

Forecast report

Visitor Accommodation in London:

Post-pandemic recovery and supply-demand forecasts to 2050

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Executive summary

Demand for visitor accommodation in London has recovered since the pandemic, but its composition has changed.

- Overnight visits to the capital rose from 33.7 million in 2019 to 36 million in 2024 (+6.8%). The **number of nights visitors spent in the city rose from 146.4 to 153.9 million (+5.1%)**. The recovery was led by domestic visitors: domestic nights rose 33.2% while international nights fell 1.5%. **In serviced accommodation (hotels, bed-and-breakfasts, etc.), occupancy rates have fallen, but providers have held room revenue steady by raising rates.** Between Q1 2019 and Q1 2025, London's average hotel occupancy rate fell from 83.6% to 81.4%, while real revenue per available room (RevPAR) – the standard demand measure – held flat (£146 to £147). This varied between London's sub-regions. Occupancy in 2025 was highest in West London (82.3%) and lowest in South London (79.8%); real RevPAR rose most in South London (+7.6%) and fell most in East London (-5.1%).
- **The unserviced accommodation sector (listings on Airbnb, VRBO etc.) increased its share of all visitor nights from 8.7% to 10.2% between Q1 2019 and Q1 2025. Occupancy rates have fallen, but revenue has increased** – considerably more so than the serviced sector. Occupancy rates at the London-level fell from 36.2% in Q1 2019 to 34.2% in Q1 2025, but RevPAR rose around 60% (£63 to £100). This was consistent across every sub-region.

Growth in the total supply of visitor accommodation has been modest, and masks opposing trends in serviced and unserviced accommodation supply.

The number of total bookable units (serviced accommodation rooms and unserviced listings) has grown 2.3% since 2019. The number of total rooms has held flat (+0.5%).

- **Supply of serviced accommodation rooms grew 8.9% (160,115 to 174,384) – with growth largely an Inner London story.** Westminster alone accounted for around a third of London's net serviced room additions, and the five boroughs with the most growth (all Inner London) together accounted for 69% of the total increase.
- **Unserviced accommodation supply has contracted, with total unserviced listings falling 12.4% (71,565 to 62,723), resulting in unserviced room capacity falling 12%.** The sharpest falls in supply were in Inner London. The five boroughs with the largest declines (all Inner London) constituted two-thirds of the overall contraction in supply. The contraction was also disproportionately in private-room listings – and as a result, entire-home listings have increased share of overall unserviced supply from 64% of all listings to 71%.

On aggregate, demand for visitor accommodation is forecast to keep growing, and supply to broadly keep pace.

- **Visitor nights are projected to rise from 154 million in 2024 to 224 million by 2050 (+45%).** Assuming the serviced accommodation share of total nights holds, this is forecast to lift the number of serviced rooms demanded from roughly 166,000 in 2025 to 232,000 by 2050 – an additional 66,000 rooms (+40%), or 2,600 net additional rooms per year.
- **Supply of serviced accommodation is forecast to increase from around 174,000 rooms in 2025 to around 243,000 by 2050 (roughly 69,000 net new rooms).** This is a surplus of about 11,000 rooms above rooms demanded – i.e., a 4.8% cushion in supply. The unserviced accommodation sector lacks construction-pipeline data and so is not forecast here; on recent trends and policy developments, it is more likely to contract further than to expand.

Introduction & background

London is one of the world's most visited cities. In 2024, the capital received around 36 million overnight visitors – roughly 21 million from overseas and 15 million from elsewhere in the UK. These visitors spent about 154 million nights in the city and generated around £20 billion in total visitor spending <https://www.visitbritain.org/research-insights/inbound-visits-and-spend-quarterly-regional>. Given the scale of these numbers, it is important for policymakers to understand whether the supply of visitor accommodation housing tourists can adequately meet demand.

The 2021 London Plan identified a long-term need for net additional rooms (new rooms, net of losses) in the serviced visitor accommodation sector, defined as accommodation with catering and cleaning provided (such as hotels, bed & breakfasts and hostels). This figure was informed by [GLA Economics' projections of visitor demand](#), which used data running to 2015 and put the need at around 58,000 additional serviced rooms by 2041.

This report updates that evidence base to inform the next London Plan. It broadens the scope beyond serviced accommodation to the unserviced sector (short-term lets on platforms such as Airbnb and Vrbo) and brings the evidence up to date - using a further decade of data and extending the forecast horizon to 2050.

The report examines the current supply and demand conditions in London's entire visitor accommodation sector, and across the serviced and unserviced accommodation sectors. Findings are presented at the London-level, subregional-level, and borough-level. It then sets out projections for the supply and demand of serviced visitor accommodation from 2025 to 2050 – leading to an estimation of the number of rooms expected to be needed at the borough-level to meet forecast demand.

Detailed methodology, scenario sensitivity tables, and the full borough-by-borough demand and supply tables are presented in the annex.

1 Demand for visitor accommodation

Demand for London's visitor accommodation has recovered in aggregate since the pandemic, but the composition of that demand has changed – with fewer international trips (from visitors concentrated from fewer countries) and more domestic stays. This chapter maps how demand sits today, and how it differs from the pre-pandemic baseline at the London, subregional, and borough level.

1.1 Total Demand

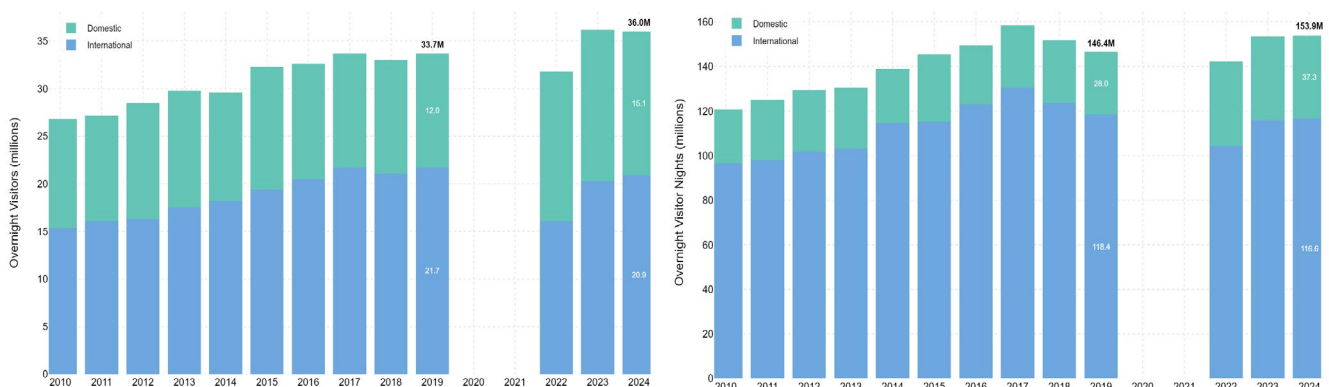
Overall demand for visitor accommodation can be measured in a few ways. Looking at the number of visits into London – the “headcount” figure for demand – is useful for general infrastructure planning (e.g., assessing transport capacity based on visitor volumes) and tourism sector planning (say, through measuring success in attracting new visitors to a destination).

Overnight visits to London have recovered beyond pre-pandemic levels (see left panel of Figure 1), rising from 33.7 million in 2019 to 36 million in 2024 (+6.8%). Of these visits, international visits have fallen from 21.7 million to 20.9 million (–3.7%), while domestic visits have risen from 12 million to 15.1 million (+25.8%) – i.e., recovery has been driven mostly by domestic demand. This marks a compositional shift towards domestic visits: from a 64% international and 36% domestic split in 2019 to a 58% and 42% split in 2024.

While measuring total visits has its uses, measuring total visitor nights better captures visitor accommodation demand. Duration matters: a seven-day business trip creates seven times more accommodation demand than a day trip, but both count as one “visit”. Visitor nights reflect actual bed-nights consumed, providing a demand metric that determines capacity requirements and occupancy rates. On this measure, demand for visitor accommodation has also recovered beyond pre-pandemic levels (see right panel of Figure 1), again driven mostly by increased domestic demand. **Total visitor nights have risen from 146.4 million in 2019 to 153.9 million in 2024 (+5.1%).** Of these, international visitor nights have fallen from 118.4 million to 116.6 million (–1.5%), while domestic visitor nights have risen from 28 million to 37.3 million (+33.2%).

By both measures, the **overall demand recovery has been driven by the domestic visitor market and has produced a compositional shift towards domestic visitors**, although international visitors still constitute a much larger share of total visitor nights (around 76% in 2024).

Figure 1: Overnight visits into the UK, millions (left panel); Visitor nights into the UK, millions (right panel)

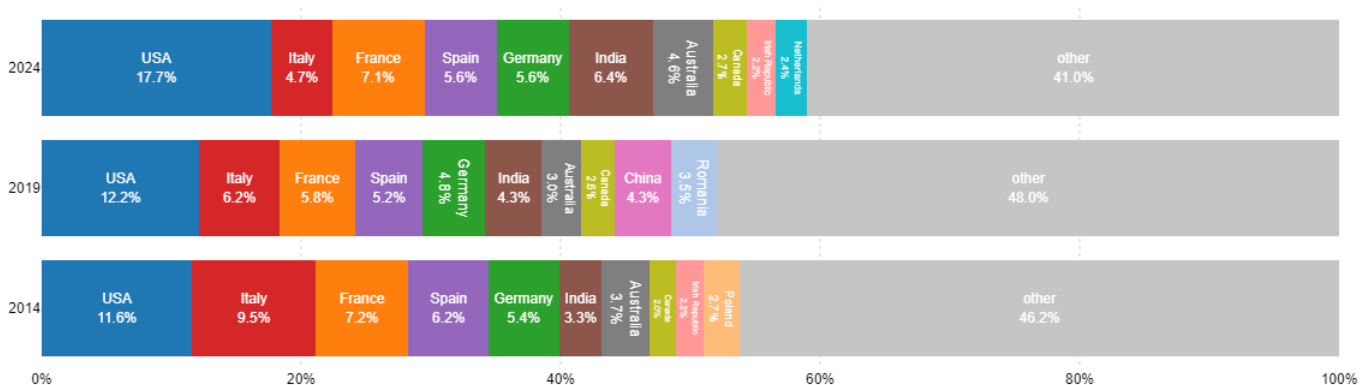


Source: International Passenger Survey (IPS) and Great Britain Tourism Survey (GBTS)

The average length-of-stay for domestic and international visitors has increased marginally. According to ONS IPS data, domestic visitors averaged 2.5 nights per visit in 2024, compared to 2.3 nights in 2019 – while international visitors stayed for an average of 5.6 nights in 2024, compared to 5.5 in 2019.

Visitors' reasons for travel have shifted slightly. Among international visitors (ONS IPS data), holiday travel accounted for 46% of overnight stays in 2019, falling to 44% in 2024. Visiting friends or family remains the second-most popular reason, growing in share from 32.2% in 2019 to 33.7% in 2024. Business travel has fallen from 14% in 2019 to 12% in 2024. The countries of origin of international visitors have also changed (see Figure 2). **London's international visitors are increasingly coming from fewer countries**, with the top ten countries responsible for a larger share of visits – rising from 52% in 2019 to 59% in 2024. The USA remains the biggest source of London's international tourists, rising from 12% in 2019 to 18% in 2024. India has roughly doubled its share from 3% to 6%, while China's share has fallen from 4% to 2%.

Figure 2: UK international visitor nights, by country of origin



Source: ONS IPS data

To recap, total visitor numbers and visitor nights have recovered beyond 2019 levels – driven mostly by increased domestic demand. The next question is whether this shifting visitor mix has altered accommodation demand patterns. To assess this, we split demand for visitor accommodation into two types of accommodation: serviced and unserviced accommodation.¹

- **Serviced accommodation** consists of hotels, bed-and-breakfasts, guest houses, apart-hotels and hostels – anywhere with the potential for food and “service”.
- **Unserviced accommodation** consists of Airbnb, VRBO, and other “short-term lets”.

Although no London-specific data exists on the exact demand split between the two, we can infer the broad story from listing-level unserviced accommodation data (explored further in later sections). Unserviced accommodation nights have risen from 12.8 million in 2019 to 15.6 million in 2024 (+22%), while overall visitor nights have risen from 146.4 million to 153.9 million. **This implies that the unserviced accommodation share has risen from 8.7% to 10.2% of total visitor nights.**

To measure whether demand really has shifted between the two, we can look at a few demand measures – occupancy rates and average daily rates – which measure demand from complementary angles.

¹ This report draws on two core datasets. [CoStar](#) (formerly STR) supplies serviced accommodation inventory, occupancy, ADR and pipeline data, with full coverage of London's 33 boroughs and dedicated feeds for the CAZ and NIOD zones. [Deckard](#) supplies unserviced accommodation data sourced from Airbnb, VRBO and Booking.com, covering 32 of London's 33 boroughs (City of London is geographically uncoded in the source feed).

1.2 Demand for serviced visitor accommodation

Occupancy rates and Average Daily Rates (ADR) are commonly used indicators of accommodation demand, each capturing different aspects.

- Occupancy rates are calculated by dividing the number of rooms sold by the number of rooms available in a period – and measure demand relative to available supply by indicating a customer’s willingness to pay the supplier’s price.
- ADR is calculated by dividing total room revenue by the number of rooms sold in a period – and reflects hotels’ pricing power, which theoretically increases when demand exceeds supply or when hotels gain pricing power through location, quality, or brand positioning. Unless otherwise stated, the report will use real ADR (nominal ADR adjusted for inflation, in 2025 prices)².

Between Q1 2019 and Q1 2025, London’s serviced accommodation sector saw occupancy rates decline from 83.6% to 81.4%, and ADR increase in real terms, from £174 to £182 (see Figure 3).

- Central London experienced the largest fall in occupancy rate, from 85.1% to 81.5% (-3.6pp), while seeing real ADR increase from £212 to £225 (+6.1%).
- East London’s occupancy fell from 82% to 80.9% (-1.1pp), while ADR fell from £141 to £135 (-3.7%).
- West London’s occupancy rate rose from 80.8% to 82.3% (+1.6pp), as did ADR, from £100 to £103 (+2.6%). The subregion was the only one with increased occupancy.
- South London saw occupancy fall from 80.8% to 79.8% (-1pp), but achieved the highest ADR growth, from £100 to £109 (+9.2%).
- North London’s occupancy rate fell from 82.5% to 80.2% (-2.3pp), with a slight ADR increase from £98 to £99 (+1.3%).

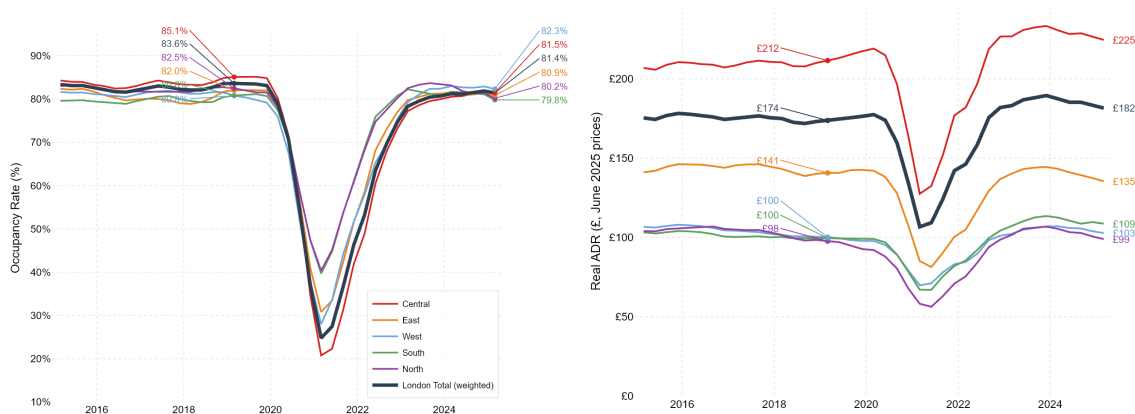
The Central Activity Zone (CAZ)³ with an increase in real ADR (Jun 2025 prices) from £223 to £233 (+4.8%)⁴.

² Real values are deflated using the UK all-items CPI (ONS series D7BT), expressed in 2025 prices. This captures economy-wide inflation rather than hotel-sector-specific cost movements.

³ For brevity we refer to all 33 London local authorities as ‘boroughs’. The City of London is strictly a “sui generis authority”, not a London borough, but is included throughout under ‘boroughs’.

⁴ The Central Activities Zone (CAZ) is the designation in the London Plan for London’s primary economic core, covering the City of London, the West End, and surrounding inner areas. It concentrates the highest densities of office, retail, cultural and visitor uses in the capital. The CAZ includes the whole of the City of London and parts of the boroughs of Westminster, Camden, Islington, Hackney, Tower Hamlets, Southwark, Lambeth, Wandsworth and Kensington & Chelsea.

Figure 3: Serviced accommodation occupancy rates (left panel) and real average daily rates (right panel), by London sub-region (12-month rolling average)



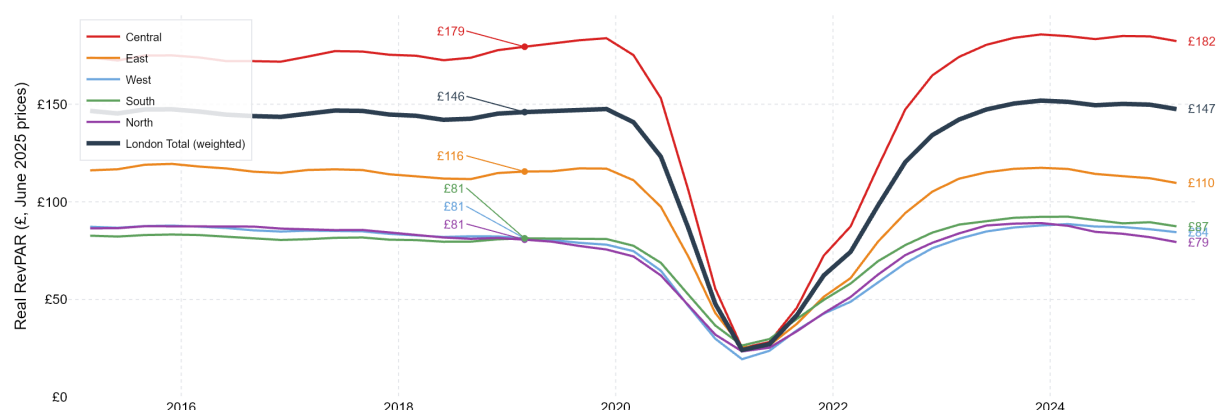
Source: CoStar hotel supply data

Note: single month occupancy rate data has been smoothed using a 12-month trailing average, to account for monthly noise and seasonal trends; real ADR is presented in 2025 prices

Both of the measures above are commonly used to calculate the main measure of visitor accommodation demand, Revenue per available room (RevPAR). RevPAR is calculated by multiplying a hotel's average ADR by its occupancy rate – reflecting a customer's willingness to pay at the hotel's desired price (the fundamental definition of economic demand). Real RevPAR for London has recovered to 2019 levels (see Figure 4), rising from £146 in 2019 to £147 in 2025 (+0.7%). Across London's sub-regions, the story varies:

- In central London, RevPAR has increased from £179 in 2019 to £182 in 2025 (+1.6%).
- East London saw RevPAR fall from £116 to £110 in 2025 (-5.1%), the largest fall in demand.
- In West London, RevPAR increased from £81 to £84 (+3.9%).
- South London saw the largest increase, with RevPAR increasing from £81 to £87 (+7.6%).
- North London saw a slight fall in demand, with RevPAR decreasing from £81 to £79 (-2.5%)
- CAZ's saw a slight increase in demand, with real RevPAR rising from £189 to £191 (+1.0%)

Figure 4: Serviced accommodation RevPAR, by London sub-region (12-month rolling average)



Source: CoStar hotel supply data

Note: single month RevPAR data has been smoothed using a 12-month trailing average, to remove noise and seasonal trends

Figure 5 presents borough-level changes in demand (occupancy rates and ADR) between Q1 2019 and Q1 2025. For most boroughs, the story mirrors London's: falls in occupancy rates, and slight increases in ADR. 28 of 33 boroughs saw occupancy rates fall⁵, while 23 of 33 increased real ADR.

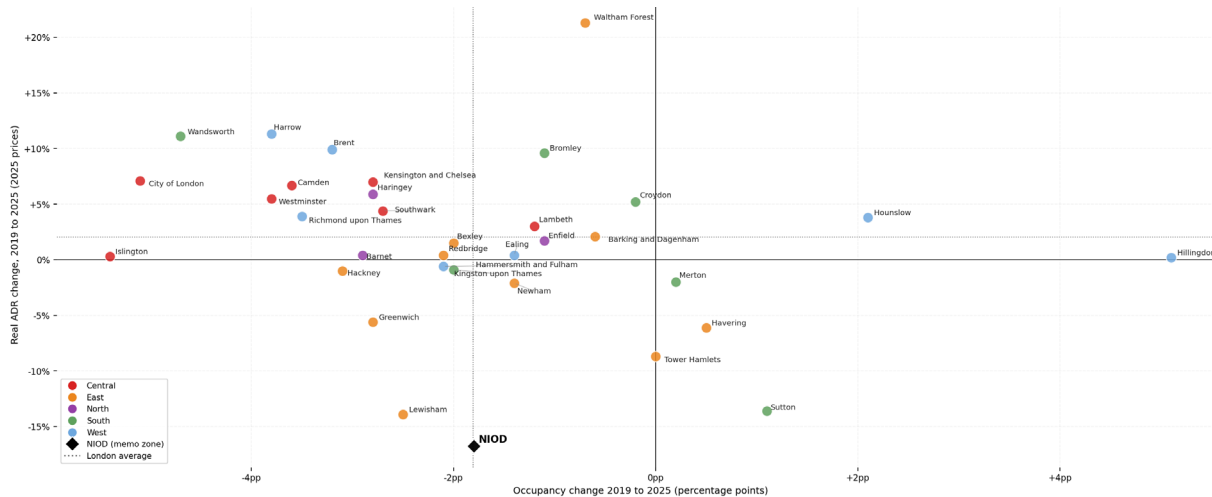
- **Boroughs with lower occupancy and increased ADR:** Most boroughs fall into the chart's top-left quadrant, including every Central London and North London borough. This likely reflects post-COVID business travel declining, with hotels likely increasing ADR (despite lower occupancy) to absorb rising operating costs⁶.
- **Boroughs with higher occupancy and increased ADR:** Only Hounslow and Hillingdon (both Heathrow-adjacent) saw both occupancy and real ADR rise (green top-right quadrant of Figure 5). Hillingdon saw real ADR essentially flat (+0.2%) alongside a clear occupancy gain (+5.1pp).
- **Boroughs with higher occupancy and lower ADR:** Merton, Havering, and Sutton (Outer London boroughs) have seen occupancy rates rise, but ADR fall. These boroughs increased their room capacity from very small levels in 2019 (explored further in the supply section), with new rooms concentrated in budget and limited-service brands - which fill easily but drag the boroughs average ADR down. Northern Isle of Dogs (NIOD) also falls into this category, with occupancy rate falling from 80.4% to 78.6% (-1.8pp), with a decrease in ADR from £197 to £164 (-16.8%). Both falling at once is consistent with NIOD's boom in supply outpacing demand growth in this small market (explored further in the following chapter).
- **Boroughs with lower occupancy and lower ADR:** Many East London boroughs (Hackney, Greenwich, Lewisham, and Newham) have seen both occupancy rates and ADR fall. These boroughs have substantially increased room capacity (explored in later sections) – but as they lack a structural

⁵ For brevity we refer to all 33 London local authorities as 'boroughs'. The City of London is strictly a sui generis authority, not a London borough, but is included throughout under 'boroughs'.

⁶ UK hotel operating costs rose substantially between 2019 and 2025, driven primarily by labour cost increases – with London hotels seeing a [28% increase in labour costs since 2019](#), Energy and food costs also spiked in the same period, due to the war in Ukraine. The cumulative effect has been a persistent margin squeeze. Faced with structurally higher costs, serviced accommodation providers have had a strong incentive to push nominal [ADR upward](#) even where occupancy has softened.

demand anchor (no Heathrow and no Westminster tourism draw), the new rooms have possibly opened ahead of demand.

Figure 5: Changes in serviced accommodation occupancy rates and real ADR between Q1 2019 and Q1 2025, by borough



Source: CoStar hotel supply data

Despite overall demand (visitor nights) recovery, hotel occupancy rates have fallen across most of London. While hotels have maintained revenue growth through pricing power, **the widespread decline in serviced accommodation occupancy rates across London's regions could point to demand flowing to alternative sources of accommodation** - which we discuss in the following section.

1.3 Demand for unserviced visitor accommodation

Demand recovery for unserviced accommodation has been similar to that of serviced accommodation: lower occupancy rates and increased ADR - though the ADR rise has been far steeper. Between Q1 2019 and Q1 2025, London's unserviced accommodation sector saw occupancy rates fall from 36.2% to 34.2% (see Figure 6), while real ADR increased from £179.86 to £313.26 (74%).⁷⁸

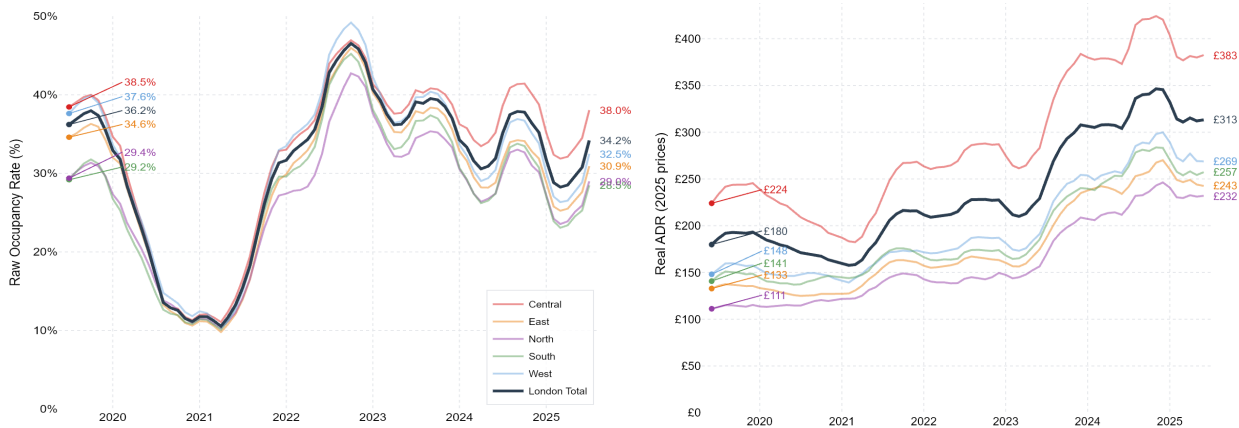
- Central London experienced a small fall in occupancy, from 38.5% to 38% (-0.5pp), while seeing real ADR growth from £224 to £383 (+71%).
- East London's occupancy fell from 34.6% to 30.9% (-3.7pp), while ADR increased from £133 to £243 (+83%).
- West London's occupancy rates saw the largest fall in occupancy, from 37.6% to 32.5% (-4.9pp), with ADR growing from £148 to £269 (+82%).

⁷ Hotels typically run at 75 to 85% occupancy. Unserviced accommodation occupancy may look weak by comparison, but the figures are not directly comparable. Hotel occupancy is measured in rooms that are professionally managed and marketed every night - while unserviced accommodation occupancy is measured across all active listings, including those listed only seasonally. The structural floor for unserviced accommodation occupancy is therefore lower by design, not by underperformance.

⁸The Deckard unserviced accommodation data is borough-aggregated and cannot be disaggregated to CAZ, NIOD, or OPDC, as all three span multiple boroughs. The City of London is similarly not coded as a geographic unit in the Deckard dataset.

- South London saw occupancy fall from 29.2% to 28.5% (-0.7pp) while achieving strong ADR growth from £141 to £258 (+83%).
- North London experienced the smallest occupancy rate falls, from 29.4% to 29% (-0.4pp), and the highest ADR increase from £112 to £232 (+109%).

Figure 6: Unserved accommodation occupancy rates (left panel) and real average daily rates (right panel), by London sub-region (6-month rolling average)



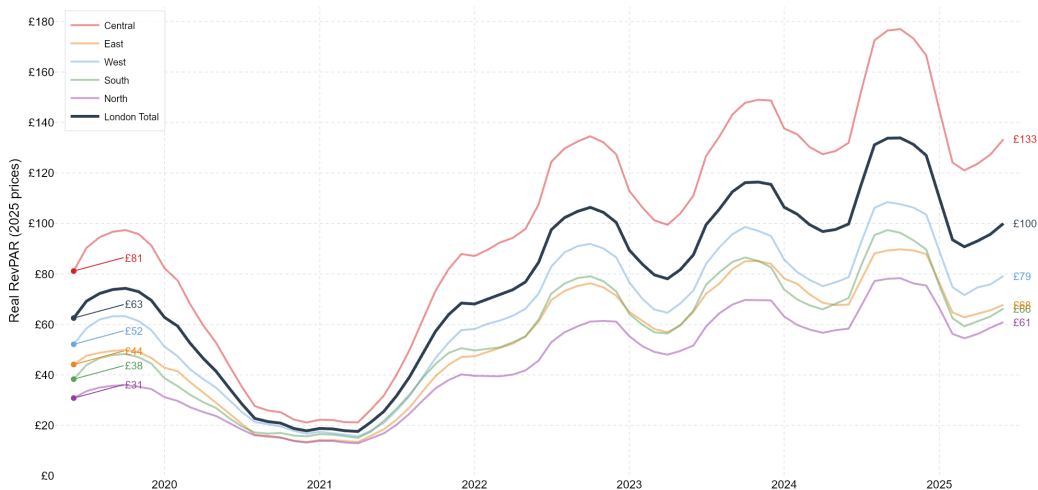
Source: Deckard short-term let data

Note: single month occupancy rate data has been smoothed using a 6-month trailing average, to remove noise and seasonal trends, while preserving the Q1 2019 data point required for pre-pandemic comparisons. Direct numerical comparisons between serviced and unserved metrics at identical dates (e.g., Q1 2025) should be avoided due to these differing smoothing methodologies, though both approaches effectively reveal their respective market dynamics and long-term trajectories.

Combining these measures into **real RevPAR** indicates **London's unserved real RevPAR has risen substantially, from £63 in Q1 2019 to £100 in Q1 2025 (+60%)**, as shown in Figure 7. All the capital's sub-regions have seen substantial increases in RevPAR.

- In Central London, RevPAR increased from £82 in 2019 to £133 in 2025 (+64%)
- East London saw RevPAR rise from £44 to £68 (+54%)
- In West London, RevPAR increased from £52 to £79 (+52%)
- South London saw RevPAR increase from £38 to £66 (+73%)
- North London saw the largest increase in demand, with RevPAR increasing from £31 to £61 (+98%)

Figure 7: Unserved accommodation RevPAR, by London sub-region (9-month rolling average)



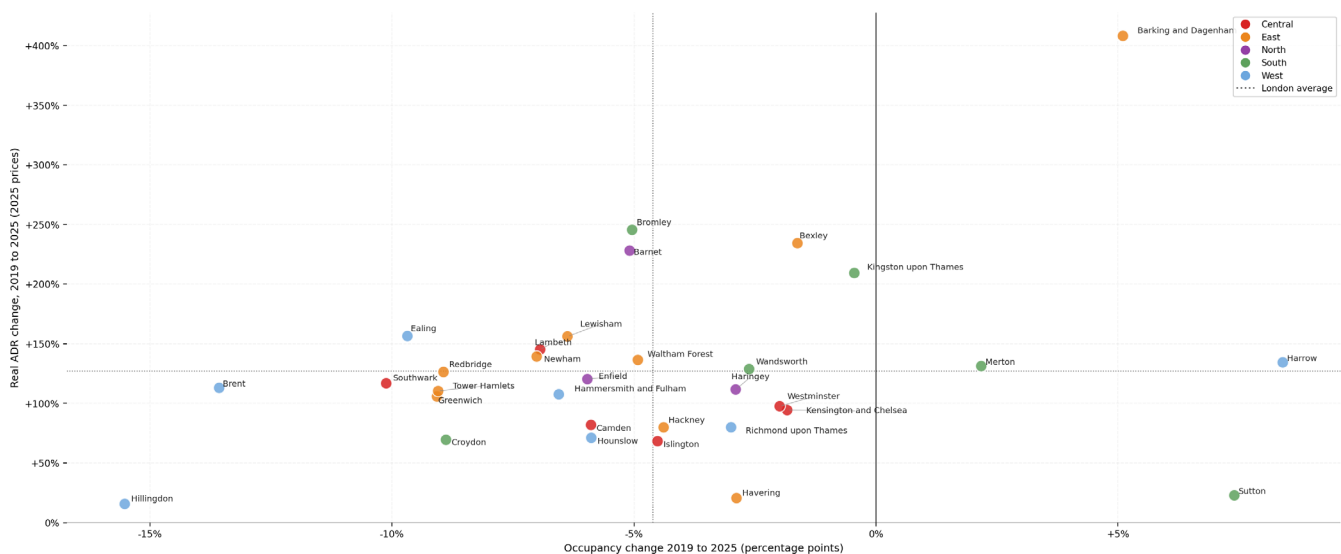
Source: Deckard short-term let data

Note: single month RevPAR data has been smoothed using a 9-month trailing average, to remove noise and seasonal trends. See figure 6 note for further detail.

The headline story of increased demand for unserved accommodation extends to almost every borough - as does the underlying cause: a substantial ADR increase amidst falls in occupancy rates. Figure 8 presents borough-level changes in demand (occupancy rates and ADR) between Q1 2019 and Q1 2025. All boroughs saw ADR rise, while all but four saw occupancy rates fall.

Outer London boroughs with relatively small stocks of supply (explored in the following chapter) grew in ADR sharply. The sharpest occupancy declines were in Inner London boroughs with high 2019 supply. Only Harrow, Sutton, Barking and Dagenham and Merton - all Outer London boroughs with relatively small supply bases - saw occupancy rise.

Figure 8: Changes in unserved accommodation occupancy rates and real ADR between Q1 2019 and Q1 2025, by borough



Source: Deckard short-term let data

Taken together, **the demand picture across both serviced and unserviced accommodation tells a consistent story: occupancy rates have fallen slightly since 2019, while RevPAR has risen – i.e., the rise in ADR has more than offset the easing in occupancy. Two factors explain the ADR strength, and a third explains the softer occupancy.**

- 1) First, **pricing power**: London remains one of the world's most visited cities, and both serviced and unserviced accommodation providers have been able to push prices upward because demand (while compositionally different from 2019) remains strong in aggregate. Visitors who *do* choose to stay in London are willing to pay more, and that willingness to pay is a fundamental measure of demand.
- 2) Second, **cost pressures**: both sectors have faced substantially higher operating costs since 2019 – labour costs for serviced accommodation; and compliance, insurance and platform costs for unserviced accommodation providers. Higher prices partly reflect providers protecting margins, rather than just responding to demand signals.
- 3) Third, supply growth: the occupancy-rate falls are modest and partly mechanical – a supply base that has grown (explored further in the next chapter) lowers the occupancy rate even when the absolute number of room-nights sold holds steady or rises.

The next chapter examines how supply has changed, and how it matters for understanding changes in demand.

2 Supply of visitor accommodation

The occupancy rate is a ratio: rooms sold divided by rooms available. When it falls despite recovering visitor numbers, we can look at supply growth as a likely explanation. London's visitor accommodation supply has indeed grown since 2019, but unevenly across sectors (unserviced and serviced accommodation) and geographies. This chapter examines how supply has evolved, why the headline numbers conceal important compositional shifts, and what the combined demand-and-supply picture implies for London's accommodation market.

2.1 Total supply

We can measure total supply of visitor accommodation through two lenses:

- 1) A **“total units” measure**, which counts each serviced room and each unserviced listing as one bookable unit (i.e., serviced rooms plus unserviced listings). This measure is useful for gauging the size of London's visitor accommodation market – i.e., the number of distinct, separately bookable units a visitor can choose from. It treats each hotel room and each short-term-rental listing as one unit of supply, matching how consumers see the choice set when they search and how regulators typically scope short-term-rental policy (through listing counts, not bedrooms). Through this measure, London's total accommodation supply has slightly increased since 2019, from 231,680 units in Q1 2019 to 237,107 units in Q1 2025 (+2.3%). Serviced accommodation supply grew from 160,115 rooms to 174,384 (+8.9%), while unserviced listings fell from 71,565 to 62,723 (-12.4%) over the same window.
- 2) A **“total rooms” measure** sums total rooms for serviced accommodation with total available unserviced rooms. This measure is useful for quantifying London's physical sleeping capacity and comparing against demand-side requirements. Through this measure, London's total accommodation supply has held steady since 2019. Total room capacity was 267,792 rooms in Q1 2019, rising marginally to 269,156 rooms in Q1 2025 (+0.5%). Serviced accommodation added 14,269 rooms (+8.9%) while unserviced room capacity fell from 107,677 to 94,772 (-12%).

Both measures of supply indicate little growth in overall supply, driven by growth in serviced accommodation and contraction in unserviced accommodation supply.

	2019 Q1	2025 Q1	Change
Lens A — Listings	231,680	237,107	+5,427
· Serviced rooms	160,115	174,384	+14,269
· Unserviced listings	71,565	62,723	-8,842
Lens B — Rooms	267,792	269,156	+1,275
· Serviced rooms	160,115	174,384	+14,269
· Unserviced rooms	107,677	94,772	-12,905

Source: CoStar hotel supply data (serviced); Deckard Short-term let data (unserviced)

This supply asymmetry reflects two sectors operating on fundamentally different timescales. Serviced accommodation supply is often locked in years ahead of delivery - with planning consent, construction, and financing typically take several years from commitment to opening. Unserviced accommodation supply can react in weeks. London's 90-day cap on entire-home letting, the April 2025 abolition of the furnished-holiday-lettings tax regime, and rising platform fees have likely contributed to decisions of unserviced accommodation providers to exit the market.

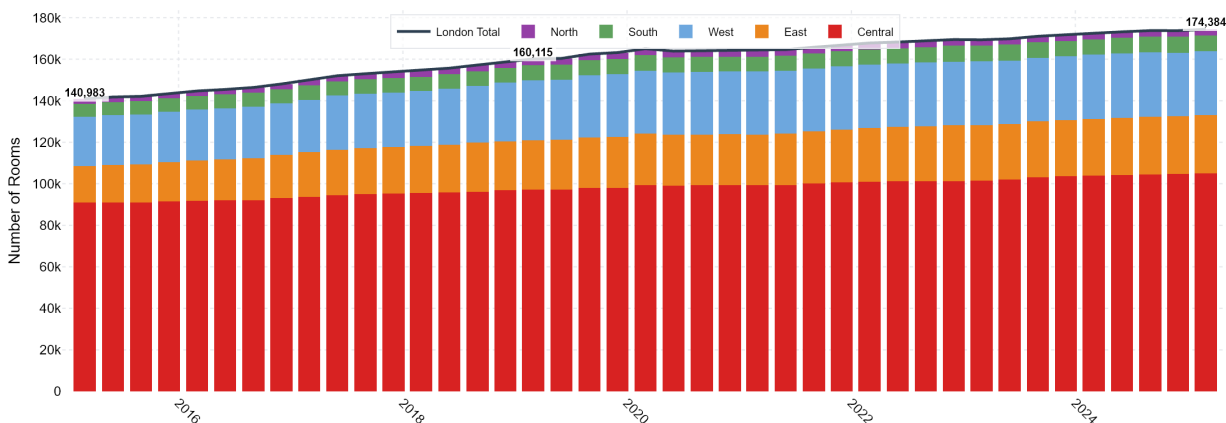
2.2 Serviced supply

London's serviced accommodation supply grew steadily through pandemic period, and has continued to do so (see Figure 9). The number of inventory rooms has risen from 160,115 rooms in Q1 2019 to 174,384 rooms in Q1 2025 (+8.9%), but growth has been uneven across sub-regions.

- Central London's supply rose from 97,263 rooms in Q1 2019 to 105,024 rooms in Q1 2025 (+8.0%)
- East London saw room supply increase from 23,760 rooms to 28,040 rooms (+18.0%)
- In West London, room supply rose from 28,846 rooms to 30,798 rooms (+6.8%)
- South London saw supply rise from 7,313 rooms to 7,633 rooms (+4.4%)
- North London saw a slight contraction in room supply, from 2,933 rooms to 2,889 rooms (-1.5%)
- The CAZ saw room supply grow from 76,209 rooms to 85,286 rooms (+11.9%)

Despite uneven growth rates, sub-regional market shares have barely shifted: Central London still comprises the majority of hotel rooms in 2025 (60.2%), with East and West London holding 16.1% and 17.7% respectively, and South and North London remaining relatively small markets at 4.4% and 1.7%.

Figure 9: Serviced accommodation inventory rooms, by London sub-region



Source: CoStar hotel supply data

Sub-regional totals smooth over a more striking borough-level story. **Growth in supply has largely been an Inner London phenomenon.** At the borough level, changes in inventory rooms varied considerably (see Figure 10). 23 of 33 boroughs increased supply between 2019 Q1 and 2025 Q1, while the other 10 contracted.

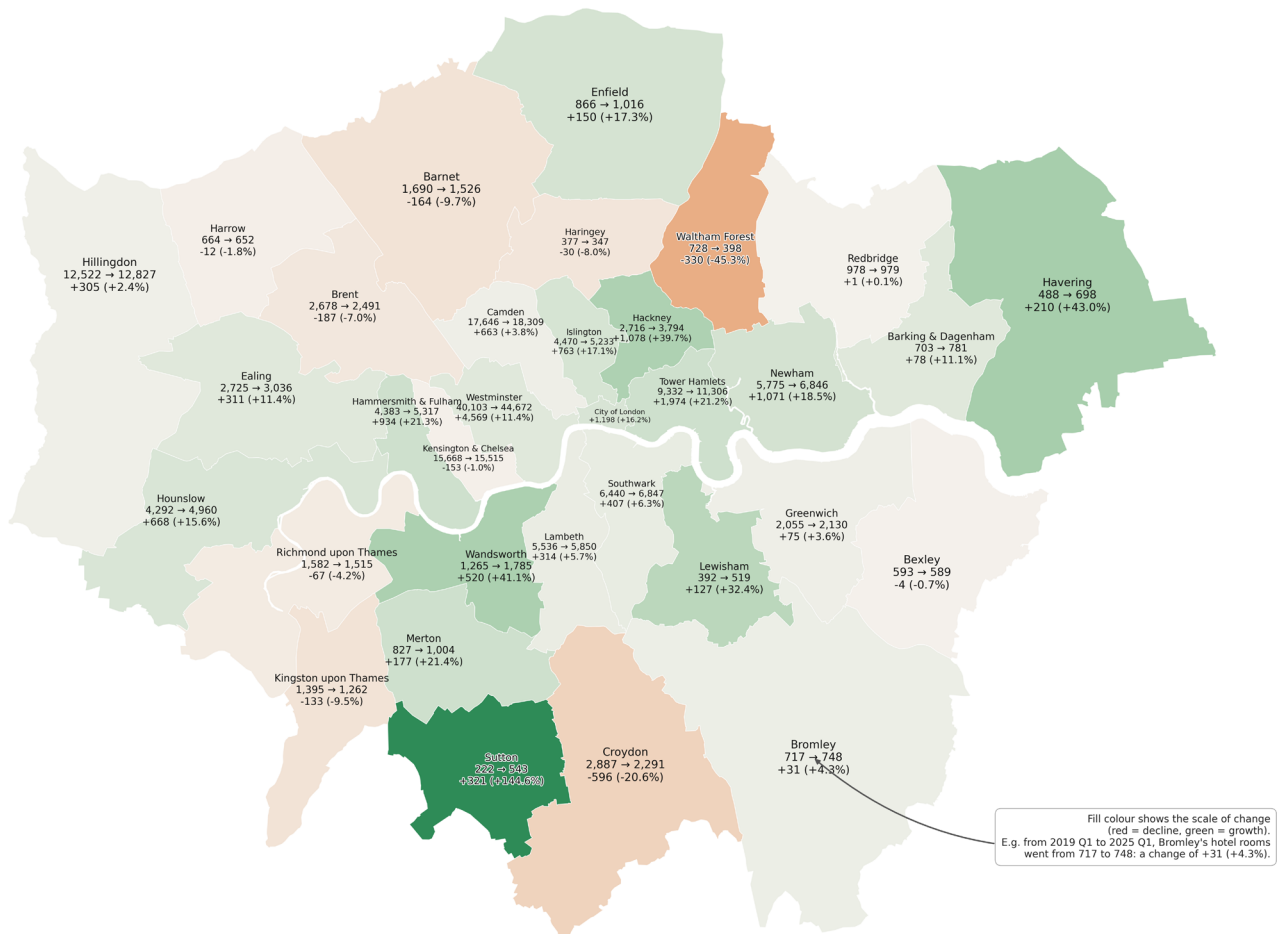
- Outer London boroughs with relatively small stock of rooms in 2019 grew the most, in percentage terms: Sutton's supply growing by 144.6% (+321 rooms) and Havering by 43% (+210 rooms). Among more established boroughs (those with a relatively large stock of rooms in 2019), the Inner London boroughs of Wandsworth and Hackney grew by 41.1% and 39.7% respectively. Waltham Forest's contraction of

45.3% (-330 rooms) and Croydon's contraction of 20.6% (-596 rooms) were the sharpest - both Outer London boroughs.

- In Inner London, only Kensington & Chelsea contracted, by 1% (-153 rooms). In Outer London, Haringey contracted by 8.0% (-30 rooms, off a tiny base).
- Northern Isle of Dogs (NIOD) saw room supply grow from 1,625 rooms to 2,410 rooms (+48.3

Contributions to overall growth in inventory rooms points to a clear picture: migration in supply from outer to inner London. Westminster alone added 4,569 rooms (32% of London's net supply addition), and the five boroughs with the largest growth (Westminster, Tower Hamlets, City of London, Hackney, and Newham) together accounted for 69% of additions – all Inner London boroughs.

Figure 10: Change in serviced accommodation inventory rooms, Q1 2019 to Q1 2025, by London borough (shaded by percentage change in rooms, green = growth, red = contraction)



Source: CoStar hotel inventory data

A version of Figure 10 shaded according to an absolute change scale (rather than percentage change) can be found in section 1 of the annex.

2.3 Unserviced supply

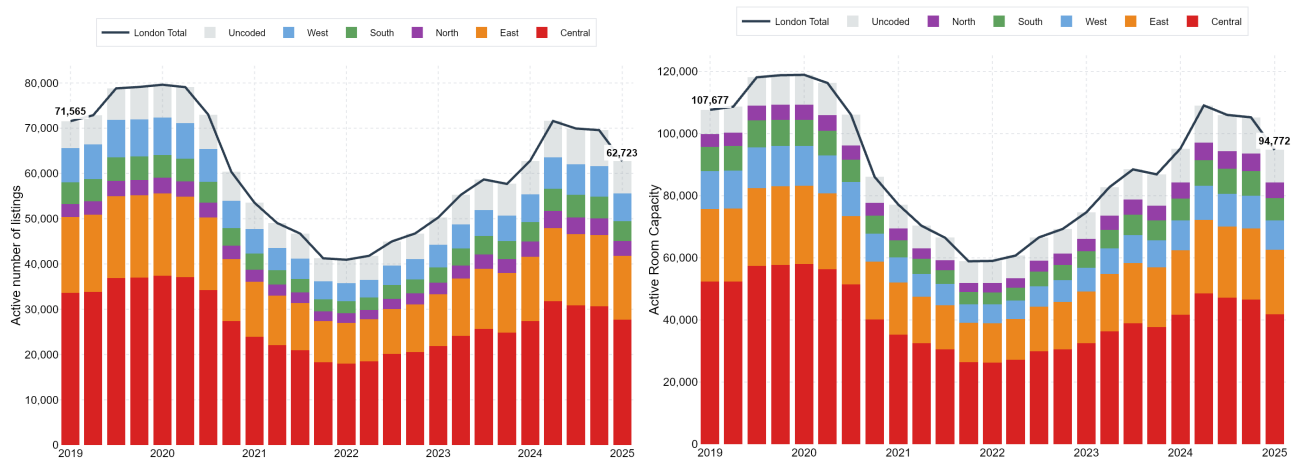
London's unserviced accommodation supply has fallen since 2019. Total “active” listings (the number of listings registered on Airbnb and VRBO that were available to book at least once during the reference period) fell during the pandemic, steadily recovered throughout 2022 and 2023, and have been falling since – from 71,565 in 2019 Q1 to 62,723 in Q1 2025 (-12.4%), as shown in the left panel of Figure 11.

- Central London active listings fell from 33,590 in Q1 2019 to 27,654 in Q1 2025 (-17.7%)
- East London active listings fell from 16,779 to 14,159 (-15.6%)
- West London active listings fell from 7,650 to 6,092 (-20.4%)
- South London saw active listings fall from 4,732 to 4,363 (-7.8%)
- North London was the only sub-region to see an increase, from 2,906 to 3,285 (+13%)

When looking at room capacity – the total number of rooms that active unserviced listings offered – we see a similar picture. **London's supply of active unserviced rooms fell from 107,677 in Q1 2019 to 94,772 in q1 2025 (-12%),** as shown in the right panel of Figure 11.

- Central London room capacity contracted from 52,404 to 41,842 (-20.2%)
- East London room capacity fell from 23,331 to 20,718 (-11.2%)
- West London room capacity fell from 12,157 to 9,528 (-21.6%)
- South London saw room capacity fall from 7,785 to 7,169 (-7.9%)
- North London was the only sub-region to see an increase, from 4,166 to 5,043 (+21.0%)

Figure 11: Unserviced accommodation active listings, by London sub-region (left panel); unserviced accommodation total rooms, by London sub-region (right panel)



Source: Deckard short-term let data

Note: uncoded data refers to data with no locational variables (e.g. borough, longitude and latitude, postcode)

Two factors help explain why supply has contracted, particularly for Central and West London.

- 1) **The enforcement of London's 90-day cap on entire-home letting** has likely been most stringent in areas of concentrated listings (Central, East, and West London). Westminster alone had [2,712 properties under short-term rental investigation](#) by early 2026. Kensington and Chelsea and Camden have taken similar stances, including establishing a data-sharing agreement between RBKC and Airbnb that makes the borough one of very few with host-level visibility of compliance.

2) **The economic environment of short-term letting has also changed.** Section 24 of the Finance (No. 2) Act 2015 (fully in force from April 2020) removed full mortgage-interest deductibility for buy-to-let landlords. UK home-insurance premiums rose 41.6% in 2024. And from April 2023, self-catering lets have been required to record 70 actual and 140 available nights to retain business-rates treatment, or face paying council tax. Each of these effects provider's margins, potentially encouraging exit from the market.

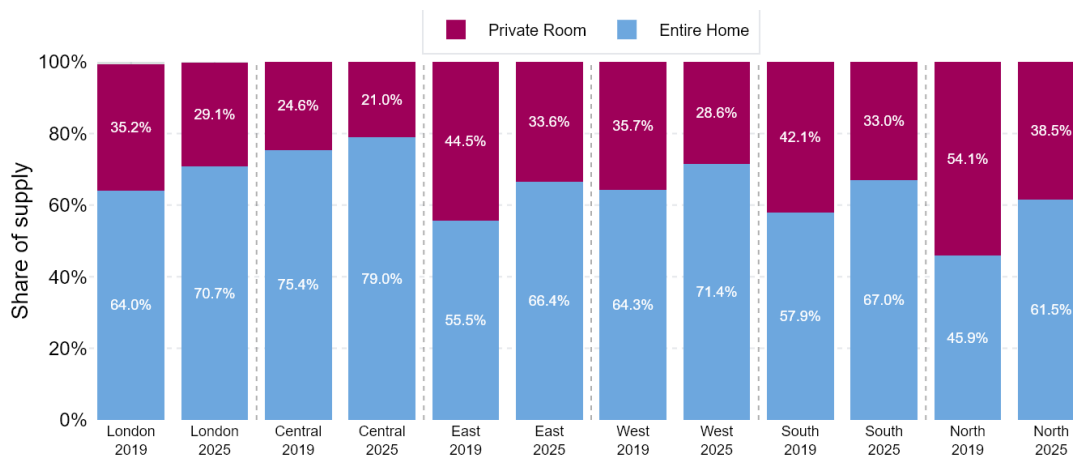
Whether at the headline or sub-regional level, the composition of unserviced listings matters in its own right. A listing's type shapes its impact on the London's residents: an "entire home" listing removes a whole dwelling from the residential market, while a "private room" listing (where the host typically remains in occupation) carries little or no direct housing displacement.

At the London level, **from Q1 2019 to Q1 2025, the proportion of listings that were for an entire-home rose from 64% to 70.7% (+6.7pp), as shown in Figure 12. I.e., the sector's overall contraction in supply was disproportionately a contraction private rooms lets.**

- In Central London, the entire-home share rose from 75.4% to 78.9% (+3.5pp) - the smallest shift.
- In East London, the entire-home share rose from 55.5% to 66.4% (+10.9pp).
- West London saw entire-home shares rose from 64.3% to 71.4% (+7.1pp).
- South London saw entire-home shares rose from 57.9% to 67.0% (+9.1pp).
- In North London, the entire-home share rose from 45.9% to 61.5% (+15.6pp) - the biggest shift, and the only sub-region to flip from a private-room majority to entire-home majority.

In every sub-region and in London overall, active supply has fallen while entire-home shares have risen – signalling that **private room hosts have been leaving the market more than hosts letting entire homes.** For regulators, this means policy aimed at "home-sharing" platforms is increasingly regulating a professional letting market, rather than one of casual home use.

Figure 12: Change in unserviced accommodation listings type shares, Q1 2019 to Q1 2025



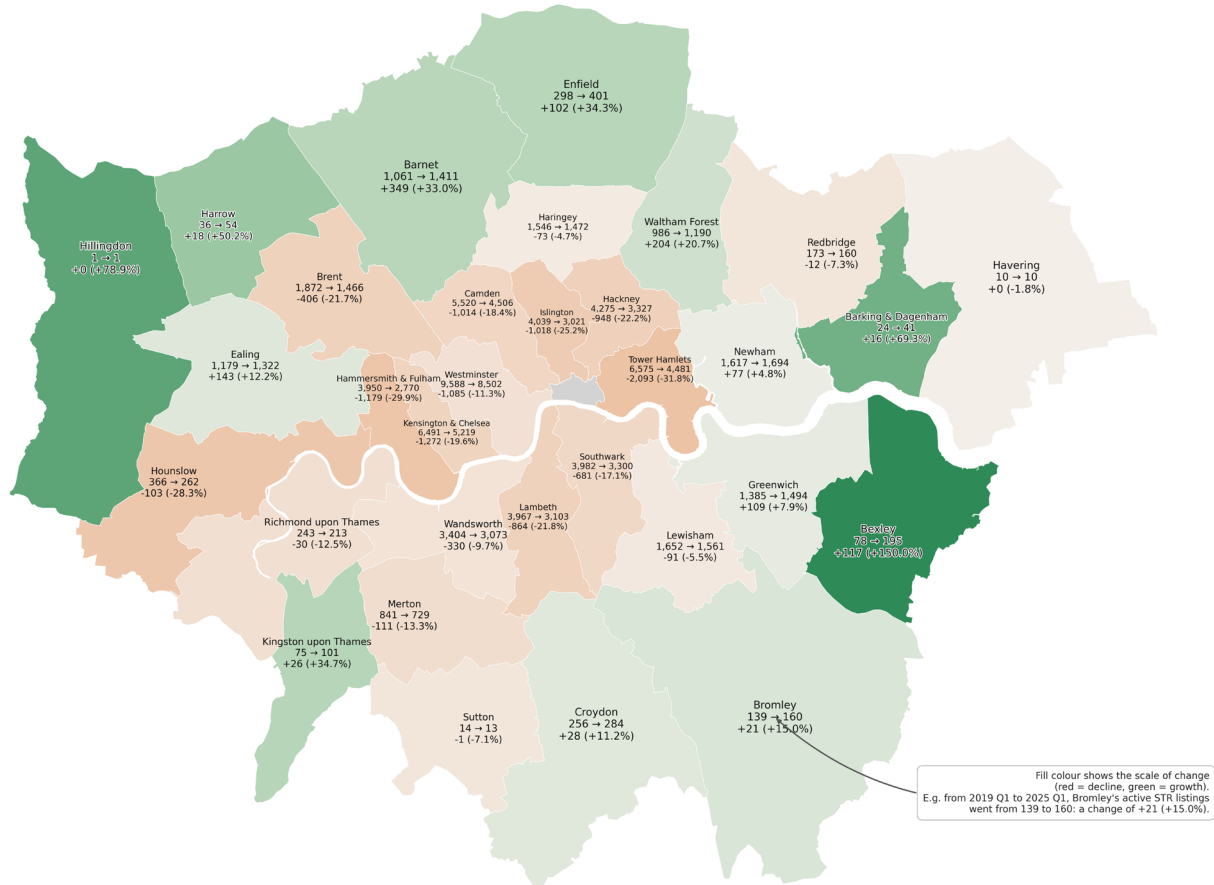
Source: Deckard short-term let data

Returning to changes in overall supply - and looking at the borough level (see Figure 13) indicates that the contraction in supply has been overwhelmingly an Inner London phenomenon - the mirror image of the serviced accommodation pattern.

Outer London boroughs with relatively small 2019 stocks of supply grew the most in percentage terms: Bexley's listings rose 150% (+117 listings) off a base of 78 listings. Among more established Outer London

boroughs (i.e., with larger 2019 stock), Barnet grew by 33% (+350 listings), Waltham Forest by 20.7% (+204) and Ealing by 12.2% (+143). Tower Hamlets' contraction of 31.8% (–2,093 listings) and Hammersmith & Fulham's contraction of 29.9% (–1,180 listings) were the sharpest – both Inner London boroughs. In Inner London, only Newham grew (+4.8%, +78 listings); every other Inner London borough contracted. In Outer London, the only meaningful declines were in Hounslow and Brent, where supply contracted 28.3% (–103 listings) and 21.7% (–406 listings).

Figure 13: Change in unserviced accommodation listings, Q1 2019 to Q1 2025, by London borough (shaded by percentage change in rooms, green = growth, red = contraction)



Source: Deckard short-term let data

Note: The City of London (CoL) is not reported as a separate borough in the Deckard data and appears here as a grey no-data polygon. Any CoL listing is most likely geographically uncoded and cannot be attributed directly to the borough.

A version of Figure 13 shaded according to an absolute change scale (rather than percentage change) can be found in section 1 of the annex.

London's total accommodation capacity has held broadly flat – but beneath the headline figure, the serviced and unserviced accommodation sectors have moved in opposite directions. Three features of this supply shift help explain changes in demand.

- 1) The occupancy declines documented in Chapter 1 are partly a supply story. More hotel rooms entering the market mechanically lowers the occupancy rate even if the number of room-nights sold holds steady – and in several East London boroughs, new supply has clearly run ahead of demand. The fall in occupancy is not purely a demand-side signal.

- 2) The unserviced sector is smaller, and likely now more commercially-run. Private Room listings have contracted at roughly nine times the rate of Entire Home listings. What remains is a more professionalised, price-resilient sector, which helps explain the sharp real ADR growth documented in Chapter 1, even as occupancy fell.
- 3) The two sectors are on different trajectories. Hotel supply continues to grow, with a substantial pipeline (explored further in the following chapter). Unserviced supply faces further headwinds: the April 2025 abolition of the furnished-holiday-lettings tax regime, tighter borough enforcement, and rising platform costs have likely not yet fully worked through the market.

The following forecast chapter takes these structural shifts as its starting point - projecting how demand and supply are likely to evolve through to 2050, and what the gap between them implies for London's visitor accommodation market.

3 Forecasts for supply and demand

While projecting long-term supply and demand for visitor accommodation presents inherent uncertainties given the 25-year horizon, the exercise can still provide valuable directional insight. Forecasting into the short to medium-term (5-10 years) is more reliable, as historical trends, committed development pipelines, and nearer-term market dynamics are relatively locked-in and unlikely to shift materially over this horizon. The reliability of projections diminishes over time due to acute shocks to supply or demand, and compounding uncertainties in key parameters (e.g. uncertainties around economic growth, interest rates, evolving consumer preferences). The projections in the following section should therefore be interpreted as directional indicators based on economic theory and market-evidenced assumptions, rather than definitive forecasts, with higher confidence in the period to 2030 and increasing uncertainty afterwards.

Considering the above, this chapter outlines methods for forecasting supply and demand for serviced visitor accommodation at the London-level and borough-level – and is structured as follows:

- 1) A **London-level forecast of demand** for serviced accommodation – i.e. the number of rooms London will need.
- 2) A **borough-level forecast of demand**, presented under four allocation methods, reflecting four different views of how London's demand growth will distribute across boroughs.
- 3) A **London-level forecast of supply** for serviced accommodation – i.e. the number of rooms the market is on track to deliver.
- 4) A **borough-level forecast of supply**, applying the same four allocation methods and producing a per-borough gap analysis (supply minus demand at 2050).

3.1 Demand forecasts

London-level demand

Visitor nights (the total nights spent in London by all domestic and international visitors) is forecast to rise from 154 million in 2024 to 177 million by 2030, 210 million by 2040, and 224 million by 2050 – a 45% increase over the 26-year window. **The required number of serviced accommodation rooms is forecast to grow from 166,000 in 2025 to 232,000 by 2050** – an increase of 66,000 rooms (+40%), equating to roughly 2,600 net additional rooms per year (see Figure 14).

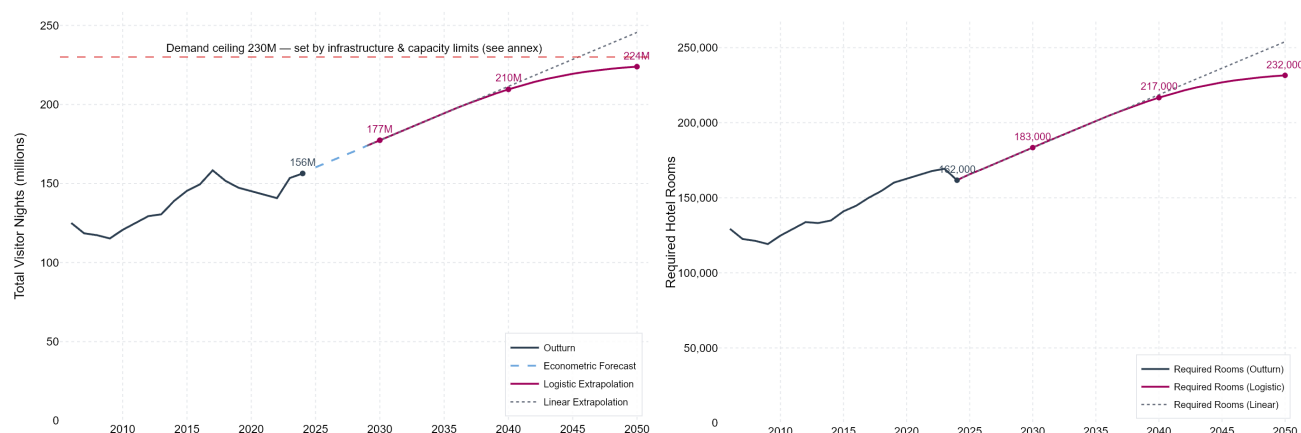
We forecast London-level demand for serviced accommodation through the following steps:

- 1) First, we forecast visitor nights using econometric methods for the medium term (2025–2030)⁹. We use a blended approach, comprised of trend decomposition analysis for domestic visitor nights and linear regression techniques for international visitor nights.
- 2) We then extrapolate this medium-term forecast into 2050, capping demand at a ceiling of 230 million visitor nights, which is consistent with evidence on infrastructure and market maturity constraints (see section 2 of annex for further detail).

⁹ For international tourism, a long-run linear regression framework was adopted, consistent with established Department for Transport and academic findings that link global GDP growth to international travel demand. The introduction of a new non-probability survey in 2022 means that pre-2022 figures are not directly comparable with more recent data. To account for this structural break, separate models were estimated for the pre-COVID (2006–2019) and post-COVID (2022–2024) periods, and the results were blended to produce a unified forecast.

- 3) We then calculate the share of forecasted visitor nights spent in serviced accommodation (36% of visitor nights) based on outturn data and apply this share to the forecasted years. We apply this share consistently to all forecast years, assuming accommodation preferences remain stable. Scenarios presented in section c of the annex explore changes to this share.
- 4) We then calculate the average number of visitor nights each serviced accommodation room delivers per year. We divide annual serviced visitor nights by the number of serviced accommodation rooms, then use the historical average of these values. This gives a figure of 352 visitor-nights per room per year. This figure may initially seem to imply almost 100% occupancy rates, but occupied room typically host more than one guest (i.e., a couple sharing a room counts as two visitor-nights). We apply consistently across all forecast years.¹⁰

Figure 14: Visitor nights forecast (left panel); demand serviced accommodation rooms forecast (right panel)



Source: Outturn data is GBTS and ONS IPS data. Forecasts are author's calculations of both sources

Borough-level demand

The borough-level forecast methodology distributes London's projected demand growth (an additional 66,000 rooms between 2025 and 2050) across London's boroughs. We present two methods below, each based on a different assumption about what will drive borough-level demand growth¹¹.

- 1) A **current pipeline method**, that allocates new room demand to where developers and planners are already directing investment by using data on the serviced accommodation planning and construction pipeline and applying each borough's share of the pipeline to our London-level forecast. This aims to reflect market expectations and developer sentiment as captured by planning authorities. Its weakness is

¹⁰ The 230M ceiling, 36% share, and 352 nights/room are central-case parameters. Under a constrained scenario (210M ceiling, 32% share, 345 nights/room) the 2050 demand grows to roughly 195,000 rooms; under a high demand scenario (260M ceiling, 38% share, 360 nights/room) it rises to roughly 258,000 rooms. Full scenario tables are in Section 3 of the Annex.

¹¹ Two further methods can be found in section 3 of the annex: (1) a transport-connectivity led method, that tilts pipeline shares according to changes in transport connectivity based on TfL's projected PTAL changes; and (2) a constant-share method, that holds each borough's current 2025 share of London's hotel demand fixed through to 2050. The first acts as a forward-looking lens on how transport investment might redistribute demand, and the second as a benchmark against the other three methods – as it is the least assumption-based - i.e. the gap between it and them shows how much each set of added assumptions moves the borough allocation.

that it is volatile: a single large scheme can dominate a borough's share, and boroughs with negative or zero pipeline (Croydon, Bexley, and parts of Outer London) get little or no growth.

- 2) A **blended method**, that combines pipeline data with each borough's share of completions over 2015–2025, thus grounding forward-looking signals with historical data. This involves equally weighting pipeline growth shares with historical shares in inventory room growth by borough – and applies these weighted-shares to our forecast for London-level demand growth. The blended method is more robust to single-scheme volatility and more grounded in the structural record of where new rooms have been built. Its weakness is that the 2015–2025 window includes the COVID disruption, which depresses the historical-completions estimates for some boroughs.

The blended view is our central case scenario. The pipeline view is presented alongside it as a forward-looking cross-check that reflects current developer and planning intentions. Both are presented in Figure 15:

- Five boroughs absorb roughly 54% of London's demand growth under the blended method: Westminster (+10,824 rooms), Tower Hamlets (+10,808), City of London (+5,709), Lambeth (+4,070) and Hillingdon (+3,924) together account for about 35,300 of the 66,000 additional rooms.
- Croydon and Bexley are allocated no share of demand growth in the pipeline method (as they have no rooms in the pipeline data). In the blended method, Bexley picks up +149 (+27.6%) under the blended method, due to its 2015–2025 completions; Croydon stays at zero, as it also reduced inventory rooms from 2015–2025.
- Under the blended method the highest growth still lands in low-baseline boroughs: Haringey +223.2%, Lewisham +126.4%, Greenwich +99.6% – all small 2025 bases with sizeable allocations (the pipeline method shows the same boroughs at higher rates: Haringey +349.5%, Lewisham +185.2%, Greenwich +129.6%).

NIOD's extreme growth rates reflect a small base combined with substantial recent and ongoing expansion: inventory grew 48% over 2015–2025 and a further 745 rooms are currently under construction. Under the blended (central) method this gives +193%; the pipeline cross-check, which extrapolates the current pipeline share across the full 25-year horizon, gives +310%. Both should be read as directional given NIOD's small absolute base and the implausibility of NIOD expanding at its current pace for 25 years.

Figure 15: Borough-level forecasts for demanded serviced accommodation rooms, pipeline and blended methods

		Blended method			Pipeline method		
Borough	Rooms demanded (2025) ¹²	Blended: Rooms demanded (2050)	Blended: Net additional rooms (2025-2050)	Blended: Growth (%)	Pipeline: Rooms demanded (2050)	Pipeline: Net additional rooms (2025-2050)	Pipeline: Growth (%)
Barking and Dagenham	729	1180	451	61.9%	1144	415	56.9%
Barnet	1423	1551	128	9.0%	1520	97	6.8%
Bexley	539	688	149	27.6%	539	0	0%
Brent	2323	3479	1156	49.8%	3877	1554	66.9%
Bromley	696	1002	306	43.9%	825	129	18.6%
Camden	17746	19942	2196	12.4%	19875	2129	12.0%
City of London	8191	13900	5709	69.7%	14736	6545	79.9%
Croydon	2126	2126	0	0.0%	2126	0	0%
Ealing	2855	5268	2413	84.5%	5949	3094	108.4%
Enfield	962	1340	378	39.3%	1217	255	26.5%
Greenwich	1964	3920	1956	99.6%	4510	2546	129.6%
Hackney	3528	6646	3118	88.4%	5443	1915	54.3%
Hammersmith and Fulham	5116	7589	2473	48.3%	8061	2945	57.6%
Haringey	329	1063	734	223.2%	1479	1150	349.5%
Harrow	602	752	150	25.0%	854	252	41.8%
Havering	660	1094	434	65.7%	928	268	40.6%
Hillingdon	12488	16412	3924	31.4%	14261	1773	14.2%
Hounslow	4764	7116	2352	49.4%	6223	1459	30.6%
Islington	4935	6726	1791	36.3%	5192	257	5.2%
Kensington and Chelsea	14875	15058	183	1.2%	15242	367	2.5%
Kingston upon Thames	1156	1487	331	28.6%	1393	237	20.5%
Lambeth	5761	9831	4070	70.6%	10833	5072	88.0%
Lewisham	485	1098	613	126.4%	1383	898	185.2%
Merton	935	1841	906	96.9%	1867	932	99.7%
Newham	6444	9814	3370	52.3%	8634	2190	34.0%
Redbridge	919	1064	145	15.7%	1205	286	31.1%
Richmond upon Thames	1356	1415	59	4.3%	1421	65	4.8%
Southwark	6678	9866	3188	47.7%	10579	3901	58.4%
Sutton	503	855	352	69.9%	508	5	1.1%

¹² Each borough's 2025 demand baseline is derived from its current hotel stock weighted by its occupancy rate relative to the London average. Boroughs with above-average occupancy are scaled up, and below-average scaled down - so the figure better reflects actual demand intensity than raw supply alone. The 33 boroughs sum to London's 2025 forecast demand of 165,710 rooms.

Borough	Rooms demanded (2025) ¹²	Blended method			Pipeline method		
		Blended: Rooms demanded (2050)	Blended: Net additional rooms (2025-2050)	Blended: Growth (%)	Pipeline: Rooms demanded (2050)	Pipeline: Net additional rooms (2025-2050)	Pipeline: Growth (%)
Tower Hamlets	10860	21668	10808	99.5%	24096	13236	121.9%
Waltham Forest	378	565	187	49.4%	752	374	98.9%
Wandsworth	1729	2715	986	57.1%	2647	918	53.1%
Westminster	41655	52479	10824	26.0%	52234	10579	25.4%
NIOD	2289	6716	4427	193.4%	9389	7100	310.2%
CAZ	81003	113366	32362	40.0%	113329	32325	39.9%
London	165710	231552	65842	39.7%	231552	65842	39.7%

Source: LESD planning pipeline data; CoStar hotel supply data

3.2 Supply forecasts

London-level supply

London's supply of serviced accommodation is forecast to grow from 174,000 rooms in 2025 to 243,000 rooms by 2050 – a 39% increase over 25 years, adding roughly 69,000 net new rooms. We forecast London-level supply through the following steps:

- 1) First, a **pipeline phase** (2025–2028) is calculated, that uses data on London's serviced accommodation room pipeline. After deducting annual closures of 0.4% of stock¹³, this delivers roughly 13,000 net additional rooms over three years – in line with the long-term historical averages of roughly 5,000 rooms added per year. By 2028, the room stock is forecast to grow to 187,000 rooms.¹⁴
- 2) Then, for rest of the forecast period (i.e., after the measurable pipeline runs out), **we extrapolate supply at a 1.65% compound annual growth rate** – which is calculated by measuring long-run annual room additions and the post-pandemic annual growth rate and weighting the two (placing the heavier weight on recent trends). By 2040, the room stock is forecast to grow to 228,000 rooms.
- 3) Towards the end of the forecast (2041–2050), **we apply a supply-demand tethering** that decelerates supply growth as it approaches a maximum sustainable supply-to-demand ratio. We calculate this “ceiling” from historical ratios between supply and demand¹⁵. By 2050, the room stock is forecast to grow to 243,000 rooms (see Figure 16)¹⁶.

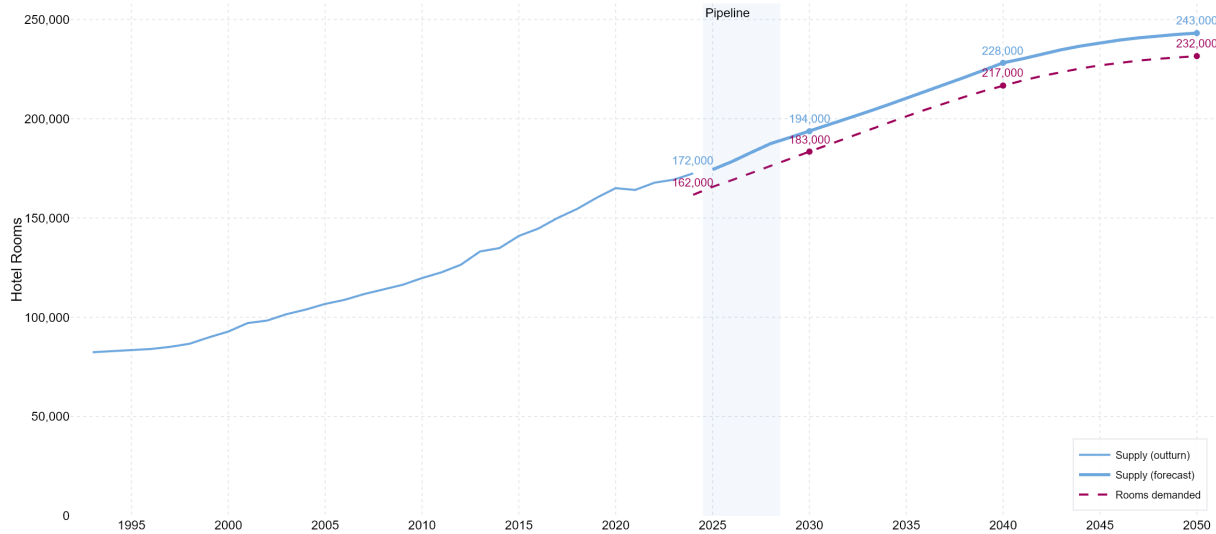
¹³ This annual closure rate is calculated from the long-run historical average, as in [GLA Economics Working Paper 88 \(2017\)](#).

¹⁴ CoStar pipeline data (rather than the LESD data in the borough pipeline forecasts) is used for the 2025–2028 short-term trajectory, as it tracks delivery year-by-year, necessary for a year-on-year supply path. Beyond 2028, this year-by-year pipeline is too speculative, so we switch to a historical CAGR.

¹⁵ The “ceiling” refers to an implied supply utilisation ratio of 0.95, applied from 2041 onwards – where supply is constrained to no more than 105% of demand. This is not an operational room-occupancy rate (i.e. it does not imply 95% of rooms are occupied on a given night); it is a macro-level demand/supply ratio. At roughly 1.2 visitors per occupied room (the historical average) and 352 sellable nights per room per year, a 95% supply-utilisation ratio corresponds to operational room occupancy of roughly 83% – broadly in line with London norms.

¹⁶ Full scenario tables are in Section 3 of the Annex.

Figure 16: Serviced accommodation supply (outturn, short-term pipeline forecast, and long-term demand-dependent logistic function)



Source: Outturn data is Costar hotel supply and pipeline data; long-term forecast is based on historical averages of CoStar data

At the London level, the central forecast scenario projects supply of serviced accommodation rooms to grow to 243,130 rooms by 2050, exceeding projected demand of 231,552 by 11,578 rooms – a 4.8% “supply cushion”.¹⁷

Borough-level supply

The borough-level supply forecast distributes London's projected supply growth (an additional 69,000 rooms between 2025 and 2050) across boroughs using the same blended and pipeline methods used in the demand forecasts (see Figure 17). This reflects the underlying symmetry of the forecast: the pipeline and historical growth data indicates where supply has historically been delivered – and where local plans, planning approvals and developer commitments expect new rooms to be delivered. This directly indicates future supply – and (because investment follows demand) signals the borough geography of future demand growth as well.

A practical implication follows from applying the same methods. Both the pipeline and blended borough supply forecasts are very close to the borough demand forecasts. The small differences (typically 1 to 3% per borough) come from the different London-level total (69,000 rooms of supply vs 66,000 rooms of demand) being applied to the same borough share.

¹⁷ Borough-level gaps between forecast supply and demand are omitted from the main body text, as both forecasts apply the same borough shares to supply and demand growth. Each borough's 2050 gap is essentially its 2025 gap, adjusted by the small share of the 2,817-room London supply-demand growth gap. All boroughs return positive gaps under both methods (supply exceeds demand). This follows the precedent set by GLA Economics' Working Paper 88 (2017), which likewise does not report borough-level gaps.

Figure 17: Borough-level forecasts for serviced accommodation supply, pipeline and blended methods

Borough	Rooms supplied (2025)	Pipeline method			Blended method		
		Blended: Rooms supplied (2050)	Blended: Net additional rooms (2025-2050)	Blended: Growth (%)	Pipeline: Rooms supplied (2050)	Pipeline: Net additional rooms (2025-2050)	Pipeline: Growth (%)
Barking and Dagenham	781	1252	471	60.3%	1214	433	55.4%
Barnet	1526	1660	134	8.8%	1627	101	6.6%
Bexley	589	744	155	26.4%	589	0	0.0%
Brent	2491	3697	1206	48.4%	4112	1621	65.1%
Bromley	748	1067	319	42.6%	883	135	18.0%
Camden	18310	20600	2290	12.5%	20530	2220	12.1%
City of London	8598	14551	5953	69.2%	15423	6825	79.4%
Croydon	2291	2291	0	0.0%	2291	0	0.0%
Ealing	3036	5552	2516	82.9%	6262	3226	106.3%
Enfield	1016	1410	394	38.8%	1282	266	26.2%
Greenwich	2130	4170	2040	95.8%	4785	2655	124.6%
Hackney	3794	7045	3251	85.7%	5791	1997	52.6%
Hammersmith and Fulham	5317	7896	2579	48.5%	8388	3071	57.8%
Haringey	347	1113	766	220.7%	1546	1199	345.6%
Harrow	652	809	157	24.1%	914	262	40.2%
Havering	698	1150	452	64.8%	977	279	40.0%
Hillingdon	12827	16919	4092	31.9%	14676	1849	14.4%
Hounslow	5073	7526	2453	48.4%	6594	1521	30.0%
Islington	5233	7101	1868	35.7%	5501	268	5.1%
Kensington & Chelsea	15520	15711	191	1.2%	15902	382	2.5%
Kingston upon Thames	1262	1607	345	27.4%	1509	247	19.6%
Lambeth	5850	10094	4244	72.5%	11139	5289	90.4%
Lewisham	519	1159	640	123.2%	1456	937	180.5%
Merton	1004	1949	945	94.1%	1976	972	96.8%
Newham	6846	10360	3514	51.3%	9130	2284	33.4%
Redbridge	979	1130	151	15.4%	1277	298	30.4%
Richmond upon Thames	1515	1576	61	4.1%	1582	67	4.5%
Southwark	6847	10172	3325	48.6%	10914	4067	59.4%
Sutton	543	910	367	67.6%	549	6	1.0%
Tower Hamlets	11306	22576	11270	99.7%	25108	13802	122.1%
Waltham Forest	398	593	195	49.0%	788	390	97.9%
Wandsworth	1785	2814	1029	57.6%	2742	957	53.6%
Westminster	44640	55928	11288	25.3%	55671	11031	24.7%
NIOD	2410	7026	4616	191.50%	9814	7404	307.20%
CAZ	85286	119033	33747	39.60%	118994	33708	39.50%
London	174471	243130	68659	39.4%	243130	68659	39.4%

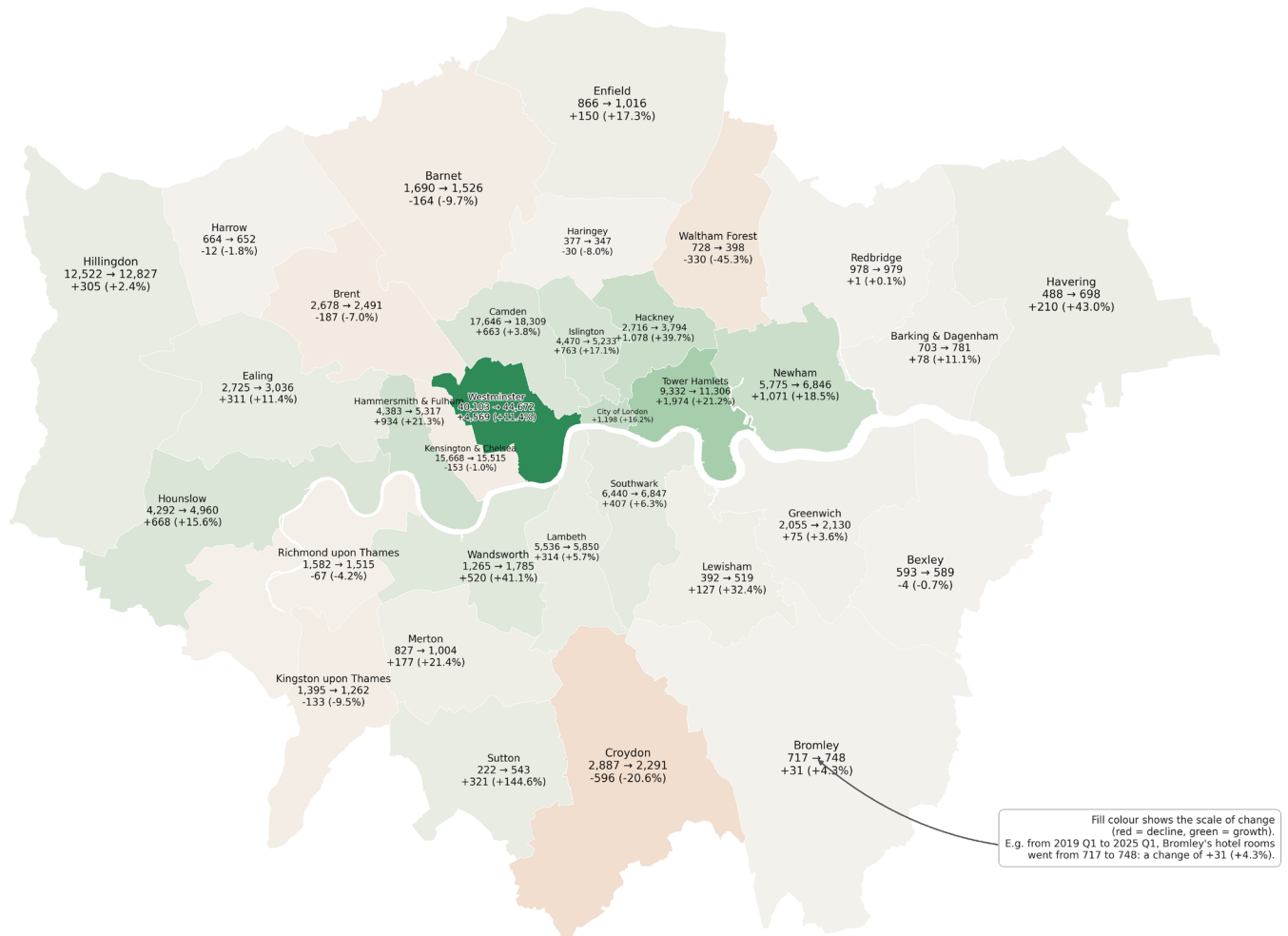
Source: LESD planning pipeline data, CoStar hotel supply data

Annex

Section 1: Additional borough figures

This section collates data on the supply and demand for visitor accommodation at the borough-level.

Annex Figure 1: Change in serviced accommodation rooms, Q1 2019 to Q1 2025, by London borough (shaded according to absolute scale of change)



Source: CoStar hotel inventory data

Annex Figure 2: Serviced accommodation supply and demand summary¹⁸

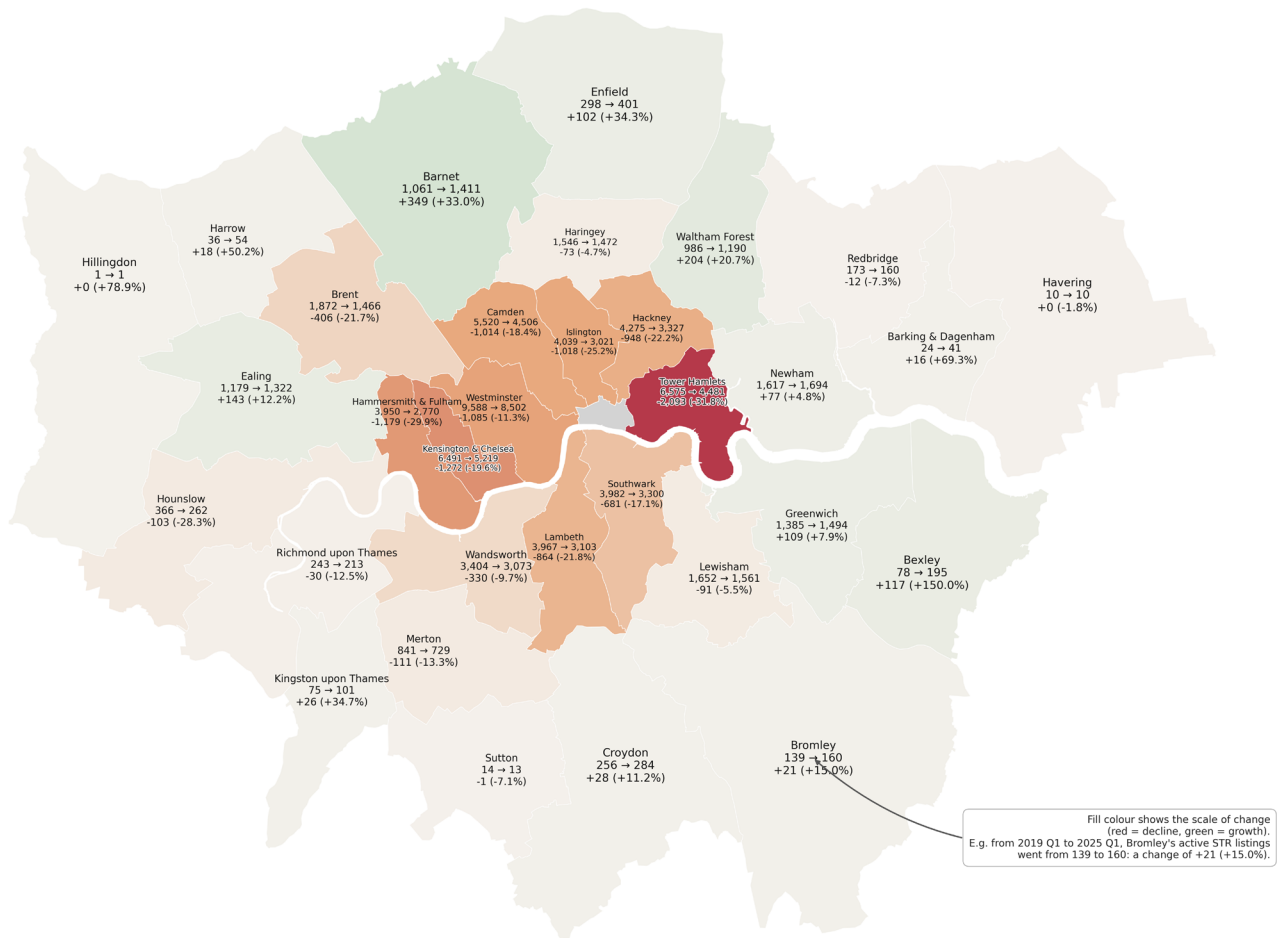
Borough	Rooms 2019	Rooms 2025	Rooms % chg	Rooms abs chg	Occ 2019	Occ 2025	Occ chg pp	Real ADR 2019	Real ADR 2025	Real ADR % chg	Real RevPAR 2019	Real RevPAR 2025	Real RevPAR % chg
Barking & Dagenham	703	781	+11.1%	+78	80.1%	79.5%	-0.6pp	£85	£87	+2.1%	£68	£69	+1.3%
Barnet	1,690	1,526	-9.7%	-164	82.3%	79.4%	-2.9pp	£94	£95	+0.4%	£78	£75	-3.2%
Bexley	593	589	-0.7%	-4	79.4%	77.4%	-2.0pp	£89	£90	+1.5%	£71	£70	-1.1%
Brent	2,678	2,491	-7.0%	-187	82.6%	79.4%	-3.2pp	£111	£122	+9.9%	£92	£97	+5.7%
Bromley	717	748	+4.3%	+31	80.2%	79.1%	-1.1pp	£75	£83	+9.6%	£60	£65	+8.3%
Camden	17,646	18,309	+3.8%	+663	87.2%	83.6%	-3.6pp	£166	£177	+6.7%	£144	£148	+2.3%
City of London	7,400	8,598	+16.2%	+1,198	86.8%	81.7%	-5.1pp	£200	£214	+7.1%	£174	£175	+0.8%
Croydon	2,887	2,291	-20.6%	-596	79.1%	78.9%	-0.2pp	£87	£91	+5.2%	£69	£72	+4.8%
Ealing	2,725	3,036	+11.4%	+311	81.7%	80.3%	-1.4pp	£99	£99	+0.4%	£81	£80	-1.3%
Enfield	866	1,016	+17.3%	+150	82.1%	81.0%	-1.1pp	£92	£93	+1.7%	£75	£75	+0.4%
Greenwich	2,055	2,130	+3.6%	+75	81.0%	78.2%	-2.8pp	£133	£126	-5.6%	£108	£99	-8.8%
Hackney	2,716	3,794	+39.7%	+1,078	82.2%	79.1%	-3.1pp	£171	£169	-1.0%	£141	£134	-4.6%
Hammersmith & Fulham	4,383	5,317	+21.3%	+934	84.9%	82.8%	-2.1pp	£138	£137	-0.6%	£117	£113	-3.1%
Haringey	377	347	-8.0%	-30	84.0%	81.2%	-2.8pp	£115	£121	+5.9%	£96	£99	+2.4%
Harrow	664	652	-1.8%	-12	82.1%	78.3%	-3.8pp	£86	£96	+11.3%	£71	£75	+6.2%
Havering	488	698	+43.0%	+210	80.4%	80.9%	+0.5pp	£103	£97	-6.1%	£83	£78	-5.6%
Hillingdon	12,522	12,827	+2.4%	+305	79.0%	84.1%	+5.1pp	£85	£85	+0.2%	£67	£72	+6.8%
Hounslow	4,292	4,960	+15.6%	+668	80.5%	82.6%	+2.1pp	£89	£92	+3.8%	£71	£76	+6.4%
Islington	4,470	5,233	+17.1%	+763	86.0%	80.6%	-5.4pp	£153	£154	+0.3%	£132	£124	-5.9%
Kensington & Chelsea	15,668	15,515	-1.0%	-153	85.2%	82.4%	-2.8pp	£186	£199	+7.0%	£158	£164	+3.5%
Kingston upon Thames	1,395	1,262	-9.5%	-133	79.5%	77.5%	-2.0pp	£90	£89	-0.9%	£72	£69	-3.4%
Lambeth	5,536	5,850	+5.7%	+314	86.6%	85.4%	-1.2pp	£182	£187	+3.0%	£157	£160	+1.6%
Lewisham	392	519	+32.4%	+127	82.1%	79.6%	-2.5pp	£128	£110	-13.9%	£105	£88	-16.6%
Merton	827	1,004	+21.4%	+177	79.1%	79.3%	+0.2pp	£87	£85	-2.0%	£69	£68	-1.7%
Newham	5,775	6,846	+18.5%	+1,071	81.8%	80.4%	-1.4pp	£118	£115	-2.1%	£96	£93	-3.8%
Redbridge	978	979	+0.1%	+1	82.2%	80.1%	-2.1pp	£106	£106	+0.4%	£87	£85	-2.2%
Richmond upon Thames	1,582	1,515	-4.2%	-67	78.7%	75.2%	-3.5pp	£104	£108	+3.9%	£82	£81	-0.8%
Southwark	6,440	6,847	+6.3%	+407	87.0%	84.3%	-2.7pp	£167	£174	+4.4%	£145	£147	+1.1%
Sutton	222	543	+144.6%	+321	77.6%	78.7%	+1.1pp	£101	£87	-13.6%	£78	£69	-12.4%

¹⁸ 'abs chg' = absolute change (count); 'Occ' = occupancy rate; 'chg pp' = change in percentage points.

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Borough	Rooms 2019	Rooms 2025	Rooms % chg	Rooms abs chg	Occ 2019	Occ 2025	Occ chg pp	Real ADR 2019	Real ADR 2025	Real ADR % chg	Real RevPAR 2019	Real RevPAR 2025	Real RevPAR % chg
Tower Hamlets	9,332	11,306	+21.2%	+1,974	82.6%	82.6%	+0.0pp	£158	£145	-8.7%	£131	£119	-8.7%
Waltham Forest	728	398	-45.3%	-330	82.0%	81.3%	-0.7pp	£98	£119	+21.3%	£80	£97	+20.2%
Wandsworth	1,265	1,785	+41.1%	+520	88.2%	83.5%	-4.7pp	£151	£167	+11.1%	£133	£140	+5.1%
Westminster	40,103	44,672	+11.4%	+4,569	83.2%	79.4%	-3.8pp	£253	£267	+5.5%	£210	£212	+0.8%
London (total)	160,115	174,384	+8.9%	+14,269	83.6%	81.4%	-2.2pp	£172	£178	+3.7%	£143	£145	+1.0%

Annex Figure 3: Change in unserviced accommodation listings, Q1 2019 to Q1 2025, by London borough (shaded according to absolute scale of change)



Source: Deckard short-term let data

Note: The City of London (CoL) is not reported as a separate borough in the Deckard data and appears here as a grey no-data polygon.

Annex Figure 4: Unserviced accommodation supply and demand summary, by borough

Borough	Listings 2019	Listings 2025	Listings % chg	Listings abs chg	Occ 2019	Occ 2025	Occ chg pp	Real ADR 2019	Real ADR 2025	Real ADR % chg	Real RevPAR 2019	Real RevPAR 2025	Real RevPAR % chg
Barking and Dagenham	24	41	+69.3%	+17	18.4%	21.8%	+3.5pp	£64	£217	+241.2%	£11	£44	+303.3%
Barnet	1,061	1,411	+33.0%	+350	29.3%	28.5%	-0.8pp	£103	£258	+150.6%	£28	£66	+132.0%
Bexley	78	196	+150.0%	+117	16.5%	19.9%	+3.5pp	£67	£176	+163.9%	£11	£31	+186.5%
Brent	1,873	1,466	-21.7%	-406	39.4%	30.2%	-9.2pp	£116	£217	+87.8%	£43	£59	+37.1%
Bromley	140	161	+15.0%	+21	26.7%	22.4%	-4.3pp	£76	£186	+143.7%	£18	£38	+109.2%
Camden	5,520	4,506	-18.4%	-1,014	42.9%	40.2%	-2.7pp	£213	£342	+60.3%	£87	£126	+45.4%
Croydon	256	285	+11.2%	+29	28.1%	24.0%	-4.1pp	£78	£153	+96.1%	£21	£34	+62.0%
Ealing	1,179	1,323	+12.2%	+144	36.2%	29.0%	-7.2pp	£117	£245	+109.8%	£40	£64	+60.5%
Enfield	299	401	+34.3%	+102	23.5%	21.8%	-1.6pp	£95	£173	+83.1%	£20	£33	+63.4%
Greenwich	1,385	1,495	+7.9%	+110	32.3%	25.9%	-6.3pp	£131	£242	+84.5%	£39	£55	+38.6%
Hackney	4,276	3,328	-22.2%	-948	32.8%	33.7%	+1.0pp	£152	£243	+60.0%	£47	£74	+56.8%
Hammersmith and Fulham	3,950	2,771	-29.9%	-1,180	38.2%	35.9%	-2.2pp	£171	£314	+83.5%	£61	£101	+65.0%
Haringey	1,546	1,473	-4.7%	-73	30.6%	31.4%	+0.8pp	£120	£224	+86.0%	£35	£64	+84.4%
Harrow	36	55	+50.2%	+18	26.1%	32.2%	+6.1pp	£69	£186	+169.2%	£17	£56	+235.3%
Havering	10	10	-1.8%	-0	17.8%	22.3%	+4.5pp	£129	£158	+22.8%	£19	£31	+65.6%
Hillingdon	1	2	+78.9%	+1	45.5%	32.9%	-12.6pp	£51	£76	+49.1%	£16	£19	+18.3%
Hounslow	366	263	-28.3%	-104	32.3%	30.8%	-1.5pp	£165	£254	+53.9%	£49	£68	+37.7%
Islington	4,040	3,022	-25.2%	-1,018	37.8%	38.0%	+0.1pp	£179	£290	+62.2%	£64	£101	+57.2%
Kensington and Chelsea	6,492	5,219	-19.6%	-1,273	35.0%	37.5%	+2.5pp	£277	£465	+68.0%	£90	£156	+73.5%
Kingston upon Thames	75	102	+34.7%	+26	27.1%	28.5%	+1.3pp	£73	£174	+137.9%	£18	£45	+156.0%
Lambeth	3,967	3,103	-21.8%	-864	37.4%	33.8%	-3.6pp	£148	£288	+94.4%	£52	£88	+68.1%
Lewisham	1,652	1,561	-5.5%	-91	30.7%	26.4%	-4.3pp	£92	£202	+118.8%	£26	£47	+80.1%
Merton	841	729	-13.3%	-112	22.9%	25.0%	+2.1pp	£126	£236	+87.2%	£26	£52	+99.0%
Newham	1,617	1,695	+4.8%	+78	31.4%	27.9%	-3.6pp	£127	£263	+106.8%	£38	£65	+73.7%
Redbridge	173	161	-7.3%	-13	29.8%	21.0%	-8.8pp	£87	£231	+167.0%	£24	£42	+73.2%
Richmond upon Thames	244	213	-12.5%	-30	31.8%	27.2%	-4.6pp	£169	£231	+36.6%	£48	£54	+13.7%
Southwark	3,982	3,301	-17.1%	-682	38.7%	33.8%	-4.9pp	£157	£289	+84.4%	£58	£88	+51.5%
Sutton	15	14	-7.1%	-1	31.0%	39.3%	+8.3pp	£110	£109	-1.2%	£29	£39	+36.2%
Tower Hamlets	6,575	4,482	-31.8%	-2,093	39.3%	35.2%	-4.1pp	£142	£268	+88.8%	£53	£84	+58.4%
Waltham Forest	987	1,191	+20.7%	+204	30.5%	29.3%	-1.2pp	£91	£190	+107.7%	£27	£50	+89.5%
Wandsworth	3,404	3,074	-9.7%	-331	31.1%	30.1%	-1.0pp	£154	£281	+81.6%	£44	£75	+69.8%
Westminster	9,588	8,502	-11.3%	-1,086	38.7%	40.7%	+2.0pp	£277	£466	+68.4%	£102	£173	+69.8%
London (total)	71,565	62,723	-12.4%	-8,842	36.2%	34.2%	-2.0pp	£180	£313	+74.2%	£63	£100	+59.9%

Section 2: Forecasting methodological detail

This section details how the central-case scenarios are produced – outlining assumptions used and the evidence underpinning them.

2.1 Methodology for London-level demand forecasts (for serviced accommodation)

As mentioned in the forecast section of the report, visitor nights are forecast to rise from 154 million in 2024 to 224 million by 2050 – resulting in demanded serviced accommodation rooms growing from 162,000 in 2024 to 232,000 by 2050.

The demand forecast is built in three steps.

- **Step 1: Forecast visitor nights.** Forecasting is split into an econometric method for the medium term and a trend extrapolation for the long term.
 - For the medium-term (2025–2030), we use a blended regression approach of trend decomposition for domestic visitor nights; and standard linear regression techniques for international visitor nights¹⁹. For domestic visitor nights, methodological adjustments to the underlying data in 2022 caused a structural break in the data, rendering pre-2022 figures incomparable. To account for this structural break, separate regression models are estimated for the pre-COVID (2006–2019) and post-COVID (2022–2024) periods, and results are blended to produce a unified forecast. This approach ensures that both long-term trends and more recent behavioural changes are incorporated into the projections.
 - For the long-term (2031–2050), a logistic extrapolation of the medium-term forecast is used, capping visitor nights at 230 million nights, to London’s reflect infrastructure and market constraints. Using a simple linear extrapolation would result in over 280 million visitor nights by 2050 (a 80% increase from 2024 levels), which is economically naïve, given the following:

A simple straight-line extrapolation would give over 280 million visitor nights by 2050 (an 80% rise on 2024), which is not realistic given transport capacity. Heathrow runs near its limit at [roughly 80 million passengers a year](#); a third runway, if approved and delivered, could raise this further; with Gatwick and other airports the system could handle in the order of 180 million journeys a year – roughly 140 million visitor nights. These aviation-capacity figures are illustrative and highly sensitive to policy decisions on airport expansion, which remain subject to government and Mayoral consideration; they are used here only to bound the long-run demand ceiling, not as a forecast of airport capacity.

<https://www.heathrow.com/expansion/about-expansion>https://en.wikipedia.org/wiki/Airports_of_London Eurostar expansion at St Pancras adds around 24 million passengers, and [HS2 around 110 million annual passengers](#) (about 15% inbound London tourists), together roughly 40 million further visitor nights. The cap also reflects [hospitality labour shortages](#), [the way rising prices moderate demand](#), and the experience of other cities ([Amsterdam](#), [Barcelona](#), [Venice](#)) in managing tourism volumes. Some of these point lower and some higher; together with projected transport capacity they imply roughly 220–260 million visitor nights, placing the 230 million cap as a reasonable, slightly conservative midpoint.

- **Step 2: apply the serviced accommodation share to overall nights.** [ONS International Passenger Survey](#) and [GB Tourism Survey](#) data show 33.6% of international visitor nights and 45% of domestic nights are spent in serviced accommodation. Applied to London’s 2023 visitor mix (116 million

¹⁹ Discussion on merits of this approach here: [Discussion paper on aviation demand forecasting, Airports Commission \(2013\)](#)

international and 38 million domestic nights), this yields a 36% serviced share, which is held constant across all forecast years on the assumption that accommodation preferences are stable.

- **Step 3: convert to rooms.** Dividing annual serviced visitor nights by the number of hotel rooms each year, and averaging over 2013–2025, gives 352 nights per room per year. This captures real-world utilisation – seasonal peaks, weekday/weekend patterns, and rooms left empty – and is held constant across the forecast. As mentioned in the report body, this figure may seem to imply almost 100% occupancy rates, but occupied room typically host more than one guest (i.e., a couple sharing a room counts as two visitor-nights). We apply this 352-figure consistently across all forecast years. The result is demand growing from about 166,000 rooms in 2025 to about 232,000 by 2050.

2.2 Methodology for London-level supply forecast (for serviced accommodation)

London's serviced accommodation supply is forecast to grow from roughly 174,000 rooms in 2025 to 243,000 rooms by 2050 (+39%), adding roughly 69,000 net new rooms. The supply forecast is built in three steps.

- **Step 1 (2025–2028): Using available pipeline data.** The current CoStar construction and planning pipeline indicates there are 15,257 rooms in the pipeline, of which roughly 6,900 are under construction and 8,400 have been granted planning permission. Following [GLA Working Paper 88](#), the full pipeline is assumed to eventually be delivered, recognising that new schemes continually enter the pipeline so a snapshot understates eventual delivery. After accounting for closures of 0.4% of stock a year, this yields 13,114 net rooms over three years. This equates to an increase in rooms of 4,371 a year from 2025–2028.
- **Step 2 (2029–2040): Using historical growth rates.** Once the pipeline data runs out, we calculate supply growth at 1.65% a year. This is a weighted average of the pre-COVID rate (2.91% a year from 2000–2019, weighted 30%) and the post-COVID rate CAGRs (1.11% a year over 2022–2025, weighted 70%). Heavier weight is placed on recent years, supported by Chow tests on CoStar room supply data, which finds a statistically significant structural break at 2019/2020 – i.e., supply growth has not returned to its pre-pandemic path. This phase takes supply to about 228,243 rooms by 2040. This equates to an increase in rooms of 3,388 a year from 2029–2040.
- **Step 3 (2041–2050): Tethering supply to demand.** A naive continuation of 1.65% growth would reach roughly 263,000 rooms by 2050, well above demand. Supply is therefore hard-capped at 105% of current-year demanded rooms. This cap is chosen through (1) observing historical supply-demand ratios in London, with the capital historically operating between roughly 97% and 107% of demanded rooms; and (2) on the established "natural occupancy rate" principle that supply overshooting demand self-corrects through falling occupancy ([deRoos 1999](#), [Denton 2020](#)).

2.3 Methodology for borough-level demand forecast (for serviced accommodation)

In the borough-level demand forecasts, London's headline demand growth (an additional 65,842 rooms between 2025 and 2050) is distributed across the 33 boroughs. Every method of allocating this demand to boroughs starts from the same 2025 baseline, and the methods differ only in how the additional rooms are shared between boroughs.

Each borough's 2025 demanded rooms figure is its current serviced accommodation room stock, adjusted by its occupancy rate relative to the London average. The adjustment makes the starting point reflect demand intensity rather than just existing supply. This baseline is identical across all methods.

At borough level, London's data offers no direct demand signal. Visitor nights are reported only for London as a whole. We therefore allocate London's growth using supply signals as a revealed-preference proxy:

where rooms have actually been built (demand met) and where the planning system expects them next (demand anticipated). The four methods differ in which signals they weight, and how heavily. The central case scenario is the blended method. The pipeline method is used as a forward-looking cross-check – and two further methods (transport-connectivity-led and constant-share led) are documented below as further sensitivity checks.

Blended method (central case)

The blended method is calculated as follows:

- **Step 1: pipeline share of room growth.** The 2024 London Employment Sites Database (LESD) dataset records (per borough) net hotel rooms in approved applications, site allocations and other borough-identified capacity. From this data, each borough's share of the London-wide pipeline (36,647 rooms) is calculated.
- **Step 2: historical share of room growth.** Borough inventory in 2015 and 2025 is measured from CoStar data, and each borough's share of London's net 2015–2025 room additions is calculated.
- **Step 3: apply equal weight between pipeline and historical shares.** The pipeline share and the 2015–2025 completions share are averaged with equal weight, and that blended share is applied to the 65,842 additional rooms forecast to be demanded at the London-level, then added to the borough's 2025 baseline.

The 50/50 weight gives the forward-looking pipeline and the structural delivery record equal weight. The 2015–2025 window is long enough to smooth single-scheme volatility while remaining recent enough to reflect post-2008 conditions – and the LESD pipeline is assumed to capture genuine borough-identified capacity. Averaging the two signals makes the allocation more robust to any single large scheme and better grounded in where rooms have actually been built (while still carrying the pipeline signal). Its weakness is that the 2015–2025 window includes the COVID disruption, which depresses some boroughs' historical estimates.

Pipeline method (forward-looking cross-check)

The pipeline method places full weight on each borough's share of the LESD pipeline for its share of London's 2025–2050 demand growth. This method assumes current planning and developer intentions are the best guide to where 25 years of growth will land. Its strength is that it reflects market expectations directly, but its weakness is volatility. A single large scheme can dominate a borough, and zero-pipeline boroughs receive no share of the headline demand growth, which is likely too restrictive over a 25-year horizon. This is exactly why the central case blends it with the historical record rather than using it alone.

Section 3: Alternate forecast scenarios

This section details further forecast scenarios: the constrained and optimistic scenarios around the central-case headline forecast, and two further borough-allocation methods.

3.1 London-level scenarios

The headline forecast uses central-case assumptions. Two further headline scenarios are presented below – constrained and high demand scenarios – by varying five key parameters. The same headline supply and demand forecasts presented in the report are re-run with alternative parameter values. On the demand side, the visitor-nights ceiling, the serviced accommodation share, and the sellable nights per room are adjusted. On the supply forecast side, the Step 2 growth rate and the Step 3 ceiling are changed.

Assumption	Constrained	Baseline	High	Reasoning for the range
Visitor nights ceiling (millions)	210	230	260	Lower if aviation expansion stalls and tourism-management tightens; higher with a third runway and strong recovery
Serviced share	32%	36%	38%	Lower if unserviced accommodation listings growth erodes the hotel share; higher if the serviced share recovers
Sellable nights per room	345	352	360	Lower if utilisation softens and with sparser visitor-to-room ratios; higher if operating efficiency improves and with denser visitor-to-room ratios
Annual supply growth	1.0%	1.65%	2.5%	Lower under tighter planning/finance restrictions and subdued macroeconomic environment; higher under a development-friendly regime
Supply ceiling (× demand)	1.00	1.05	1.08	No buffer if capital is constrained; a wider buffer if development runs ahead of demand

The constrained scenario assumes weaker tourism recovery, erosion of the serviced share by short-term lets, and tighter planning. The high scenario assumes strong recovery, and increasing serviced accommodation share of all visitor accommodation. The resulting 2050 values are presented below:

Outcome at 2050	Constrained	Baseline	High
Visitor nights (M)	210	224	244
Rooms demanded	195,000	232,000	258,000
Supply forecast	195,000	243,000	278,000
Gap (supply – demand)	0	+11,000	+20,000
Net rooms added 2025–2050	21,000	69,000	104,000

Source: Forecasts of GBTS and ONS IPS data (figures rounded to the nearest thousand)

To check how much of the forecast uncertainty comes from the data sample itself, a bootstrap simulation was conducted, repeatedly re-fitting the demand forecast model and assessing the demand spread at 2050. The 2050 central estimate of 224 million sat within a narrow 221–228 million range. Sampling uncertainty is therefore small relative to the structural-assumption uncertainty (roughly 210–244 million across the aforementioned scenarios).

3.2 Borough-level scenarios

Transport-connectivity-led method

This method estimates how committed transport investment could shift where London's accommodation growth is allocated – estimating how the public-transport accessibility gains delivered by schemes opening by 2031 would redistribute boroughs' shares of 2025–2050 growth relative to the Blended central case. In

short: the Blended central share is nudged by the change in each borough's public-transport accessibility between 2025 and 2031, then re-balanced so the shares still sum to London's total.

- **Step 1: source and weight the accessibility data.** [WebCAT](#) tool publishes 2025 and 2031 forecast public-transport accessibility (PTAL) values. Five evenly-spaced ward-centroid values per borough are averaged to a borough score for each year, then weighted by the borough's 2024 population ([ONS Mid-Year Estimates](#)) and normalised across the 33 boroughs. Population weighting corrects a known artefact whereby small, highly-accessible boroughs (most starkly the City of London) would otherwise carry disproportionate weight.
- **Step 2: compute the accessibility shift.** Each borough's 2025 accessibility share is subtracted from its 2031 share. The shifts are zero-sum across London and small: the largest gain is Islington at +0.73 percentage points (Crossrail / Northern Line interchange), the largest loss is Croydon at -0.30 points.
- **Step 3: tilt the Blended allocation.** Each borough's accessibility shift is added to its Blended share of growth, scaled by an intensity setting, with any borough that would go negative floored at zero and the shares re-scaled to sum to 100%. The result is applied to the 65,842 additional rooms.

This method suffers from a key limitation. Accessibility (PTAL) is a resident accessibility index, not directly a visitor demand signal: tourist demand in central boroughs is driven by attractions, theatres and museums, not simply accessibility. Thus, the method is used as a modifier on the Blended allocation.

Constant-share method

Where the blended, pipeline and transport-connectivity methods bring forward-looking signals to borough allocations, this constant-shares method deliberately uses none - estimating how London's 2025–2050 growth would distribute if each borough's current demand share persisted.

- **Step 1: establish the 2025 baseline.** Each borough's current hotel-stock share of London's stock is adjusted by its occupancy rate relative to London's average. This occupancy-adjusted stock figure reflects demand intensity rather than just existing supply, and is the borough's measure of "demanded" rooms in 2025.
- **Step 2: hold the share constant.** The 2025 occupancy-adjusted share is applied as the borough's share of London's total projected demand in every forecast year, held constant over the period.
- **Step 3: apply to London demand.** Each forecast year's London demand is multiplied by the borough's constant share to give borough demand that year.

The method assumes today's demand distribution is permanent. Its strength is simplicity, but it produces unintuitive results for boroughs with large pipelines or major planned transport investment – thus it is shown as a counterfactual, not a recommended view.

Annex Figure 5 presents borough-level forecasts for demand according to the two sensitivity methods.

Annex Figure 5: Borough-level forecasted demand of serviced accommodation rooms in 2050, Transport-connectivity-led and Constant-share methods

Borough	Rooms demanded (2025)	Transport-tilted: Rooms demanded (2050)	Transport-tilted: Net additional rooms (2025–2050)	Transport-tilted: Growth (%)	Constant-share: Rooms demanded (2050)	Constant-share: Net additional rooms (2025–2050)	Constant-share: Growth (%)
Westminster	41,655	52,834	11,179	26.8%	58,206	16,551	39.7%
Tower Hamlets	10,860	21,840	10,980	101.1%	15,175	4,315	39.7%
City of London	8,191	13,959	5,768	70.4%	11,446	3,255	39.7%
Lambeth	5,761	9,724	3,963	68.8%	8,050	2,289	39.7%
Hillingdon	12,488	16,415	3,927	31.4%	17,450	4,962	39.7%
Newham	6,444	9,946	3,502	54.4%	9,004	2,560	39.7%
Southwark	6,678	9,820	3,142	47.0%	9,331	2,653	39.7%
Hackney	3,528	6,611	3,083	87.4%	4,930	1,402	39.7%
Hammersmith & Fulham	5,116	7,546	2,430	47.5%	7,149	2,033	39.7%
Ealing	2,855	5,159	2,304	80.7%	3,989	1,134	39.7%
Hounslow	4,764	7,051	2,287	48.0%	6,657	1,893	39.7%
Islington	4,935	7,198	2,263	45.9%	6,896	1,961	39.7%
Camden	17,746	19,840	2,094	11.8%	24,797	7,051	39.7%
Greenwich	1,964	3,962	1,998	101.7%	2,744	780	39.7%
Brent	2,323	3,430	1,107	47.6%	3,246	923	39.7%
Wandsworth	1,729	2,751	1,022	59.1%	2,416	687	39.7%
Merton	935	1,847	912	97.5%	1,307	372	39.7%
Haringey	329	926	597	181.5%	460	131	39.7%
Barking & Dagenham	729	1,230	501	68.7%	1,019	290	39.7%
Lewisham	485	927	442	91.1%	678	193	39.7%
Havering	660	1,063	403	61.1%	922	262	39.7%
Enfield	962	1,286	324	33.7%	1,344	382	39.7%
Kingston upon Thames	1,156	1,465	309	26.7%	1,615	459	39.7%
Sutton	503	772	269	53.5%	703	200	39.7%
Kensington & Chelsea	14,875	15,109	234	1.6%	20,785	5,910	39.7%
Bromley	696	864	168	24.1%	973	277	39.7%
Harrow	602	753	151	25.1%	841	239	39.7%
Waltham Forest	378	517	139	36.8%	528	150	39.7%
Bexley	539	664	125	23.2%	753	214	39.7%
Redbridge	919	1,032	113	12.3%	1,284	365	39.7%
Barnet	1,423	1,489	66	4.6%	1,988	565	39.7%
Richmond upon Thames	1,356	1,396	40	3.0%	1,895	539	39.7%
Croydon	2,126	2,126	0	0.0%	2,971	845	39.7%
London	165,710	231,552	65,842	39.7%	231,552	65,842	39.7%

Source: LESD planning pipeline data; CoStar hotel supply data; TfL WebCAT

The blended, pipeline, and transport-titled borough-allocation methods move closely together. The constant-share method is the main outlier; and the allocations most worth treating as a range rather than a single figure are several smaller Outer London boroughs (Haringey, Sutton, Havering, Bromley, Harrow, Waltham Forest and Bexley).

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