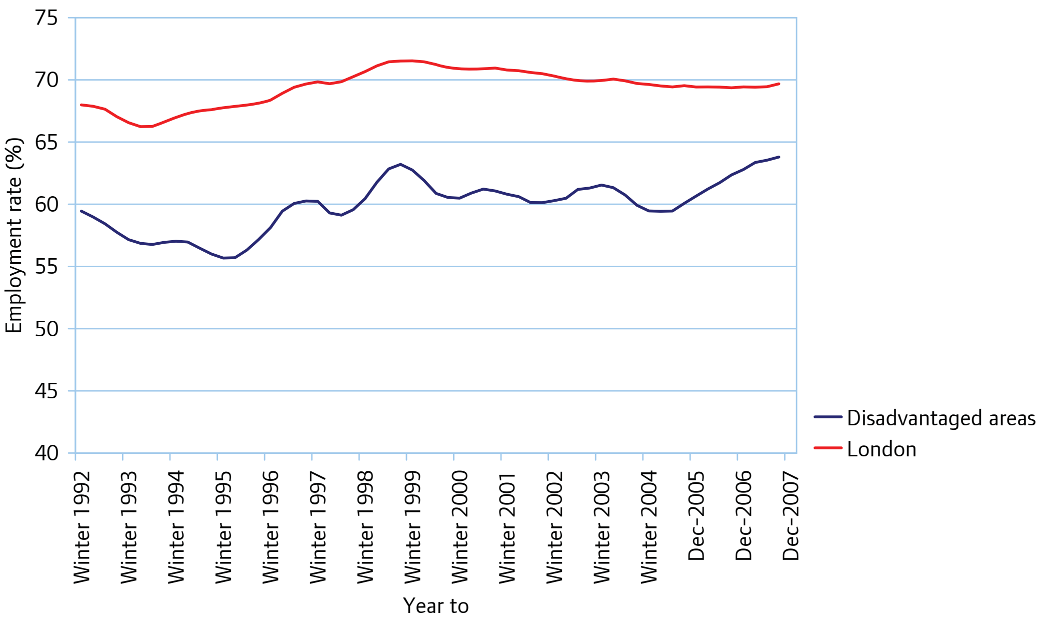


Figure 6.1: Employment rate in disadvantaged areas compared to London as a whole (rolling annual average)

Source: LFS

The combined employment rate across the seven most disadvantaged boroughs in London (Camden, Hackney, Haringey, Islington, Newham, Southwark and Tower Hamlets) is displayed in Figure 6.1. These boroughs rank as the bottom 20 per cent of London boroughs according to the Index of Multiple Deprivation 2004 and are therefore considered to represent London's most disadvantaged areas (see data appendix for further details).

Figure 6.1 shows that over the past two and a half years the combined employment rate for these disadvantaged areas has increased strongly in contrast to the employment rate for London as a whole. The gap between the combined employment rate for London's disadvantaged areas and the employment rate for London as a whole has typically fluctuated between 8 and 11 percentage points over the economic cycle to date. Over the last 18 months the gap reduced to less than 8 percentage points for the first time during the cycle. The most recent data show that the gap was slightly below 6 percentage points in the year to September 2007. It remains to be seen whether this reduction in the gap will be sustained over time.

Enterprise

Objective 7

Objective:

Address barriers to enterprise start–up, growth and competitiveness.

Indicator:

Maintain or improve London's net start-up rate over the economic cycle.

London's net business start-up rate remained above UK levels during 2006.

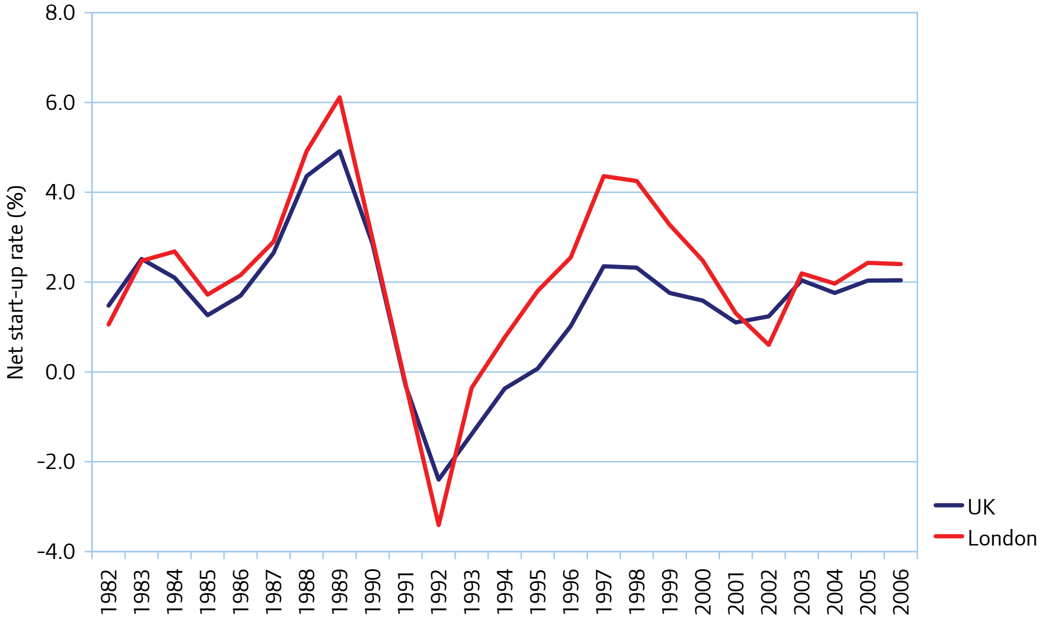


Figure 7.1: Annual net change in the number of VAT registrations and deregistrations as a proportion of the stock of all VAT registered businesses

Source: SBS

Revised data show that in 2006, the net business start-up rate remained at 2.4 per cent for London and 2.0 per cent for the UK as a whole.

This continues the trend seen over much of the current economic cycle in which London's net business start-up rate has been higher than that of the UK. Thus, over the economic cycle to date, London's annual net business start-up rate has averaged 2.5 per cent compared to 1.8 per cent for the UK as a whole.

Objective 8

Objective:
Maintain London's position as a key enterprise and trading location.

Indicator:
Maintain London's position as a key enterprise location as evidenced by international surveys.

London has extended its lead as the best European city in which to locate a business.

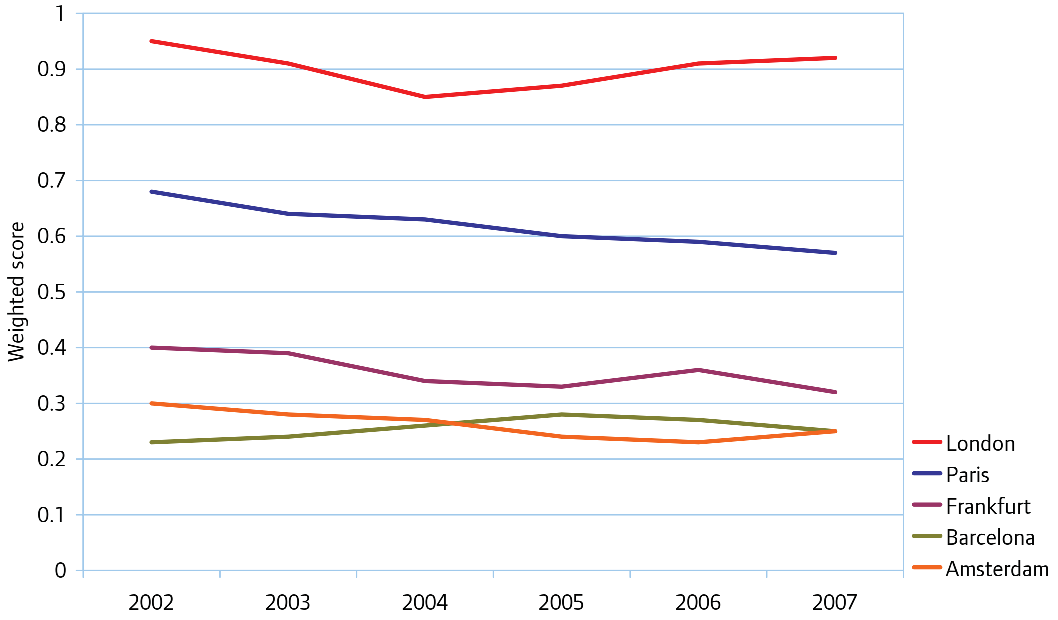


Figure 8.1: Top five European cities to locate a business

Source: European Cities Monitor - Cushman & Wakefield

According to the European Cities Monitor 2007 by Cushman & Wakefield, London not only maintained its position as the best European city in which to locate a business but increased its lead over Paris, its closest rival.

Similarly to last year, London was rated the best city in terms of access to markets and availability of qualified staff (the two most important factors in deciding where to locate). London was also rated the best city in terms of international and internal transport links, telecommunications and languages spoken.

London also performs well in availability of office space and the climate created by governments, ranked 2 out of 33 in each of these categories.

Factors on which London performed less well included freedom from pollution (ranked 29 out of 33), cost of staff (ranked 25), value for money of office space (ranked 18) and quality of life for employees (ranked 11).

Objective 9

Objective:
Improve the skills of the workforce.

Indicator:
Reduce the percentage of businesses reporting a lack of appropriately skilled employees as a significant problem over the economic cycle.

Fewer businesses in London considered the availability of appropriately skilled employees a very significant problem in 2006, when compared to 2005.

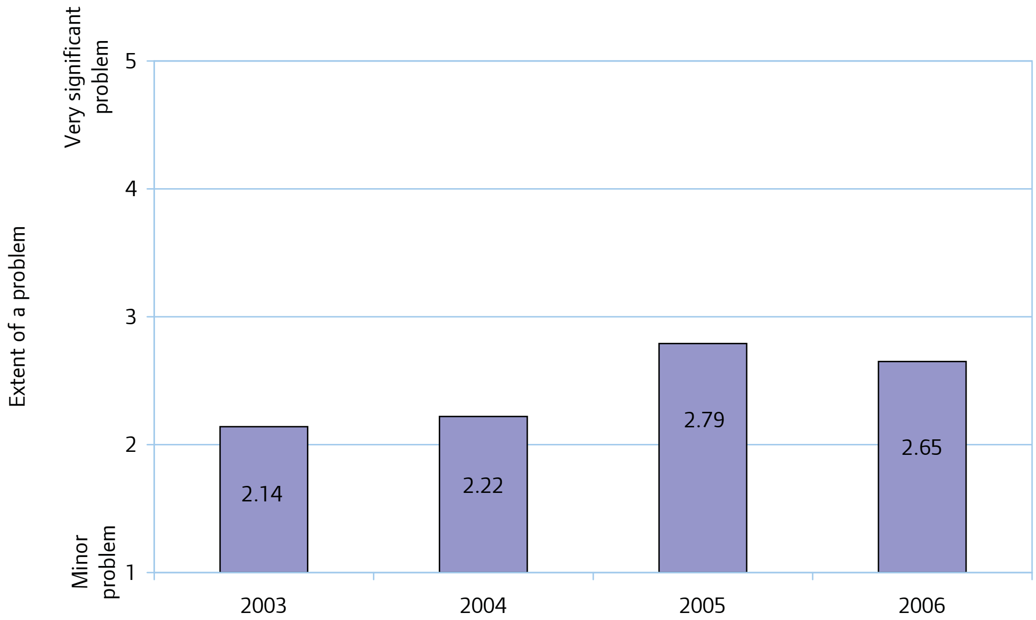


Figure 9.1: The extent to which London businesses consider the lack of availability of appropriately skilled employees a problem (average score)

Source: LABS

According to the London Annual Business Survey, the number of businesses that believe that availability of appropriately skilled employees is a significant or a very significant problem fell from 34 per cent in 2005 to 29 per cent in 2006. When businesses are asked to rate the availability of appropriately skilled employees on a scale from 1-5, with 1 being a minor problem and 5 being a very significant problem, London scored an average of 2.65 in 2006, which ranks between a minor and an average problem. As shown in Figure 9.1, this is an improvement on the 2005 results but is still higher than the first two years of the survey. These data have not changed since the previous Snapshot report.

The only survey that allows for comparisons on skills issues facing businesses between London and England is the National Employer Skills Survey (NESS). NESS 2005 shows that a lower proportion of employers in London faced vacancies as a result of skill shortages and skill gaps among its staff when compared to employers across England. However, whilst London performs relatively well on skills issues when compared to England, this favourable relative position has deteriorated slightly since the 2004 survey. These remain unchanged since the previous Snapshot report.

Objective 10

Objective:

Maximise the productivity and innovation potential of London's enterprises.

Indicator:

Improve London's Gross Value Added (GVA) per worker over the economic cycle.

Data on GVA and employment show that workforce productivity in London has grown faster than in the UK as a whole over the current economic cycle.

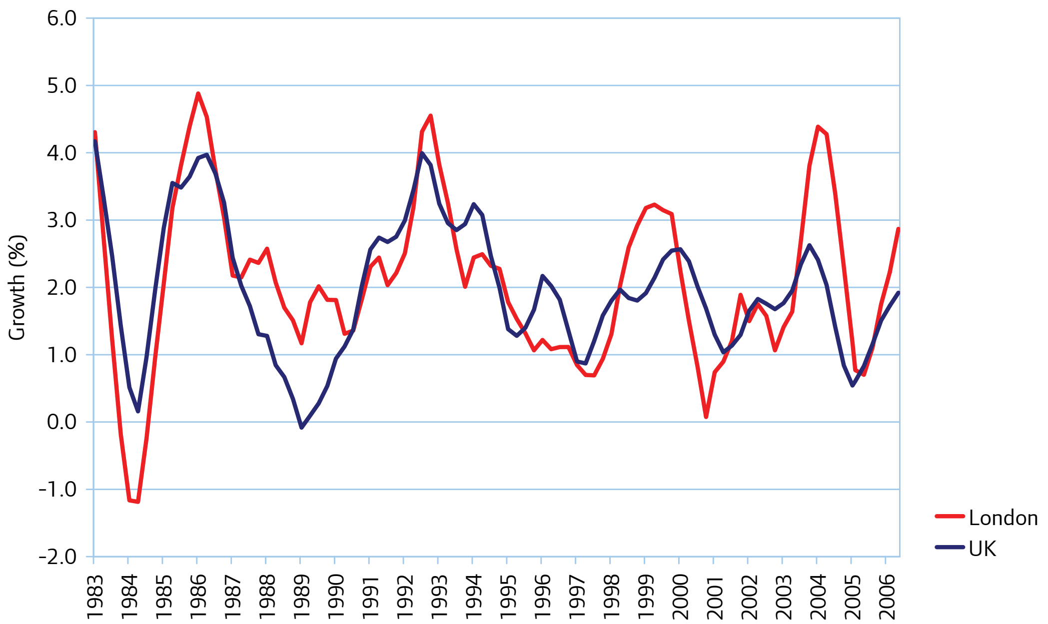


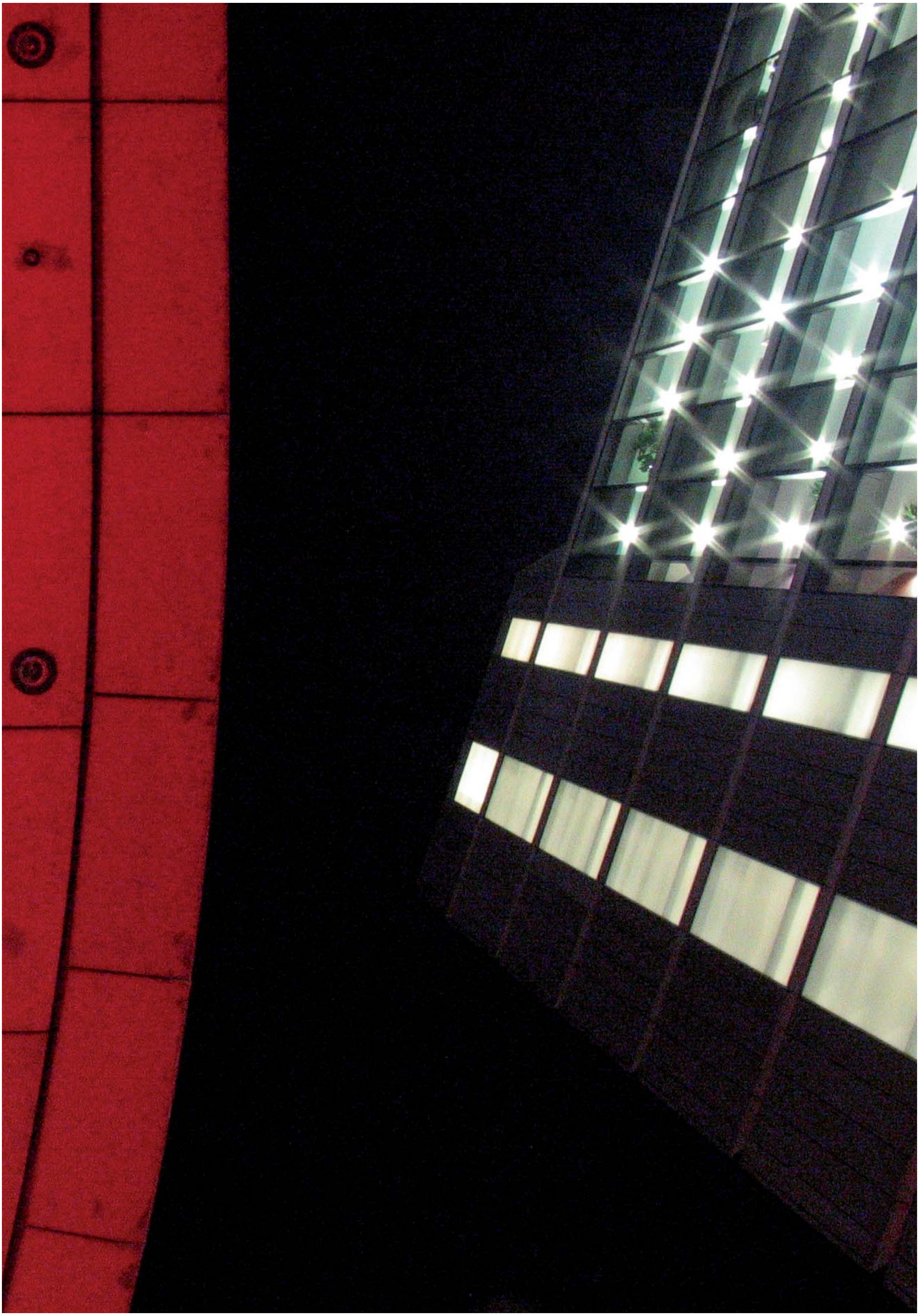
Figure 10.1: Growth rates in GVA per worker (FTE) over time

Source: EBS

Output per worker (where output is measured by GVA and workers by full-time equivalents) has grown over time. The rate at which output per worker grows has fluctuated markedly over time. As a result it is useful to analyse changes in productivity (i.e. output per worker) over long time periods.

Average productivity growth over the current economic cycle has been 2.0 per cent for London and 1.7 per cent for the UK as a whole. In contrast, over the previous economic cycle (1986-1997) London's productivity growth averaged 2.3 per cent per year, compared to 2.1 per cent per year for the UK as a whole. Whilst this difference might be due to the stage of the cycle, it suggests that productivity growth has slowed slightly over the course of the last decade or so. This is important as productivity growth affects the economy's ability to grow without running into constraints. If London's economy grows more quickly then income per head should increase so increasing London's prosperity. Some of the difficulties with measuring productivity by region over time are discussed in the data appendix.

Innovation, the successful exploitation of new ideas, is recognised as one of the main drivers of productivity. The London Annual Business Survey found that in 2006, 47 per cent of the firms asked had introduced some type of innovation over the past 12 months, compared to 50 per cent in 2005. Around 19 per cent of the firms asked had introduced both product/service and process innovations compared to 17 per cent who introduced just product/service innovation and 11 per cent who introduced only process innovation.



Marketing and promotion

Objective 11

Objective:
Ensure a coherent approach to marketing and promoting London.

Indicator:
Deliver a coherent approach to marketing and promoting London assessed annually through a wide range of measures and indicators.

London performs well in attracting overseas students, Foreign Direct Investment (FDI) and most aspects of overseas tourism.

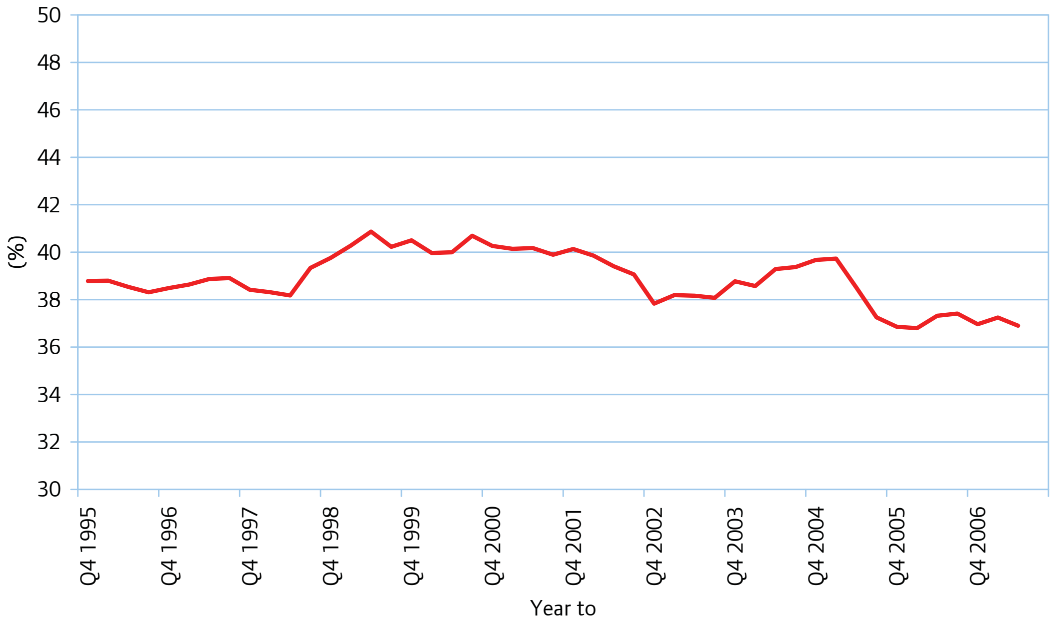


Figure 11.1: Share of nights spent by overseas visitors to the UK in London

Source: IPS

Tourism
In the year to Q2 2007 the nights spent by overseas visitors in London increased by 6 per cent compared to the same period last year.

For most of the past decade London's share of the total nights spent by overseas visitors in the UK was between 38 per cent and 41 per cent. However, over the past 2 years or so, London's share of nights spent by overseas visitors has fallen below the 38 per cent level and was down to 36.9 per cent in the year to Q2 2007.

The nights spent in London by domestic visitors increased by 3.7 per cent in the year to June 2007 compared to the same time in 2006. Over the same period, domestic tourism in the UK as a whole decreased by 5.1 per cent.

Business
Over the financial year of 2006/2007, London received 134 Foreign Direct Investment projects compared to 123 over the previous financial year. The main area of growth was the ICT sector with a 13 per cent increase year-on-year during 2006/2007.

Overseas students
In the 2005/2006 academic year there were 391,800 people attending Higher Education Institutions in London; 22 per cent of those were non UK residents. During this academic year there was an increase of 8.6 per cent in the number of overseas students and of 2.7 per cent in the number of national students, when compared to the previous year. These data remain unchanged since the previous Snapshot report.

Objective 12

Objective:
Co-ordinate effective marketing and promotion activities across London.

Indicator:
Achieve growth in numbers of domestic and international visitors over the economic cycle.

The number of overseas visitors to London grew strongly in the year to Q2 2007 when compared to the same period in 2006.

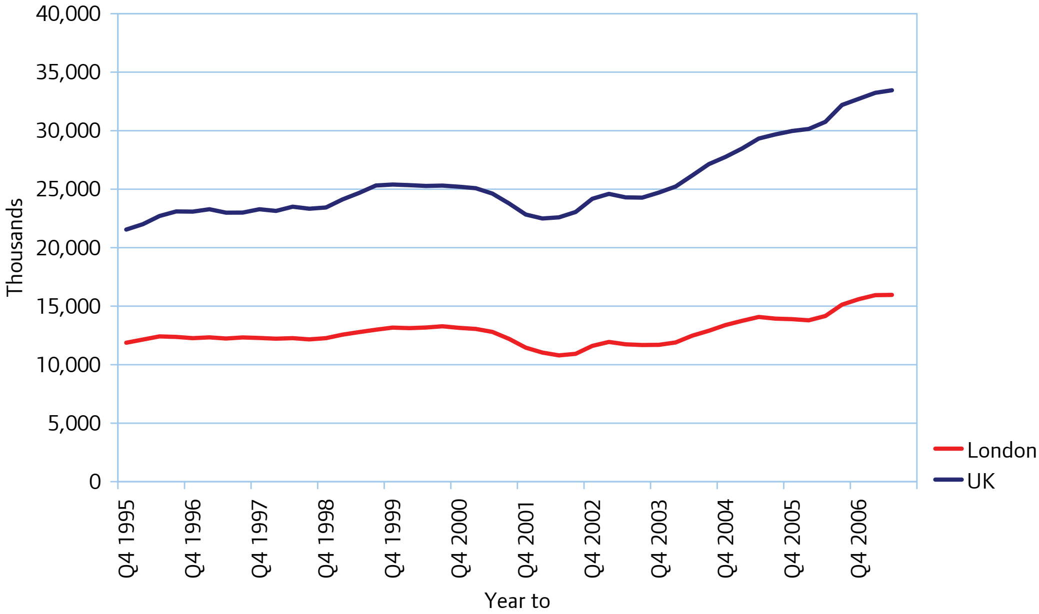


Figure 12.1: Trips made by international visitors (last four quarters)

Source: IPS

In the year to Q2 2007, 26.5 million trips to London were made by international and domestic tourists with the number of overseas visitors to London growing by 12.7 per cent in the year to Q2 2007 compared to 8.8 per cent for the UK as a whole.

Over the current economic cycle (mid 1997-to date), the number of trips made by overseas visitors to London has grown at an average of 2.7 per cent per year compared to an average of 3.9 per cent per year for the UK as a whole.

This slower average growth over the economic cycle to date implies a drop in London's share of the total visits to the UK. During the second half of the 1990s London's share of total trips to the UK was 52-55 per cent and has dropped below 50 per cent since the beginning of this decade.

In the year to June 2007 the number of visits to London made by domestic visitors increased by 0.9 per cent to 10.5 million. Over the same period domestic visits in the UK fell by 3.3 per cent.

Objective 13

Objective:
Maintain and develop London as a top international destination and principal UK gateway for visitors, tourism and investment.

Indicator:
Achieve real growth in visitor spending over the economic cycle.

International visitor spending continued to grow strongly in the first half of 2007.

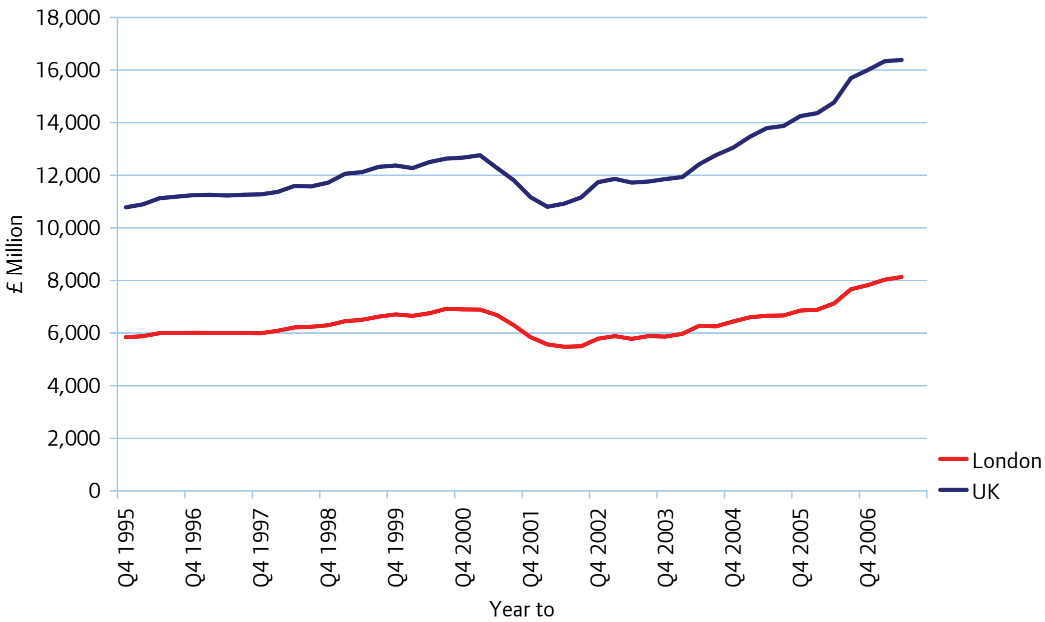


Figure 13.1: International visitor spending (last four quarters)

Source: IPS

International visitor spending in London grew by 14.1 per cent in the year to Q2 2007 to £8.1bn. For the same period, tourist spending in the UK grew by 11.1 per cent to £16.3bn.

Over the current economic cycle (mid 1997 – to date) international visitor nominal spending in London has grown on average by 3.2 per cent each year, constituting continued growth in real terms over the economic cycle. Nominal spending growth over the same period in the UK has averaged 3.8 per cent per year.

Domestic visitors' spending in London increased by 1 per cent to £2.1bn in the year to June 2007. Over the same period domestic visitors' spending decreased by 0.8 per cent to £21.5bn for the UK as a whole.

Glossary

Air quality: The concentration of pollutants in either the indoor or outside (ambient) air. The term is particularly relevant to the concentration of pollutants emitted to air as a result of human activity.

BAME: Black, Asian and Minority Ethnic groups refer to those in the Mixed, Asian or Asian British, Black or Black British, Chinese and Other ethnic groups.

Carbon dioxide (CO_2): Carbon dioxide is a naturally occurring gas, comprising 0.04 per cent of the atmosphere. The burning of fossil fuels releases carbon dioxide fixed by plants many millions of years ago, and this has increased its concentration in the atmosphere by some 12 per cent in the past century. It contributes about 60 per cent of the potential global warming effect of all greenhouse gases released through human activity.

Carbon monoxide (CO): Produced by the incomplete burning of solid, liquid, and gaseous fuels. Carbon monoxide affects the transport of oxygen around the body by the blood. At very high levels, this can lead to a significant reduction in the supply of oxygen to the heart, particularly in people suffering from heart disease.

Disabled people: The GLA has adopted the social model of disability where disability is defined as 'the loss or limitation of opportunities that prevent people who have impairments from taking part in the life of the community on an equal level with others due to physical and social barriers'. However, the standard definitions of disability used by official surveys like the LFS tend to focus on medically derived definitions and terminology. In the LFS, people are defined as being disabled if they have a current long-term disability covered by the Disability Discrimination Act (DDA) or a work-limiting disability, or both. DDA disabled includes people who have a long-term disability that substantially limits their day-to-day activities. Work-limiting disability is a long-term problem that affects the kind of work and the amount of work that a person can do.

Economic cycle: Defined as the period between two dates when the economy is judged to be on-trend or at potential. A full economic cycle includes both a period in which output is above potential and a period in which it is below. HM Treasury (Evidence on the UK economic cycle, July 2005) states that the last output cycle ran from Q2 1986 to H1 1997 and estimates that the current output cycle started in H1 1997.

EDS: The Mayor's Economic Development Strategy.

Equality: This is the vision or aim of creating a society free from discrimination, where equality of opportunity is available to individuals and groups, enabling them to live their lives free from discrimination and oppression.

European Cities Monitor: An annual survey based on interviews with senior managers and board directors of 500 of Europe's top companies. The survey covers issues regarded as important by companies when deciding where to locate, and then compares how Europe's leading business cities perform on each issue.

FDI: Foreign Direct Investment, the injection of money into a region from overseas, in order to purchase capital goods for a branch of a corporation to locate or develop its presence in the region.

Greater London Authority (GLA) Group: The GLA Group consists of the Mayor, the London Assembly and four organisations that look after transport, the police, the fire brigade and economic development for London. They are:

- Transport for London
- Metropolitan Police Authority
- London Fire & Emergency Planning Authority
- London Development Agency

The Mayor sets the budget for the GLA group and appoints people to the boards of the four organisations.

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 form a basis for the policy and investment decisions facing the Mayor of London and the GLA group. The unit is funded by the Greater London Authority (GLA), Transport for London (TfL) and the London Development Agency (LDA).

Gross Value Added (GVA): A measure of economic activity in the economy. GVA is linked to Gross Domestic Product (GDP). GDP is GVA plus taxes on products minus subsidies on products. GVA per worker or GVA per hour worked are common indicators of productivity.

Household waste: Includes household collection rounds ('bin' waste), other household collections such as bulky waste collections, waste from services such as litter collections, waste from civic amenity sites and wastes separately collected for recycling or composting through bring/drop off schemes, kerbside schemes and at civic amenity sites.

Innovation: Is defined as the successful exploitation of new ideas and it can be classified in three different groups:

· Product/service innovation results in the creation of a new product or the improvement of an existing one;

· Process innovation creates new ways of working or of creating goods and services;

· Product/service and process innovation.

Innovation active: As defined in the DTI's UK innovation survey 2005, a business is innovation active if it is engaged in any of the following:

· Introduction of a new or significantly improved product (good or service) or process for making or supplying them;

· Innovation projects not yet complete, or abandoned;

· Expenditure in areas such as internal research and development, training, acquisition of external knowledge or machinery and equipment linked to innovation activities.

London Development Agency (LDA): The LDA is one of nine regional development agencies (RDAs), established by the Government to promote economic development and regeneration. It reports to the Mayor of London and works with a wide range of partners in the private, public and third sectors.

London Plan: The Mayor's Spatial Development Strategy which replaced the strategic planning guidance for London (RPG3).

Municipal waste: Waste coming under the control of the Local Authority and includes household waste and other wastes collected by a waste collection authority or its agents, such as municipal parks and gardens waste, beach cleansing waste, commercial or industrial waste, and waste resulting from the clearance of fly-tipped materials.

Nitrogen dioxide (NO_2): Formed in the combustion of fossil fuels. Nitrogen dioxide is harmful to health and is an important component in the formation of ozone.

Nitrogen oxides (NO_X): Generic term for a group of highly reactive gases, all of which contain nitrogen and oxygen in varying amounts. Nitrogen oxides form when fuel is burned at high temperatures, such as in the combustion process of motor vehicles and electric utilities. The majority of nitrogen oxides are not considered harmful to health. However, nitrogen oxides can react with other gases present both in vehicle exhausts and the atmosphere to form nitrogen dioxide. Nitrogen dioxide is harmful to health and is also an important component in the formation of ozone.

Ozone (O_3): Generated when oxides of nitrogen and hydrocarbon compounds react in the presence of sunlight. High levels of ozone can irritate and inflame the lungs. It can also cause eye irritation, migraine and coughing. Ozone is also a strong oxidising agent. This means that it can attack materials such as rubber and pigments and damage vegetation. The international costs of ozone pollution through damage to health, crops and materials are thought to be considerable.

PM_{10}: Particles likely to penetrate the lungs. Evidence shows a good correlation between PM_{10} concentrations and mortality rates. PM_{10} is the accepted measure for particulate matter in the atmosphere in the UK and Europe.

Sub-Regions: Sub-regions are the primary geographical features for implementing strategic policy at the sub-regional level. London's sub-regions, as set out in the London Plan – and as used for Objective 1 - comprise:

Central: Camden, Islington, Kensington & Chelsea, Lambeth, Southwark, Wandsworth, and Westminster.
East: Barking & Dagenham, Bexley, City, Greenwich, Hackney, Havering, Lewisham, Newham, Redbridge and Tower Hamlets.
South: Bromley, Croydon, Kingston, Merton, Richmond and Sutton.
West: Brent, Ealing, Hammersmith & Fulham, Hillingdon, Harrow and Hounslow.
North: Barnet, Enfield, Haringey and Waltham Forest.

Changes to the composition of London's sub-regions are outlined in the draft alterations to the London Plan, published in September 2006. The alterations are currently being consulted on as part of the review of the London Plan. The proposed sub-regions comprise:

North: Barnet, Enfield, Haringey, Hackney, Islington, Camden and Westminster.
North East: Waltham Forest, Redbridge, Havering, Barking & Dagenham, Newham, Tower Hamlets and City.
South East: Southwark, Lewisham, Greenwich, Bexley and Bromley.
South West: Richmond upon Thames, Wandsworth, Lambeth, Kingston upon Thames, Merton, Croydon and Sutton.
West: Hillingdon, Harrow, Brent, Ealing, Hounslow, Kensington & Chelsea and Hammersmith & Fulham.

Sulphur dioxide (SO_2): Produced when a material, or fuel, containing sulphur is burned. Short-term exposure to high levels of sulphur dioxide may cause coughing, tightening of the chest and irritation of the lungs.

Sustainable development: Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Data appendix

Monitoring progress against the EDS objectives continues to be hampered by data limitations. Problems include:

- poor timeliness of data
- poor robustness of data
- no, or little, time series data for some indicators

Policymakers in London should continue to make the case to government for better quality and more timely regional data. For example, following changes to the structure of the Labour Force Survey, the ONS plan to produce a backseries for old data based on the new structure. It is important that the backseries includes regional data.

Set out below are details of the sources for the various different data used in the Snapshot report, with more detail around the issues relating to certain data sources and their use in the Snapshot.

Objective 1: Support the delivery of the London Plan, to promote sustainable growth and economic development

Housing targets: Housing targets for London's sub-regions are stipulated in the GLA London Plan. The data on housing completions comes from the GLA London Plan Annual Monitoring Report.

Employment projections: There are two sources of regional employment data: the Annual Business Inquiry (ABI) and the Short-term Employment Survey (STES) surveys of employers on the one hand; and the LFS of residents on the other. The Census also collects information on people's employment situation, although the Census is only conducted every 10 years. There are also two distinct concepts of employment at the regional level. Residence-based employment measures the number of residents in the region who have a job. Workplace-based employment measures the number of jobs at workplaces within the region. These measures will differ from each other where there is commuting to work across regional boundaries. To this end, London is the most obvious case of large inter-regional commuting. Data from the Census shows that in 2001, 723,000 people commuted into London for work and 236,000 Londoners commuted out of London to work.

The employment projections in the London Plan look at projections for total employment at workplaces in London.

Objective 2: Deliver an improved and effective infrastructure to support London's future growth and development

Updates on the progress against various development schemes in London have been provided by the London Development Agency, Transport for London and the GLA.

Objective 3: Deliver healthy, sustainable, high quality communities and urban environments

Life expectancy at birth: Figures show the average number of years a new born baby would survive if he or she experienced the particular area's age-specific mortality rates for that time period throughout his or her life. The figure reflects mortality among those living in the area in each time period, rather than mortality among those born in each area. It is not therefore the number of years a baby born in the area in each time period could actually expect to live, both because the death rates of the area are likely to change in the future and because many of those born in the area will live elsewhere for at least some part of their lives.

The figures are rolling three-year averages, produced by aggregating deaths and population estimates for each successive overlapping three year period, so as to provide large enough numbers to ensure that the presented figures are sufficiently robust. Two local authorities, City of London and Isles of Scilly, are excluded from the results because of small numbers of deaths and populations in these areas. Data comes from ONS on a yearly basis and is also published in Health Statistics Quarterly.

Carbon dioxide: Data taken from the London Energy and CO_2 emission inventory 2003.

Air quality: Data on concentrations and performance against London Air Quality Network (LAQN) objectives taken from King's College, London and the LAQN reports

The network annual mean concentration refers to the average concentration of a pollutant measured over a year across all monitoring sites that constitute the 'network' for the pollutant. The 100 plus sites across London that monitor air quality are organised into a number of networks which gather information on a particular pollutant using a particular method. The pollutants measured and method used by each network depend on the reason for setting up the network, and what the data is to be used for.

Waste: Data on household and municipal waste and recycling rates comes from the Department for Environment, Food and Rural Affairs (DEFRA), www.defra.gov.uk.

Access to open space: Data from London Development Database relating to all planning permissions in 2005/2006 cited in London Plan Annual Monitoring Report 3, February 2007.

Objective 4: Tackle barriers to employment

Employment: Details on the sources for regional employment data and the difference between residence-based employment and workplace-based employment are discussed under Objective 1. Data for Objective 4 comes from the LFS. In contrast to the data used for the employment projections in Objective 1 above, this data is residence-based. This means that it looks at the employment of people that live in London.

In 2006 the structure of the LFS switched from a seasonal quarter basis (winter, spring, summer, autumn) to a calendar quarter basis (Q1, Q2, Q3, Q4) covering different months within the quarter. The dates for the release of new data have also changed. The most recent data release was in November 2007.

Seasonal Quarters	Calendar Quarters
Winter = Dec – Feb	Q1 = Jan – Mar
Spring = Mar – May	Q2 = Apr – Jun
Summer = Jun – Aug	Q3 = Jul – Sept
Autumn = Sept – Nov	Q4 = Oct – Dec

Snapshot Issue 6 uses the new calendar quarters since 2005 and the old seasonal quarters from 1992 to winter 2004. This causes some difficulties in comparing changes over time, for example comparing the position now with the position a year earlier and means that data for January and February 2005 are double-counted in the time series. The ONS plan to produce a backseries for LFS data, initially for the period between 1997 and 2005. It will be important that the backseries includes regional data for future issues of the Snapshot.

Objective 5: Reduce disparities in labour market outcomes between groups

Employment of disadvantaged groups: In Snapshot Issue 1 Census and LFS data was used to look at the various different groups. The Census surveys the population as a whole every ten years. As a result, we can be very certain of its results, even for very small groups of the population. However, in between times, practitioners rely on other surveys, such as the Labour Force Survey, to estimate the employment rates, amongst other statistics, for different groups. However, national surveys like the Labour Force Survey, when analysed at the regional level, frequently have too few observations (in other words respondents) from certain groups for us to be confident about the estimates derived for those groups. In other words the estimates produced from national surveys for some disadvantaged groups in London are not very robust. This means that in some instances we can't be sure that what might seem like a large change in a disadvantaged group's employment rate is an actual change in its employment rate, and not sampling variability. Instead we have to be very careful in analysing the employment rates for relatively small groups within the population to ensure that we don't claim changes that are, in fact, not significant. In its submission to the Allsopp Review (Working Paper 5: Review of the statistical requirement for monetary and wider economic policymaking. GLA Economics. October 2003) GLA Economics drew particular attention to the reliability of the Labour Force Survey at the sub-regional level. In that submission GLA Economics state, **'Employment, unemployment and wages all vary at least as much within regions as between them. Thus, the appropriate level of geography for labour market analysis is often sub-regional. However, there are often sample size constraints with data from the Labour Force Survey and other surveys at this level of spatial disaggregation ... Hence it would be worth investigating ... the feasibility of boosting sample sizes in relevant surveys ...'**

Objective 6: Address the impacts of the concentrations of disadvantage

In addition to the seven London boroughs regarded as London's most disadvantaged areas, a further six London boroughs fall within the bottom 20 per cent of boroughs in the Index of Multiple Deprivation (IMD) nationally and receive Neighbourhood Renewal Funds (Lambeth, Westminster, Greenwich, Barking and Dagenham, Lewisham, Hammersmith and Fulham). However, these boroughs fall within the bottom 40 per cent of London boroughs in terms of their IMD ranking and therefore are not to be considered to be London's most disadvantaged areas.

It should be noted that concentrations of disadvantage in London can be tightly confined to a locality, such that a single borough may comprise particularly disadvantaged wards and much more prosperous wards. Whilst disadvantage can be measured using a number of different variables, this EDS indicator focuses on employment. Unfortunately robust employment data is not available for small geographical areas and as a result for this Snapshot, we have continued to focus on employment at the borough level, whilst recognising that the employment situation can vary, sometimes substantially, within boroughs.

The IMD has recently been updated. Future Snapshot reports will incorporate this update.

See also Objective 5.

Objective 7: Address the barriers to enterprise start-up, growth and competitiveness

Business start-up rates: In the absence of better data on business start-ups and closures the number of businesses registering to pay VAT and deregistering is used as a proxy. These data are taken from the VAT data within the Inter-Departmental Business Register (IDBR). The net start up-rate of VAT registered businesses shows the rate of business registrations minus the rate of business deregistrations (all shown as a proportion of the stock of all VAT registered businesses). It should be noted that many small businesses do not reach the level of turnover required to register for VAT. As a result, these figures will miss very small businesses (though this is the case for both London and the UK as a whole).

The business start-up and closure rates data have been revised for the 1994-2005 period since the last Snapshot report. Moreover, because of changes in the compulsory VAT registration threshold the data pre and post 1993 is not strictly comparable. The data is included in the chart for Objective 7, however, to provide an indication of how the net start-up rate in London and the UK compare with one another over time.

Objective 8: Maintain London's position as a key enterprise and trading location

Data for this indicator is taken from the Cushman and Wakefield European Cities Monitor (ECM). The ECM is based on a sample of around 500 companies from nine European countries selected from Europe's 15,000 largest companies. A representative sample of industrial, trading and services companies is taken. The results are based on telephone interviews with senior managers or board directors with responsibility for the company's location. The survey poses a number of questions and cities are given a score for being nominated best, second best or third best. The weighted score provides a comparison with other cities scores and over time for the same city.

Objective 9: Improve the skills of the workforce

Businesses reporting a lack of appropriately skilled employees as a significant problem: This data comes from the LDA/Business Link for London (BL4L) London Annual Business Survey (LABS). LABS is an annual telephone based survey of over 4,000 private sector businesses in London. The survey consists of questions on the performance of businesses, the difficulties they are experiencing in running their business, how the physical/social infrastructure and business environment of London affects them, and questions on specific areas such as access to finance, information technology and innovation, management, and business support needs. There is no data at the national level that is directly equivalent to that from LABS, thus it is necessary to use data from the National Employer Skills Survey (NESS) to draw a comparison between London and the UK.

Businesses reporting skills gaps and skill shortage vacancies: This data comes from NESS which provides detailed information about the extent, causes, and implications of England's recruitment problems and skill gaps. NESS forms part of a longer time series of surveys starting with Skill Needs in Britain (1990-1998) and followed by the Employers Skill Surveys (1999, 2001 and 2002).

Objective 10: Maximise the productivity and innovation potential of London's enterprises

Gross Value Added per worker: This data comes from Experian Business Strategies. It should be noted that statistics on regional output have a number of limitations. Of particular note for the Snapshot report is that estimates of regional output or GVA are only available in current prices. This means that changes over time combine the effect of both regional inflation and real regional economic growth. This inhibits the analysis of developments over time in regional output and productivity.

Innovation: Data on innovation comes from the London Annual Business Survey. See also Objective 9.

Objective 11: Ensure a coherent approach to marketing and promoting London.

Tourism: Data for this indicator comes from the International Passenger Survey (Overseas travel and tourism (MQ6)) which is a sample survey carried out by the Office for National Statistics (ONS). Information is obtained from British Airports Authority, Eurotunnel, Eurostar, DfT, Home Office, Civil Aviation Authority and Social Survey Division of ONS. The data collected from overseas residents includes, country of residence and region of the UK visited (for overseas residents), expenditure, length of stay, year and quarter of visit.

Overseas student numbers: This data comes from the Higher Education Statistics Agency (HESA), 2005/2006. HESA is the official agency for the collection, analysis and dissemination of quantitative information about higher education in the UK. Data is collected from students during student enrolments over the academic year at each publicly funded higher education institution in the United Kingdom.

Foreign Direct Investment: The Ernst & Young European Investment Monitor (EIM) provides comprehensive information on inward investment across Europe. EIM shows which companies are locating where in Europe. Project details include: parent company undertaking the investment and country of origin; city, region and country receiving the investment project; type of investment (new, expansion or co-location); industry sector and activity (e.g. contact centre, manufacturing plant) and jobs created/safeguarded.

Objective 12: Co-ordinate effective marketing and promotion activities across London

Number of overseas visitors: Data comes from the International Passenger Survey (Overseas travel and tourism (MQ6)) which is a sample survey carried out by the Office for National Statistics (ONS). Information is obtained from British Airports Authority, Eurotunnel, Eurostar, DTLR, Home Office, Civil Aviation Authority and Social Survey Division of ONS. The data collected from overseas residents includes, country of residence and region of the UK visited (for overseas residents), expenditure, length of stay, year and quarter of visit.

Number of UK visitors: Data comes from the United Kingdom Tourism Survey, a national survey that is measuring the trips, the volume and value of domestic trips made by UK residents. The survey covers trips for one night or more and includes information on purpose for travelling and destination. The methodology of the survey changed in May 2005, hence data before and after 2005 is not directly comparable. Furthermore, the data for January to May 2005 have derived from backward projections and therefore should be used with caution when comparing with 2006.

Objective 13: Maintain and develop London as a top international destination and principal UK gateway for visitors, tourism and investment

Expenditure of overseas visitors: Data comes from the International Passenger Survey (Overseas travel and tourism (MQ6)), which is a sample survey carried out by the Office for National Statistics (ONS). Information is obtained from British Airports Authority, Eurotunnel, Eurostar, DfT, Home Office, Civil Aviation Authority and Social Survey Division of ONS. The data collected from overseas residents includes, country of residence and region of the UK visited (for overseas residents), expenditure, length of stay, year and quarter of visit. This data is nominal expenditure data. To consider the indicator of achiving real growth it is necessary to adjust nominal expenditure for inflation using an appropriate deflator.

Expenditure of UK visitors: Data comes from the United Kingdom Tourism Survey, a national survey that is measuring the trips, the volume and value of domestic trips made by UK residents. The survey covers trips for one night or more and includes information on purpose for travelling and destination. The methodology of the survey changed in May 2005, hence data before and after 2005 is not directly comparable. Furthermore, the data for January to May 2005 have derived from backward projections and therefore should be used with caution when comparing with 2006.

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Public Liaison Unit
Greater London Authority
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London SE1 2AA

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Chinese

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Vietnamese

Nếu bạn muốn có văn bản tài liệu này bằng ngôn ngữ của mình, hãy liên hệ theo số điện thoại hoặc địa chỉ dưới đây.

Greek

Αν θέλετε να αποκτήσετε αντίγραφο του παρόντος εγγράφου στη δική σας γλώσσα, παρακαλείστε να επικοινωνήσετε τηλεφωνικά στον αριθμό αυτό ή ταχυδρομικά στην παρακάτω διεύθυνση.

Turkish

Bu belgenin kendi dilinizde hazırlanmış bir nüshasını edinmek için, lütfen aşağıdaki telefon numarasını arayınız veya adrese başvurunuz.

Punjabi

ਜੇ ਤੁਹਾਨੂੰ ਇਸ ਦਸਤਾਵੇਜ਼ ਦੀ ਕਾਪੀ ਤੁਹਾਡੀ ਆਪਣੀ ਭਾਸ਼ਾ ਵਿਚ ਚਾਹੀਦੀ ਹੈ, ਤਾਂ ਹੇਠ ਲਿਖੇ ਨੰਬਰ 'ਤੇ ਫ਼ੋਨ ਕਰੋ ਜਾਂ ਹੇਠ ਲਿਖੇ ਪਤੇ 'ਤੇ ਰਾਬਤਾ ਕਰੋ:

Hindi

यदि आप इस दस्तावेज की प्रति अपनी भाषा में चाहते हैं, तो कृपया निम्नलिखित नंबर पर फोन करें अथवा नीचे दिये गये पते पर संपर्क करें

Bengali

আপনি যদি আপনার ভাষায় এই দলিলের প্রতিলিপি (কপি) চান, তা হলে নীচের ফোন্‌ নম্বরে বা ঠিকানায় অনুগ্রহ করে যোগাযোগ করুন।

Urdu

اگر آپ اِس دستاویز کی نقل اپنی زبان میں چاھتے ھیں، تو براہ کرم نیچے دئے گئے نمبر پر فون کریں یا دیئے گئے پتے پر رابطہ کریں

Arabic

إذا أردت نسخة من هذه الوثيقة بلغتك، يرجى الاتصال برقم الهاتف أو مراسلة العنوان أدناه

Gujarati

જો તમને આ દસ્તાવેજની નકલ તમારી ભાષામાં જોઈતી હોય તો, કૃપા કરી આપેલ નંબર ઉપર ફોન કરો અથવા નીચેના સરનામે સંપર્ક સાધો.

Other publications


London's Economy Today

Issue 63 | November 2007

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London's economy set to slow down in 2008

by Richard Davies, Economist

The Bank of England published its quarterly Inflation Report on 14 November. The report implies that the Bank is more worried in the short term about the expected slowdown in growth next year rather than any small increase in inflation. There is downside risk for growth and balanced risk for inflation. The US Fed has reduced US interest rates from 5.25 per cent to 4.5 per cent in recent months and a reduction in UK interest rates seems increasingly likely next year.

The Bank expects inflation to rise slightly over the coming year mainly due to increases in oil and food prices as a result of strong economic growth in emerging economies such as China and India. Consumer Price Index (CPI) inflation rose above the Government's 2 per cent target in October increasing from 1.8 per cent to 2.1 per cent.

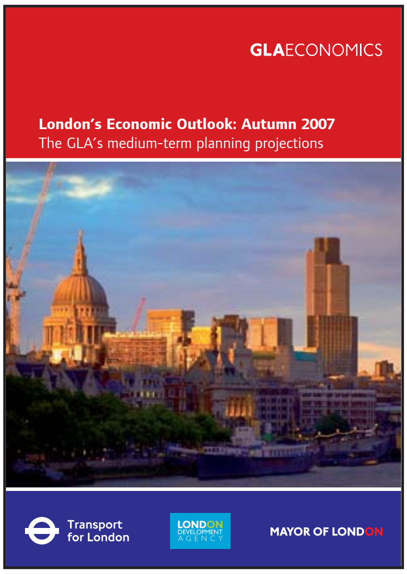
The risks on the downside are probably particularly significant for London with its exposure to the US economy and a large financial sector.

GLAECONOMICS

Latest news...

- **Central Business District (CBD) seminar** GLA Economics will be hosting a high-level seminar on the morning of Wednesday 23 January 2008, to discuss London's Central Business District. Central Business Districts are increasingly important to the economic vitality of cities. London's CBD, covering the City, a large part of Westminster, parts of several other central boroughs and the Canary Wharf exclave to the east is home to many of the capital's core functions.

If you would like further information about this event please email glaeconomics@london.gov.uk



GLA Economics also produce *London's Economy Today* – a monthly e-newsletter that features the most up-to-date information on the state of London's economy. This includes a macroeconomic overview alongside recent data releases and previews of current economic analysis generated by the GLA Economics team.

If your interest lies in seeing a projection of London's economy over the next three years, GLA Economics also produce *London's Economic Outlook*. This six-monthly publication contains: an overview of recent economic conditions in London, the UK and the world economies with analysis of important events; a consensus forecast - a review of independent forecasts indicating the range of views about London's economy; GLA Economics' forecast for output, employment, household expenditure and household income in London; and an in-depth assessment of a topic of particular importance to London's medium-term future.

If you wish to receive either or both of these reports fill in your contact details at www.london.gov.uk/mayor/economic_unit/glaeconomics_form.jsp or email glaeconomics@london.gov.uk or telephone us on 020 7983 4922.

GLAECONOMICS

Greater London Authority
City Hall
The Queen's Walk
London SE1 2AA

Tel: 020 7983 4922
Fax: 020 7983 4137
Minicom: 020 7983 4458
Email: glaeconomics@london.gov.uk

www.london.gov.uk/mayor/economic_unit

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