

Borough employment projections to 2026

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This note presents a set of borough level employment projections for 2006, 2011, 2016, 2021 and 2026. These numbers have been calculated using a new methodology ('triangulation'), which combines projections produced on three bases: trend projections, projections in line with expected changes in transport accessibility, and projections in line with expected availability of business sites. These numbers should be used for planning and policy purposes within the Greater London Authority (GLA) group. Bodies outside of the GLA group needing employment projections of this sort are free to use these figures. This current issues note is being published now in order to get these new projections into the public domain. A more comprehensive working paper is being drafted which will detail the methodology used to generate these projections and detail the supporting research that fed into the production of these numbers.

1. Introduction

Last year GLA Economics released interim borough level employment projections for 2006, 2011 and 2016. These projections were an update on the projections produced for the London Plan in 2002. This current issues note publishes new numbers derived from a new methodology, which combines projections made on three different bases:

- historic trends
- transport accessibility
- the availability of business sites.

These new projections also extend past 2016 to include projections for 2021 and 2026 for the first time.

This note briefly sets out the new methodology, which has been used to derive these new numbers. It will be supplemented with a comprehensive working paper detailing the full methodology used to produce these projections including annexes setting out the supporting research from Volterra Consulting, Colin Buchanan and Partners (CBP) and Roger Tym and Partners (RTP) that has fed into the production of these borough employment numbers.

2. Methodology

GLA Economics has developed a set of borough level employment projections and to that end commissioned research that projected the distribution of employment across London in accordance with:

- Structural trends evident in the boroughs from Volterra Consulting.

- Transport accessibility improvements produced by various transport infrastructure developments that are assumed to come on stream in the future, such as Crossrail from CBP.
- The availability of current, and the development of new, business sites and related premises from RTP.

GLA Economics has developed a method that combines these three projections for the individual boroughs into a unified or ‘triangulated’¹ set of employment projections. The employment projections on these three bases are constrained so that the sum of the boroughs is equal to a London-wide control total. This London-wide control total is derived from the London-wide projections set out in GLA Economics *Working Paper 14*, which was published in December 2005.

In generating a single set of borough level employment projections our methodology starts with the trend based projections and considers relative accessibility and the relative availability of business sites as factors that either attract or repel employers to locate in particular boroughs.

Improved transport accessibility widens the pool of labour from which an employer can draw at a given location. This should enable the employer to hire labour at lower cost and, or achieve a better match of workers to the jobs on offer raising productivity levels, relative to what would be the case with lower levels of accessibility and thus smaller pools of labour to recruit from.

A ready availability of sites over and above the trend projections should lead to some adjustment in rent levels compared to those in other parts of London where sites are less readily available, and/or allow businesses to find premises that better suit their particular needs.

Hence, for some boroughs expected future improvements in accessibility and additions to the availability of business sites suggest that they will experience increases in employment greater than they have seen in the past. Equally, for other boroughs these factors will suggest some future underperformance relative to actual historic trends.

The above is a brief summary of our triangulation methodology, which produces a single unified projection for borough level employment. The full explanation will be included in the working paper on the borough level projections, which will be published in due course.

In the course of our work on these projections an error in the workforce employment data supplied to us by Experian Business Strategies (EBS) came to light. This error related to the self-employed component of the workforce employment series and involved locating too many self-employed in Inner London and too few in Outer London. This has now been rectified in the EBS dataset, but the incorrect data had been used by Volterra Consulting to generate their trend based borough employment projections. GLA Economics investigated the differences between this incorrect data and the corrected data that EBS supplied us with. We concluded that the trends in the borough level data in the original and corrected datasets were generally very similar and that rebasing the Volterra Consulting trend projections at the corrected last actual data point, 2003 would not make a substantive difference to our

¹ We have described our method for combining these employment projections as ‘triangulation’ given the definition of this word as ‘the combination of methodologies in the study of the same phenomenon’.

conclusions. The full details of this analysis will be included in our working paper on these employment projections.

3. Results

The results of this process for individual boroughs are set out in Tables 1 and 2

Table 1: Borough employment projections, levels ('000s)

	Actual			Projections				
	2001	2002	2003	2006	2011	2016	2021	2026
Barking & Dagenham	55	51	53	54	55	56	59	61
Barnet	148	142	141	142	145	148	153	159
Bexley	80	79	80	79	78	83	85	88
Brent	118	114	113	115	114	119	123	128
Bromley	119	118	123	122	122	122	125	127
Camden	285	281	277	286	300	323	340	353
City	331	317	316	331	369	382	390	398
Croydon	158	154	154	153	152	152	155	157
Ealing	130	129	131	132	134	140	141	151
Enfield	115	113	115	115	114	115	117	119
Greenwich	74	72	76	77	78	81	84	87
Hackney	95	94	95	96	100	105	111	117
Hammersmith & Fulham	123	122	124	132	143	157	166	172
Haringey	71	71	74	76	74	81	85	89
Harrow	85	84	87	89	89	91	95	99
Havering	91	91	93	93	91	95	98	100
Hillingdon	191	184	187	187	189	194	200	207
Hounslow	146	142	137	140	140	145	151	157
Islington	170	168	173	180	196	208	216	224
Kensington & Chelsea	145	141	136	142	155	158	160	162
Kingston	83	79	78	77	76	77	78	79
Lambeth	129	129	138	145	158	162	166	167
Lewisham	74	74	78	79	84	85	90	94
Merton	82	81	80	80	82	82	85	87
Newham	79	77	76	79	83	101	113	125
Redbridge	88	87	90	90	89	93	95	96
Richmond	86	84	85	85	84	85	87	88
Southwark	175	167	164	176	187	202	220	240
Sutton	75	74	76	75	74	75	76	77
Tower Hamlets	153	155	161	186	203	240	271	306
Waltham Forest	68	66	67	67	65	67	69	71
Wandsworth	127	127	132	135	138	143	150	157
Westminster	597	583	572	588	656	672	689	706
Greater London	4547	4449	4481	4603	4816	5039	5240	5450

Source: GLA Economics

Table 2: Borough employment projections, changes

Thousands	Change (in '000s)		Percentage (%) change	
	2003-16	2003-26	2003-16	2003-26
Barking & Dagenham	3	7	6	14
Barnet	7	19	5	13
Bexley	3	9	4	11
Brent	6	14	5	12
Bromley	-1	3	-1	3
Camden	47	76	17	27
City	65	82	21	26
Croydon	-1	3	-1	2
Ealing	8	20	6	15
Enfield	0	5	0	4
Greenwich	5	11	6	14
Hackney	10	22	11	23
Hammersmith & Fulham	33	48	26	39
Haringey	7	15	10	21
Harrow	4	12	5	14
Havering	2	7	2	8
Hillingdon	7	19	4	10
Hounslow	8	20	6	14
Islington	35	51	20	30
Kensington & Chelsea	22	26	16	19
Kingston	-1	1	-1	1
Lambeth	24	30	17	22
Lewisham	7	16	9	20
Merton	2	7	3	9
Newham	25	49	32	65
Redbridge	3	6	3	7
Richmond	0	4	0	4
Southwark	38	76	23	46
Sutton	-1	1	-1	1
Tower Hamlets	78	145	49	90
Waltham Forest	0	4	0	6
Wandsworth	11	25	9	19
Westminster	101	134	18	23
Greater London	557	969	12	22

Source: GLA Economics

4. Conclusion

This note has outlined a set of borough level employment projections through to 2026. These projections have been generated using a new methodology, which triangulates projections on three different bases – trend based, based on transport accessibility, and based on the availability of business sites. The full details of this methodology will be set out in a forthcoming GLA Economics working paper.