

Dear [REDACTED]

Thank you for your email of 21 April to the Mayor of London, regarding 'Appendix 3 - Measuring Jobs from the Housing Programme'. I have been asked to respond on behalf of the Mayor.

The document is appendix 3 of the 'Measuring Jobs - Progress Report' presented to the GLA Investment and Performance Board (IPB) on 19 August 2014 - please see Agenda Item 9 via the following link:-

<https://www.london.gov.uk/moderngov/ieListDocuments.aspx?CId=234&MId=5463&Ver=4>

The purpose of this IPB paper was to check progress against the Mayor's manifesto commitment to create 200,000 jobs from GLA Group activity, which includes the Housing programme. This document, produced in August 2014, is the latest version and there are currently no plans to update the analysis.

Previously, the methodology used to estimate the number of jobs created by new housing completions was based on the assumption that 2 jobs were created for each home completed which comes from the Government's National Housing Strategy, available through the following link:-

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/7532/2033676.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7532/2033676.pdf)

However, there was no information as to how this assumption was derived or whether it was appropriate for London. Consequently, this analysis attempted to independently verify this assumption and found that there are 2.0 direct gross jobs per new housing output in London. This estimate is not based on a specific project within the Mayor's Housing programme, but the average for all house building - by both the public and private sectors - in London.

In addition to the direct gross jobs created, there will also be indirect jobs (created through the supply chain) and induced jobs (as a result of spend of earnings by those in the direct/indirect jobs). These have been estimated using the employment multipliers from the Scottish Government. This suggests that for each new housing output in London there are 2.0 direct jobs, 1.6 indirect jobs and 0.8 induced jobs - a total of 4.4 jobs.

For more information please contact Mark Wingham (mark.wingham@london.gov.uk) in the GLA Economics Team.

I hope that this information is helpful.

Yours sincerely

[REDACTED]  
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