

GLA Housing and Land

Housing in London 2022

The evidence base for the London Housing Strategy



October 2022

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Copies of this report are available from data.london.gov.uk/housing. Please send comment and questions to housing.analysis@london.gov.uk

Introduction

Housing in London is the evidence base for the Mayor's London Housing Strategy, and also informs housing policies in the London Plan. It summarises key patterns and trends across a range of topics relevant to housing in the capital under the following headings (click on links to go to the relevant section):

[London Housing Strategy monitoring indicators](#)

1. [Demographic, economic and housing context](#)
2. [Housing stock and supply](#)
3. [Housing costs and affordability](#)
4. [Housing needs, including homelessness and overcrowding](#)
5. [Mobility and decent homes](#)

[Acknowledgements](#)

The report sits alongside a range of other Greater London Authority (GLA) publications that provide evidence or statistics on housing, including:

- [GLA Affordable Housing Programme statistics](#)
- [The London Plan Annual Monitoring Reports](#)
- [The State of London report](#)
- [The Survey of Londoners](#)

Some of the data in this report predates the Coronavirus pandemic, while the vast majority predates the cost of living crisis and the economic turmoil that affected the UK from September 2022.

This report and (where available to share) the data used in this report has been uploaded to a dedicated page on the [London Datastore](#).

London Housing Strategy monitoring indicators

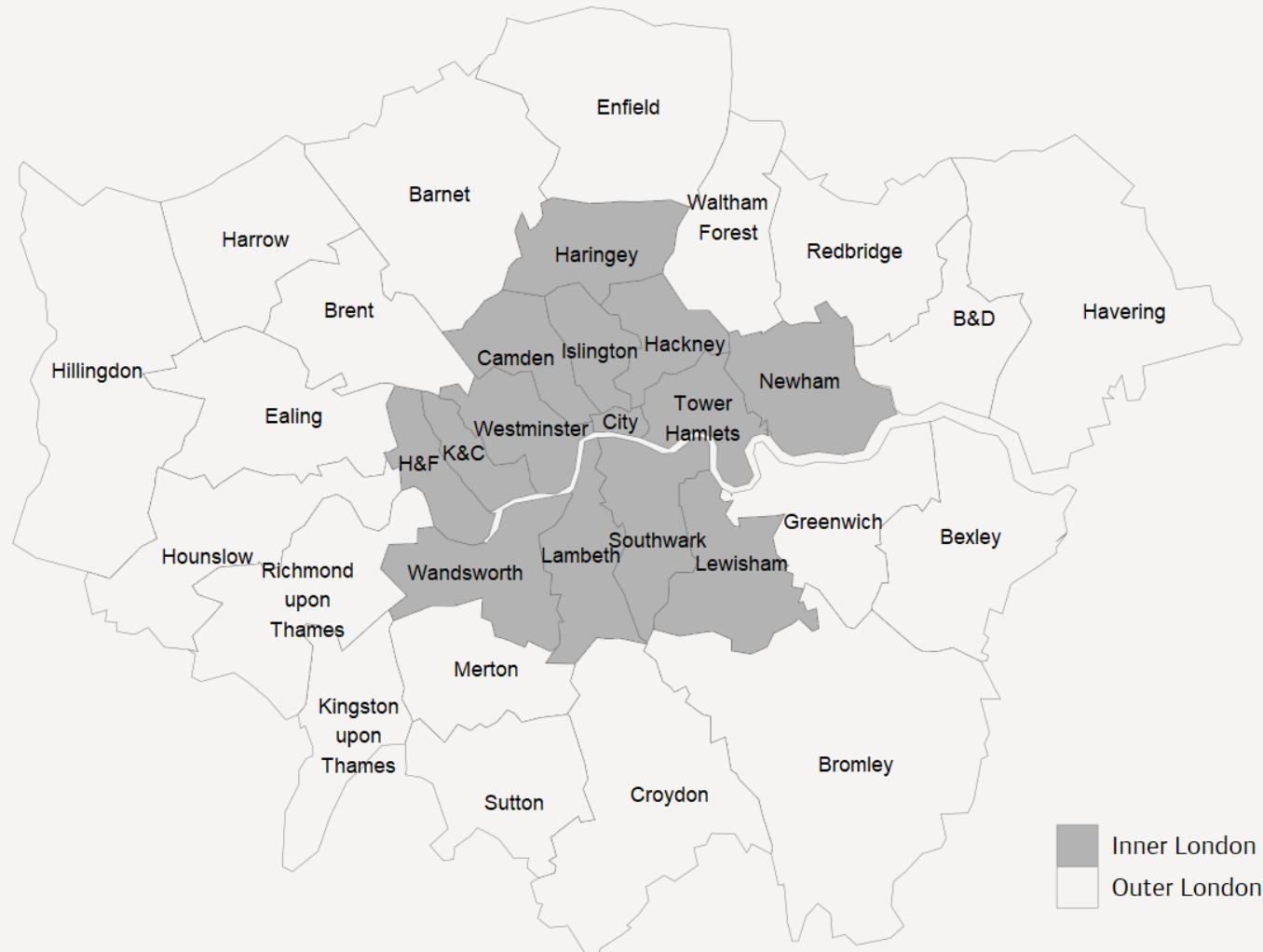
The [London Housing Strategy: Implementation Plan \(May 2018\)](#) includes a set of headline indicators, chosen to measure the long-term impact of the London Housing Strategy and the state of the housing market in London more generally. The latest figures for each indicator are provided in this section.

- **Increasing the supply of new homes.** This indicator is measured using the net supply of new homes (according to the pre-2021 London Plan definition, which includes the change in long-term empty homes). As reported in chart 2.1, there were 37,180 net additional homes completed in London in 2020-21, according to Department for Levelling Up, Housing and Communities (DLUHC) statistics on net additions to the housing stock. Separate DLUHC statistics show that there was an increase of 2,270 in the number of long-term empty homes in London, from 30,548 in 2020 to 32,818 in 2021. When these two figures are combined, the resulting net supply of new homes in 2020-21 is 34,910, a **decrease** of 6.7% from the provisional estimate of 37,390 for 2019/20 in last year's report (likely reflecting in part the impacts of the pandemic).
- **Increasing the stock of social housing.** This indicator is measured as the net change in the stock of low-cost rented affordable housing in London. Local authorities and housing associations owned a combined total of 791,200 low-cost rented homes in London in 2021, an **increase** of 0.2% compared to 2020 (chart 2.12).
- **Making housing more affordable.** The affordability of housing in London is measured using English Housing Survey data on housing costs as a percentage of household income. According to 2019/20 data (which precedes both the pandemic and the cost of living crisis), London households spent a median average of 24.7% of their income on housing costs, a **decrease** from 25.7% in 2018/19. Charts 3.1 and 3.2 in this report show more up-to-date figures on the proportion of Londoners who say their housing costs increased in recent months.
- **Improving the quality of housing.** There are a number of ways to measure the quality of housing, but progress against this indicator is monitored using the percentage of homes in London at or above the Decent Homes Standard. 88% of homes in London met the standard in 2020, an **increase** from 85% in 2019 (chart 5.5).
- **Reducing overcrowding.** This indicator is measured using the percentage of London households that are overcrowded. The latest robust estimate comes from the 2019/20 English Housing Survey, which reported that 9.2% of households in London were overcrowded, an **increase** from 8.2% in 2018/19. English Housing Survey estimates from during the pandemic are less reliable, because they do not take into account the large number of people who temporarily moved in with other households during this period. Chart 4.8 in this report

provides a related measure, the difference from the London average in the proportions of adults from different groups who say they live in crowded homes.

- **Improving energy efficiency of housing** is measured using the median SAP rating of London's homes, which was estimated to be 68% in 2020, an **increase** from 67% in 2019 (chart 5.10).
- **Improving the private rented sector** is measured using the percentage of private renting households satisfied with their tenure. 55% of private renting households in London said they were satisfied with the tenure of their accommodation in 2019/20, a **decrease** from 67% in 2018/19. Chart 1.4 in this report provides a related measure, the difference from the London average in the proportions of adults from different groups who rate their housing as poor.
- **Improving conditions in the private rented sector.** This indicator is monitored by the number of Homes in Multiple Occupation (HMOs) issued with mandatory licences by London boroughs. In 2021, there were 17,645 HMOs with mandatory licenced HMOs licences in London, an **increase** of 22% from 2020 (chart 2.14).
- **Preventing and addressing homelessness.** This indicator is measured using the number of households who were assessed, following the end of a relief duty, as owed a main duty due to being unintentionally homeless and in priority need. There were 2,400 households in this category in the first quarter of 2022, a **decrease** from 2,770 in 2021 Q1 (see chart 4.5 for more details).
- **Reducing homelessness** is monitored using the number of homeless households in temporary accommodation. In March 2022, there were 56,640 homeless households living in temporary accommodation arranged by London boroughs, a **decrease** from 60,010 in March 2021 (chart 4.7).
- **Reducing rough sleeping.** 8,329 people were seen sleeping rough in London in 2021/22, a **decrease** of 24% from 2020/21 (chart 4.1).

A map of Inner and Outer London boroughs, as defined by the Office for National Statistics (ONS), is provided below:



1. Demographic, economic and housing context

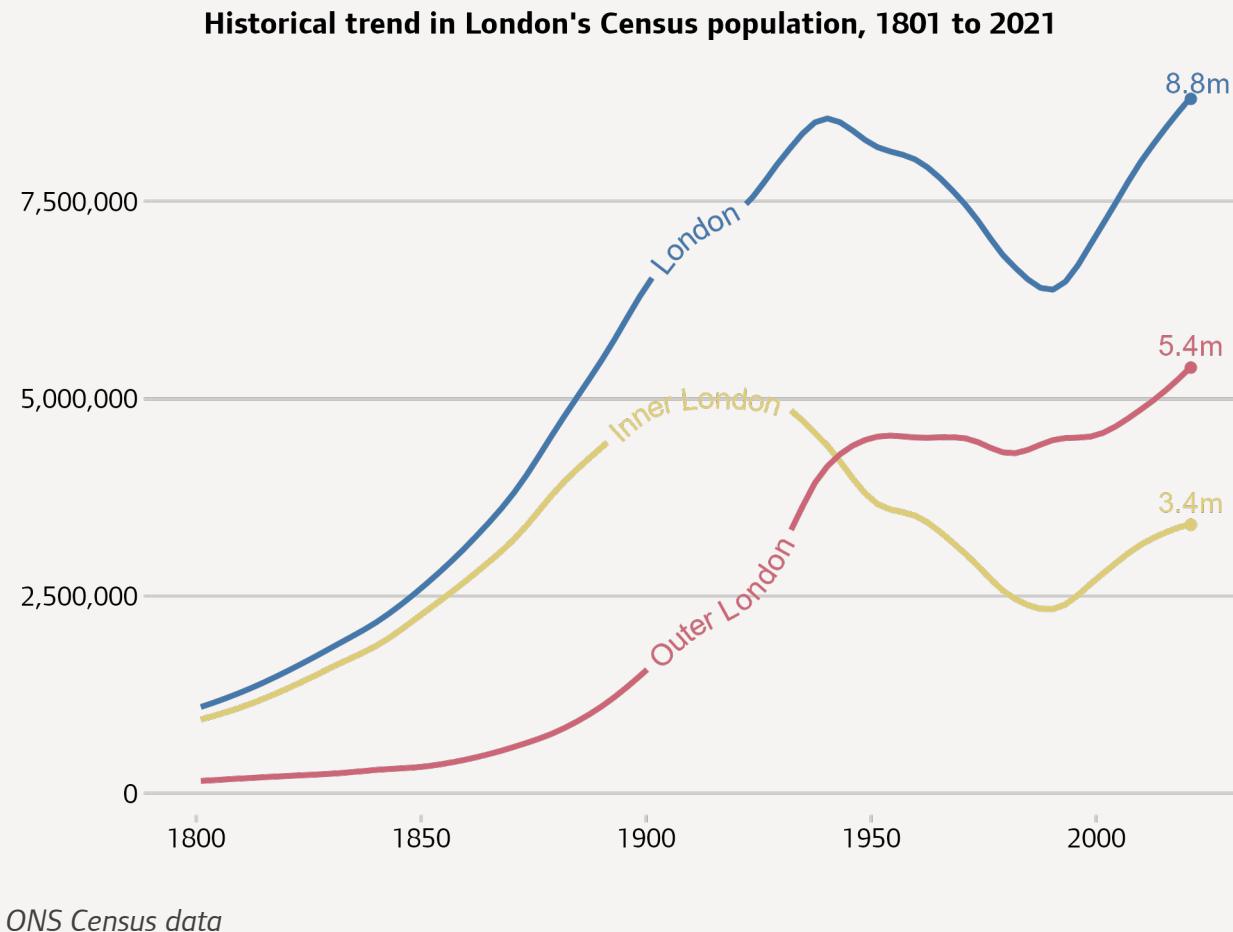
The 2021 Census estimated that London's population stood at 8.8 million in March 2021, the highest population yet recorded through a Census (see chart 1.1). Between the 2011 and 2021 Censuses, London's population was estimated to have grown by 7.7% and its number of households by 4.8%, but there were sharp falls in the population of a handful of central boroughs (1.2).

However, the Census was carried out when London was still experiencing the effects of the Coronavirus pandemic, and there is reason to think that London, particularly Inner London, has seen significant population changes since then. For example, since the Census was carried out in March 2021, the number of employee jobs (excluding self-employment) recorded in Inner London has grown by 9.4% and the number in Outer London by 6.1% (1.3).

Many Londoners experience problems with their homes, with significant differences between groups. 12% of all Londoners in private renting or social renting households rated their homes as poor, but those on low incomes, living in council homes or of Black, Bangladeshi or Pakistani ethnicity, were more likely to do so (1.4).

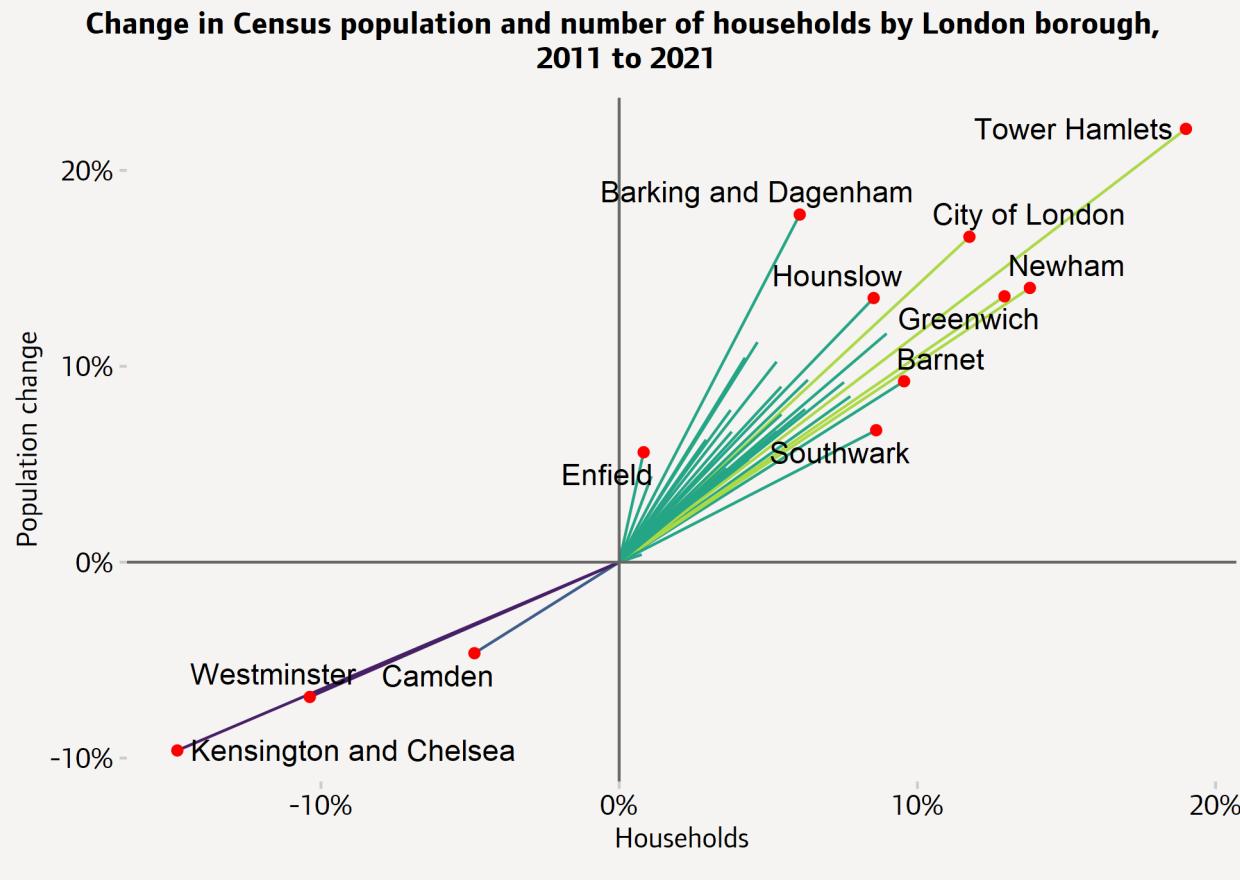
The housing challenges facing Londoners in 2022 must be put in the context of a worsening cost of living crisis. Over the course of 2022 more and more Londoners, particularly private and social tenants, have said they are struggling to make ends meet or to afford basic needs (1.5).

- 1.1 The 2021 Census estimated that London's population stood at 8.8 million in March 2021, the highest population yet recorded through a Census



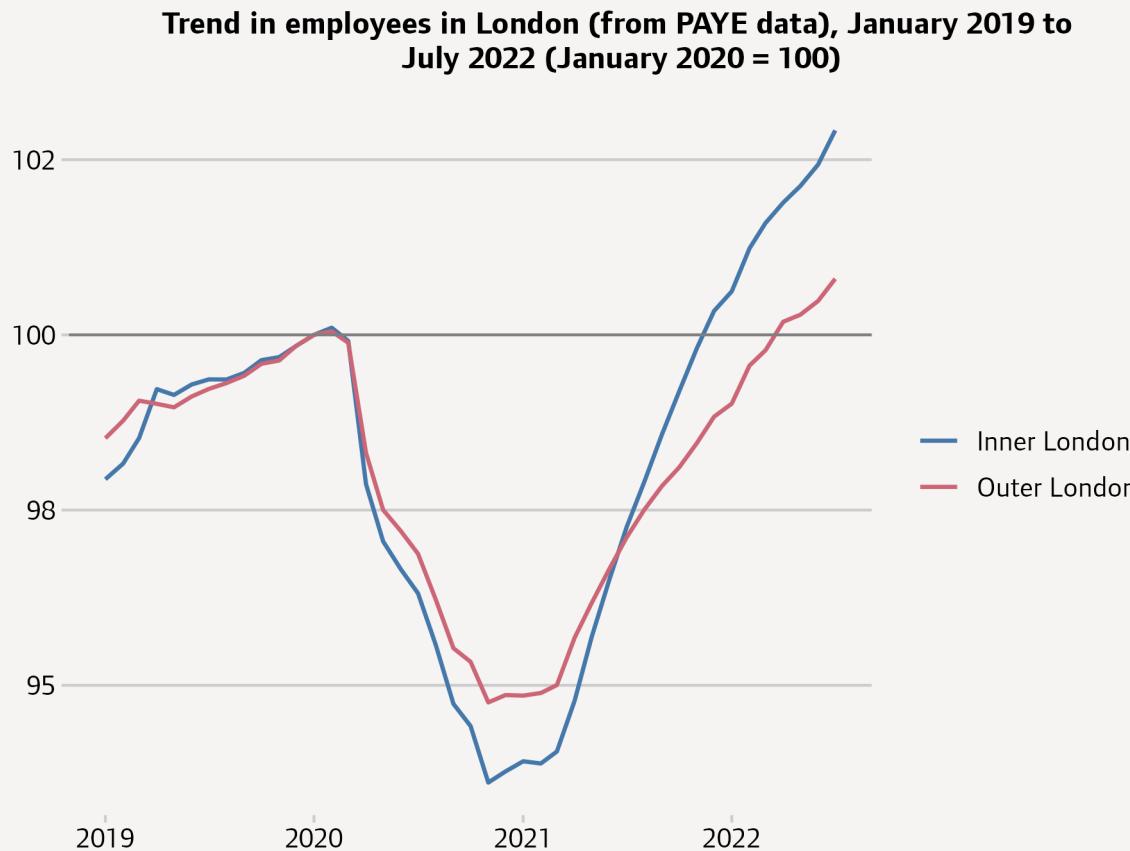
- The 2021 England and Wales Census was carried out on Sunday 21 March, and according to the first results, London's population stood at 8.8m at that point. This is the highest Census population in London's history, just above the 8.6m recorded on the eve of war in 1939.
- While London's overall population has exceeded its historic peak, this is not the case for Inner London, where the population peaked at 5m in 1911 and had fallen by more than half to 2.3m in 1991. Between 2011 and 2021, it grew by 5.3% to reach 3.4m.
- The Census recorded Outer London's population as growing much more quickly over the last decade, increasing by 9% to a new peak of 5.4m.
- The 2021 Census was carried out when London was still experiencing the effects of the Coronavirus pandemic, and there is reason to think that London, particularly Inner London, has seen significant population changes since then (see for example chart 1.3).

- 1.2 Between the 2011 and 2021 Censuses, London's population was estimated to have grown by 7.7% and its number of households by 4.8%, but there were sharp falls in a handful of central boroughs



- The Census estimated there to be 3.4m households in London in 2021, up 4.8% from 2011, while the population was estimated to have increased by 7.7%. These trends suggest a substantial increase in average household sizes.
- In most boroughs there was growth in both the number of people and households. Both population and household growth were strongest in Tower Hamlets at 22% and 19% respectively, reflecting its very high rates of housebuilding. Barking and Dagenham stood out for a high rate of population growth (18%) compared to household growth (6%), while Southwark had a relatively low rate of population growth (7%) compared to household growth (9%).
- Three central London boroughs – Camden, Westminster, and Kensington and Chelsea – stood out with shrinking population and household numbers. It is likely that at least some of these declines can be attributed to the Census taking place before London's economic recovery from the pandemic (see chart 1.3).

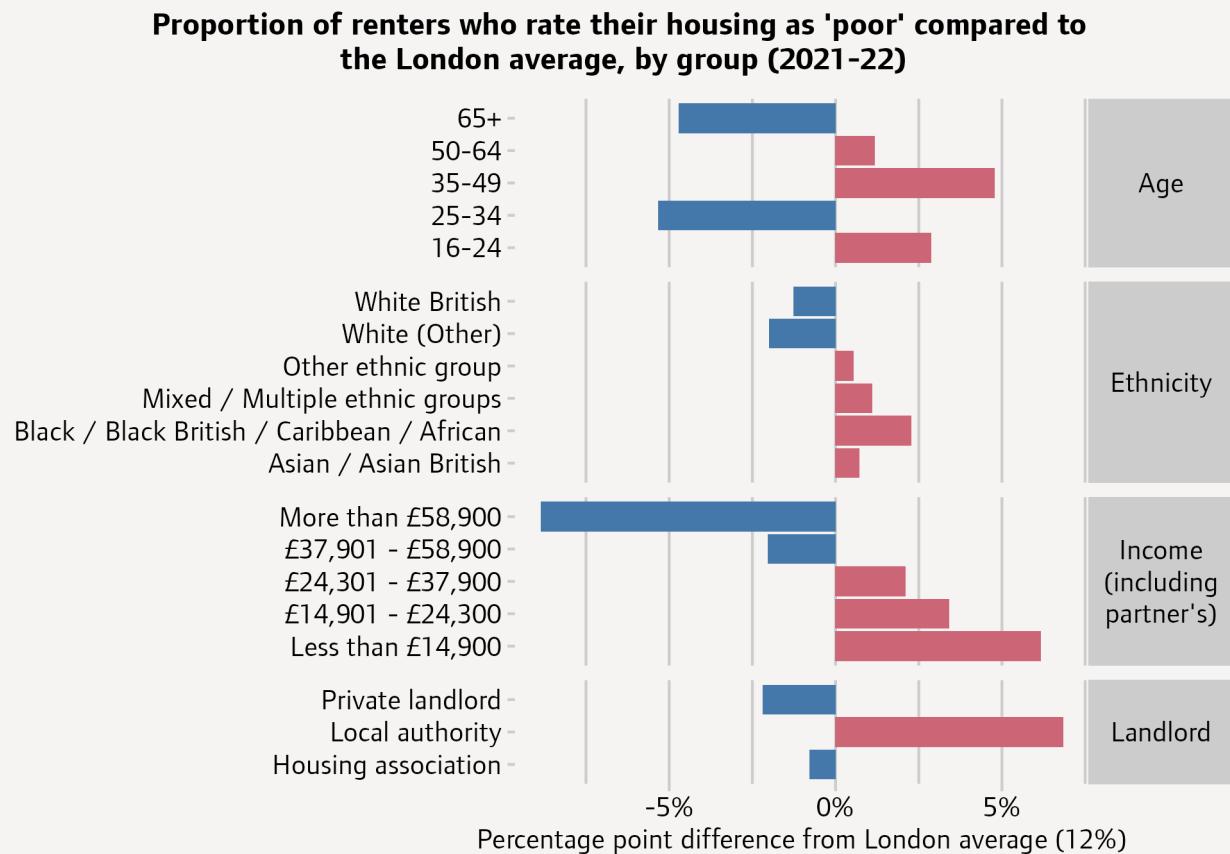
- 1.3 Since the Census was carried out in March 2021, the number of employee jobs (excluding self-employment) recorded in Inner London has grown by 9.4% and the number in Outer London by 6.1%



ONS, Earnings and employment from Pay As You Earn Real Time Information, UK (August 2022)

- According to ONS data from the PAYE system on the number of employees in work (excluding the self-employed), employment in London was growing steadily at the outset of the pandemic in March 2020.
- In the following year, there was a sharp drop in employee numbers, falling by 5.9% in Inner London and 4.9% in Outer London in the year to March 2021.
- The period since March 2021 (when the Census was carried out) has seen a strong recovery in employment in London. The number of people employed rose by 9.4% in Inner London and by 6.1% in Outer London between March 2021 and July 2022.
- This increase in employment is likely to be linked to changes in both population patterns and in household formation, which in turn affect the housing market – for example, average rents for new tenancies have also grown strongly in London (particularly Inner London) over this period.

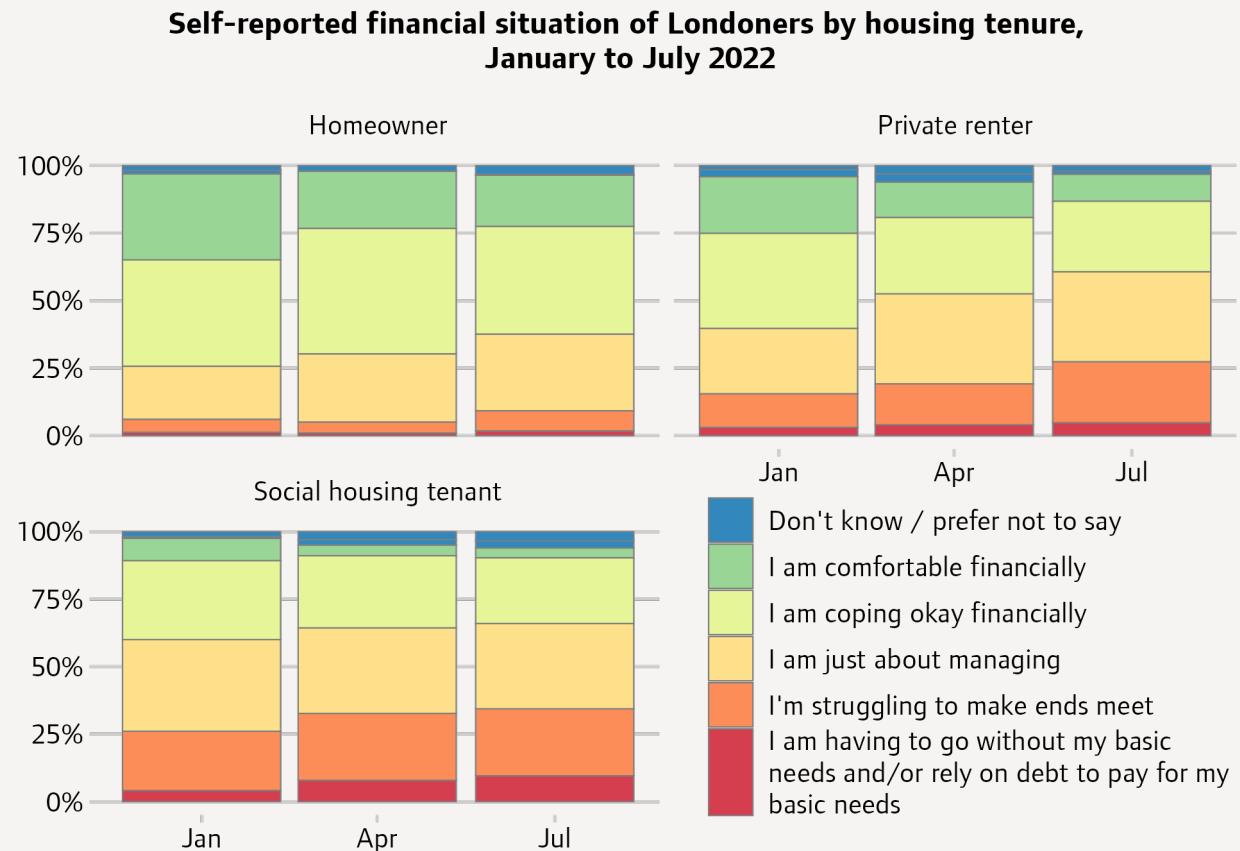
- 1.4 12% of all Londoners in private renting or social renting households rated their homes as poor, but those on low incomes, living in council homes or of Black, Bangladeshi or Pakistani ethnicity, were more likely to do so



GLA, Survey of Londoners 2021-22

- The 2021-22 Survey of Londoners was an online and paper self-completed survey of 8,630 adults in London, with most of the fieldwork completed in November and December 2021.
- The survey asked private and social tenants to rate the quality of their housing, and across both groups 12% rated their homes as 'poor'.
- There were significant differences from this overall average for certain groups. 19% of council tenants rated their homes as poor, 7% above the London average. Young adults and those in middle age were also more likely to say they were living in poor housing, as were those on lower incomes.
- Among the broad ethnicity categories shown here, Asian and Black renters were most likely to say their housing was poor. But there are significant differences within some of these categories too: most notably, 26% of Bangladeshi and 19% of Pakistani renters said their housing was poor, compared to only 6% of Indian renters.

- 1.5 Over the course of 2022 more and more Londoners, particularly private and social tenants, have said they are struggling to make ends meet or to afford basic needs



GLA/YouGov cost of living polling. The homeowner category includes mortgaged owners, outright owners and shared owners.

- YouGov has been regularly surveying Londoners on the cost of living crisis on behalf of the GLA since January 2022.
- In January, 6% of homeowners, 16% of private renters and 26% of social housing tenants said they were struggling to make ends meet or pay for basic needs. Most Londoners said they were either coping okay financially (36%) or comfortable (23%), although this only applied to a minority of social housing tenants (of whom 29% said they were okay financially and 8% they were comfortable).
- The financial situations of Londoners deteriorated over the following months. By July, 9% of homeowners, 27% of private renters and 34% of social housing tenants said they were struggling to make ends meet or pay for basic needs, and those who said they were coping okay or comfortable were in the minority of private renters (a combined total of 36%), as well as social housing tenants (28%).

2. Housing stock and new supply

New construction makes up the vast majority of net additions to London's housing stock, while both the contribution of conversions and losses to demolition have shrunk over time (chart 2.1). New construction in London has averaged around 40,000 homes a year in recent years, but according to data from Energy Performance Certificates (EPCs) the number of new homes completed in 2022 is below the number that had been built by this point in the year in 2019 and 2021 (2.2). New supply can also be measured in terms of bedrooms, and between 2017/18 and 2019/20 around 173,500 bedrooms were completed in new build schemes in London, with Tower Hamlets leading the way with 12,180 bedrooms (2.3).

In 2021 planning permission was granted for an estimated 64,063 new homes in London, but the number of separate projects approved has been falling for several years, indicating that a higher proportion of newly approved homes are part of large schemes (2.4). 37% of homes recommended for approval by the Mayor in 2021 were affordable homes, the same proportion as in 2020 and 2019 (2.5).

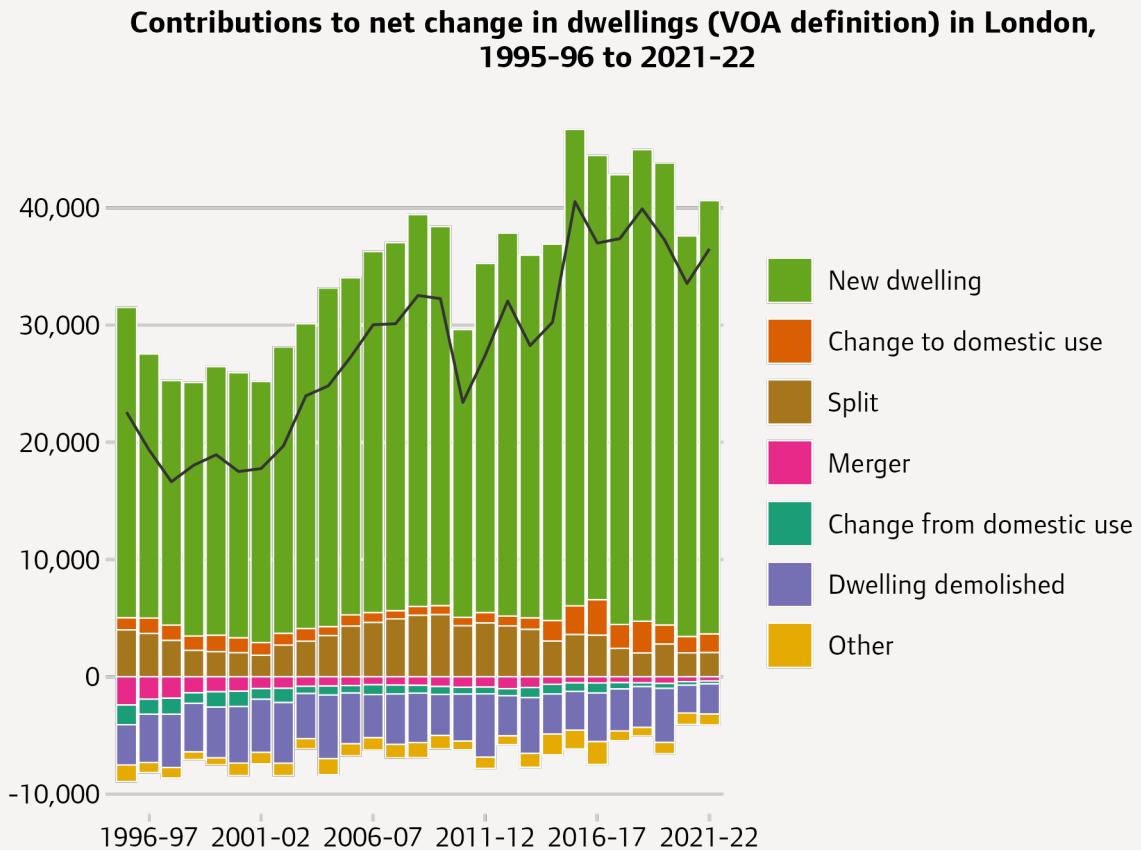
In the first quarter of 2022, sales of new market homes in large developments in London returned to pre-pandemic levels, with the majority of sales going to Build to Rent providers and homeowners purchasing via Help to Buy (2.6). The Build to Rent sector is continuing to grow; by the end of 2021 a total of 46,750 Build to Rent homes had been started in London since 2009, with 76% of those homes already completed (2.7).

GLA-funded affordable housing starts in 2021/22 rose by 41% from the year before, with construction started on 18,700 homes across all types of affordable housing (2.8). 4,950 new council homes were started by London boroughs in 2021/22 with GLA support, up 57% from 2020/21 and the highest number of council housing starts in London since the 1970s (2.9). 10,590 affordable homes were completed in London in 2020/21, 2% fewer than in 2019/20, likely reflecting in part the impacts of the pandemic (2.10).

1,555 council homes in London were sold through the Right to Buy scheme in 2021/22, the highest number since 2018/19, but still well below the peaks seen in the 1980s, early 2000s and mid-2010s (2.11). Social housing landlords in London owned 791,200 affordable homes for rent in 2021, the highest total since 2002 (2.12).

An estimated 2.4% of homes in London were officially recorded as empty for Council Tax purposes in 2021, following an increase in recent years (2.13). In 2021, there were 17,645 Homes in Multiple Occupation (HMOs) with mandatory licences issued by London boroughs, although this represents only a small portion of the total number of HMOs (2.14).

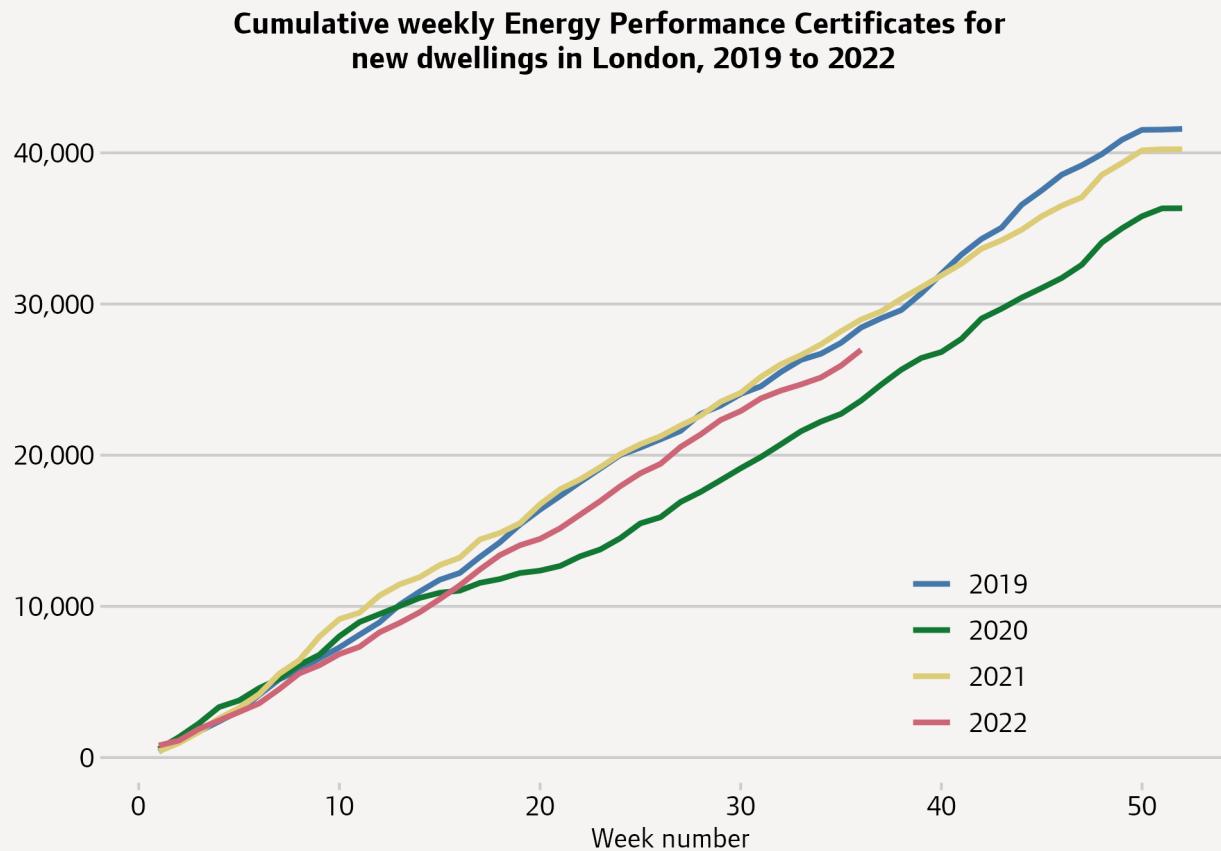
- 2.1 New construction makes up the vast majority of net additions to London's housing stock, while both the contribution of conversions and losses to demolitions have shrunk over time



VOA, Council Tax Stock of Properties 2022.

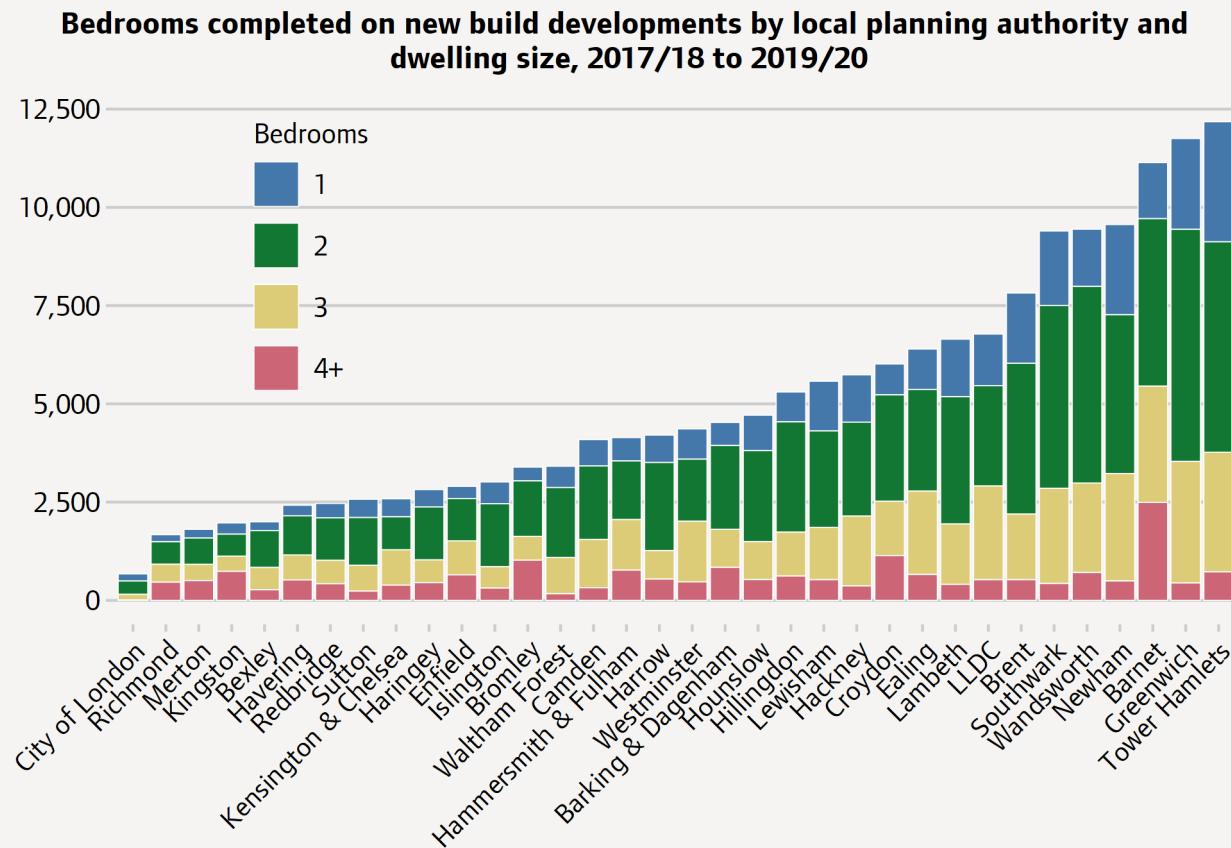
- According to DLUHC's main measure of new housing supply, 37,180 net additional homes were completed in London in 2020-21. Another measure of net change in the housing stock is provided by the Valuation Office Agency (VOA) statistics on dwellings recorded for Council Tax purposes. These figures provide a longer back-series and more detail on the types of changes involved but are not fully consistent with DLUHC's statistics.
- According to the VOA data, the annual net increase in the number of homes recorded in London for Council Tax purposes (represented by the black line on the chart) rose from less than 20,000 a year in the late 1990s to more than 30,000 a year every year since 2014.
- In every year, the dominant factor is the construction of new homes, but there have been significant changes over time in other contributory factors. The number of homes created each year through splitting (converting) existing homes has fallen since the financial crisis, as has the number of homes demolished.

- 2.2 According to data from Energy Performance Certificates, the number of new homes completed in London in 2022 is below the number that had been built by this point in the year in 2019 and 2021



- Analysts increasingly use data on the number of Energy Performance Certificates (EPCs) registered for new dwellings to monitor new housing supply. DLUHC now publishes weekly data on the number of EPCs for new dwellings registered in each region, allowing for comparison of within-year trends.
- EPCs for 41,580 new homes were registered in London in 2019, but housebuilding in 2020 fell due to the onset of the pandemic and the associated lockdowns, and never made up the gap.
- Housebuilding in 2021 fell slightly short of the 2019 level at year end, while new supply in 2022 has been trending below the rate of 2019 and 2021 for most of the year. As of early September, EPCs for 26,970 new dwellings had been registered in London in 2022.

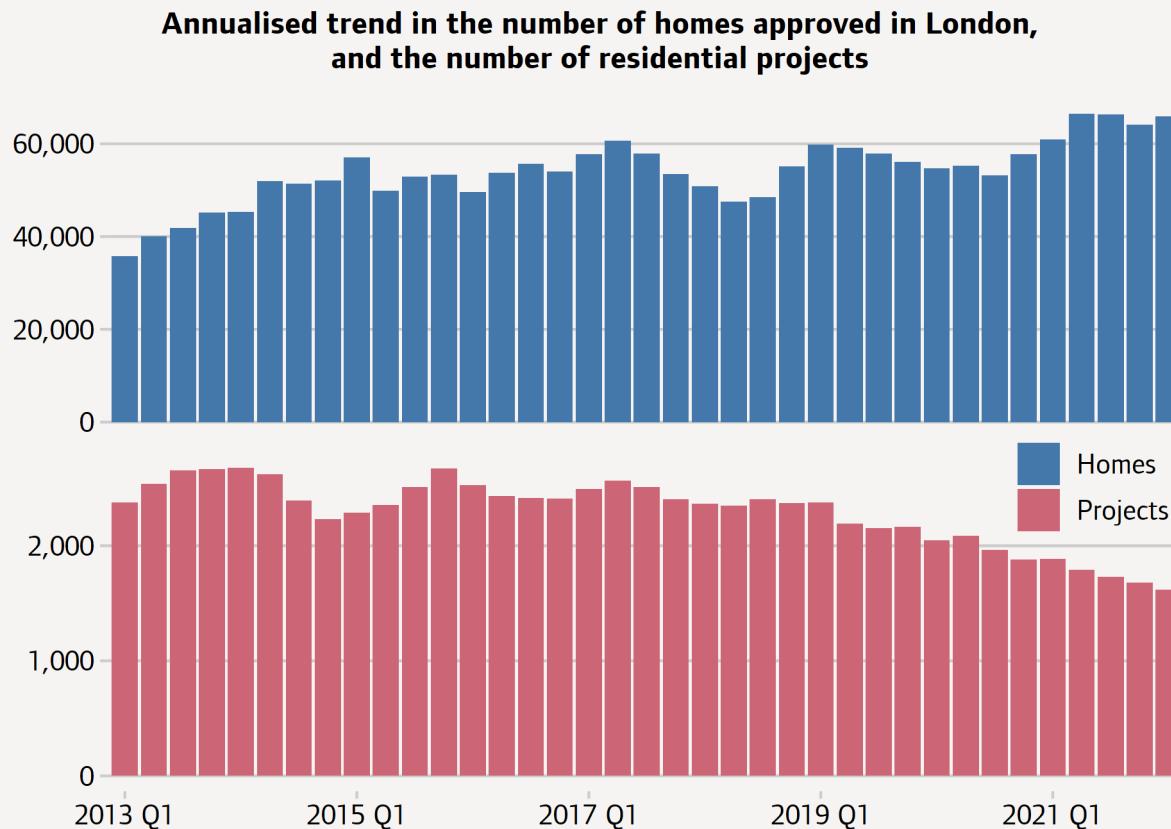
2.3 Between 2017/18 and 2019/20, around 173,500 bedrooms were completed in new build developments in London, with Tower Hamlets leading the way with 12,180 bedrooms



GLA, Planning London Datahub. Data is provisional and subject to change as the Datahub is updated.

- New housing supply is most commonly measured in terms of the number of individual homes, but this chart instead measures the total number of bedrooms completed in each local planning authority in London between 2017/18 and 2019/20. While homes with 3, 4 or more bedrooms comprise a relatively small share of the number of homes completed, they obviously account for a larger share of the number of bedrooms.
- When measured by local planning authority, Tower Hamlets had the largest number of bedrooms completed over this period at 12,180, followed by Greenwich, Barnet and Newham. If the data was recorded by borough rather than planning authority, Newham would probably be in first place as most of the homes completed in the London Legacy Development Corporation area are likely to have been within Newham's borough boundaries.
- In only four boroughs – Richmond, Merton, Kingston and Enfield – were a majority of bedrooms completed in family-sized (three plus bedroom) homes.

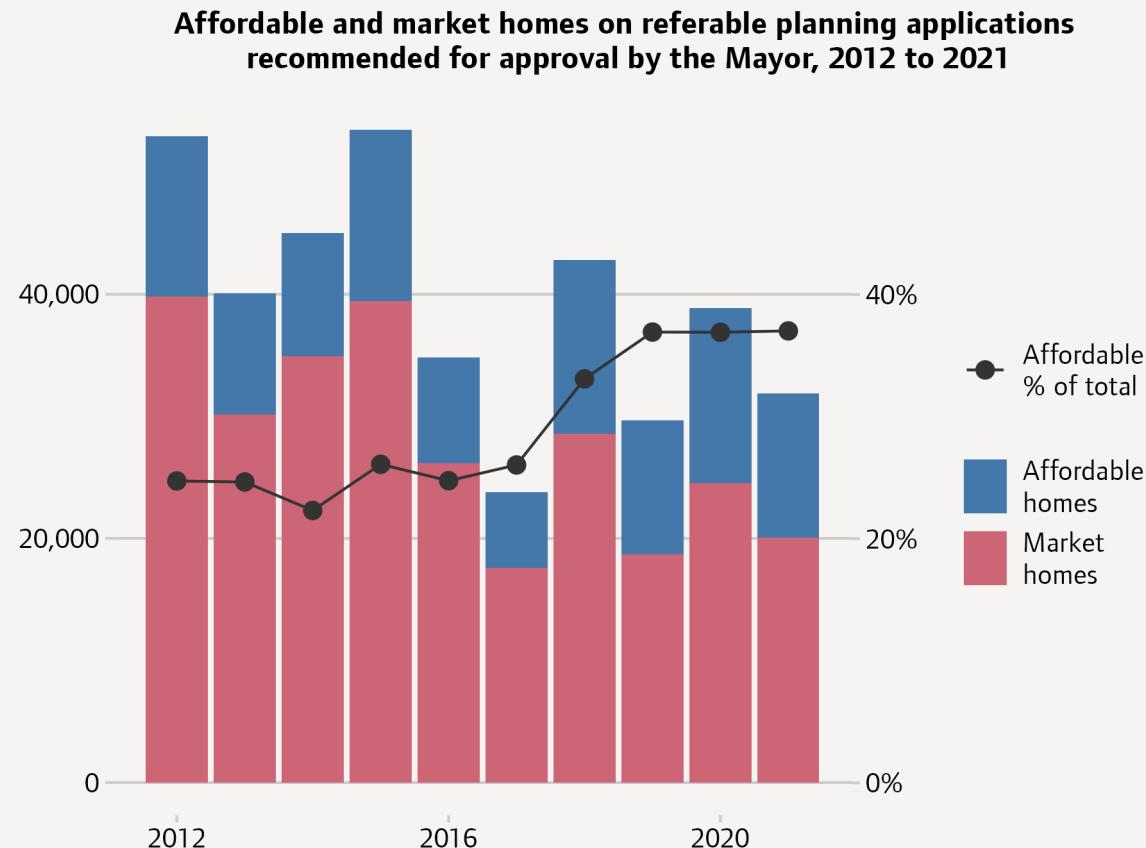
- 2.4 In 2021/22, planning permission was granted for an estimated 65,900 new homes in London, but the number of separate projects approved has been falling for several years, indicating that a higher proportion of newly approved homes are on large schemes



- According to Glenigan data on planning permissions published by the Home Builders Federation, planning permission was granted for 65,900 new homes in London in 2021/22, an increase of 8% from 2020/21. Across England as a whole, 306,400 new homes were approved in 2021/22, down 1.5% from 2020/21.
- Glenigan also reports the number of individual housing projects given planning permission in a given quarter. The annualised number of projects approved in London has fallen steadily in recent years, from 2,600 in early 2016 to 1,620 in 2021/22. The average project size has more than doubled from 17 homes per project in 2013 to 41 in 2021/22.

HBF, New Housing Pipeline Q1 2022 (using data from Glenigan). The data was recently revised to remove re-submitted applications and make other improvements.

- 2.5 37% of homes recommended for approval by the Mayor in 2021 were affordable homes, the same proportion as in 2020 and 2019 but a significant increase from the period between 2012 and 2017

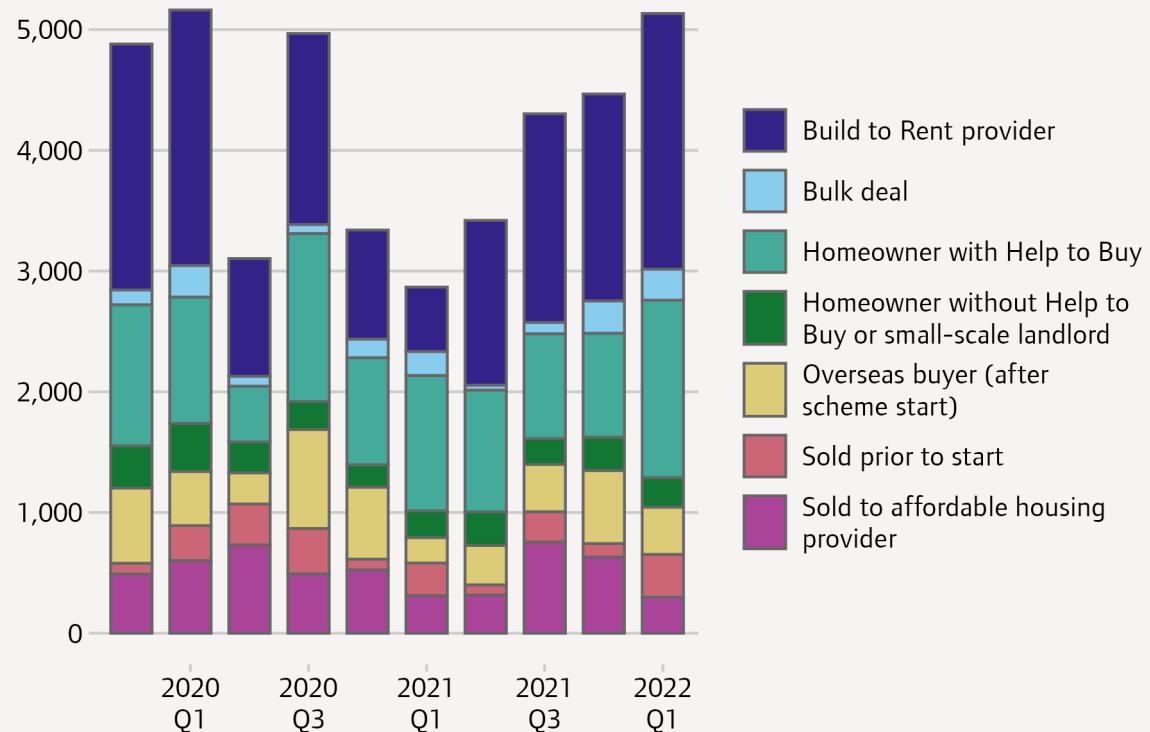


- 31,859 homes were recommended for approval at Stage Two and Three by the Mayor in 2021, a fall from 38,865 in 2020 but above the low of 23,784 in 2017.
- Of the homes approved by the Mayor in 2021, 11,763 were affordable homes, down 18% from 2020. The number of market homes in schemes recommended for approval by the Mayor in 2021 was 20,096, also down 18% from 2020.
- The share of homes recommended for approval that were affordable remained steady at 37%, the highest level recorded so far. When measured in terms of the average percentage of affordable housing per scheme, the figure of 43% recorded in 2021 was the highest so far, up from 40% in 2020.
- Across all schemes recommended for approval by the Mayor in 2021, affordable housing comprised an average of 39% of habitable rooms, down from 42% in 2020.

GLA (2022) Affordable Housing Planning Analysis: Referable Applications. Referable applications are those of potential strategic importance (according to criteria in the 2008 Mayor of London Order), which local planning authorities are required to refer to the Mayor. The Mayor makes his final decisions on these applications in what are known as Stage Two and Stage Three decisions.

- 2.6 In the first quarter of 2022, sales of new market homes on large developments in London returned to pre-pandemic levels, with the majority of sales going to Build to Rent providers and homeowners purchasing via Help to Buy

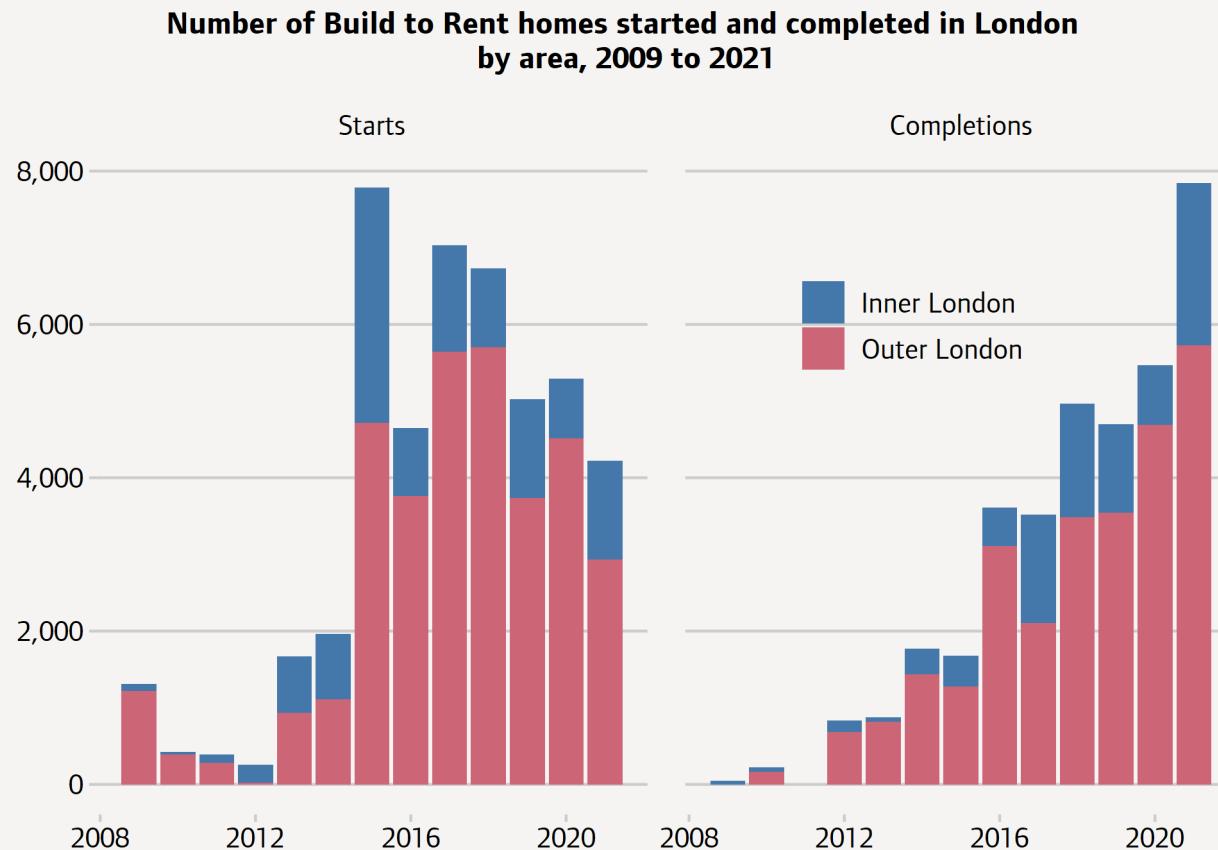
**Method of sale for new market homes on large developments in London,
2019 Q4 to 2022 Q1**



Molior London research. 'Large schemes' refers to scheme with 12 or more units. The Build to Rent category refers to new homes being built specifically to be rented rather than sold, or homes that have been built for sale being sold to large-scale landlords. Bulk deals are when an investor or other buyer purchases at least two homes in a scheme but not an entire block.

- The research consultancy Molior analysed London's housebuilding sector quarterly from 2019 to 2022, identifying the sales method for new market homes on larger schemes (those selling 12 or more homes per quarter) in each year.
- Build to Rent (BTR) homes were the largest category across the period, but the number of BTR homes dipped from late 2020 to early 2021, before rising again continuously to the first quarter of 2022, when they accounted for 41% of the total.
- The number of sales per quarter to overseas buyers (excluding any sales prior to construction starting) has been quite volatile, accounting for 10% of the total in the last year.
- Sales to individual home buyers without the aid of Help to Buy dropped by 35% during the first lockdown but have now recovered to pre-pandemic levels. Help to Buy sales increased by 71% between the end of 2021 and early 2022, potentially due to the impending end of the scheme.

- 2.7 The Build to Rent (BTR) sector is continuing to grow; by the end of 2021 a total of 46,750 BTR homes had been started in London since 2009, with 76% of those homes already completed

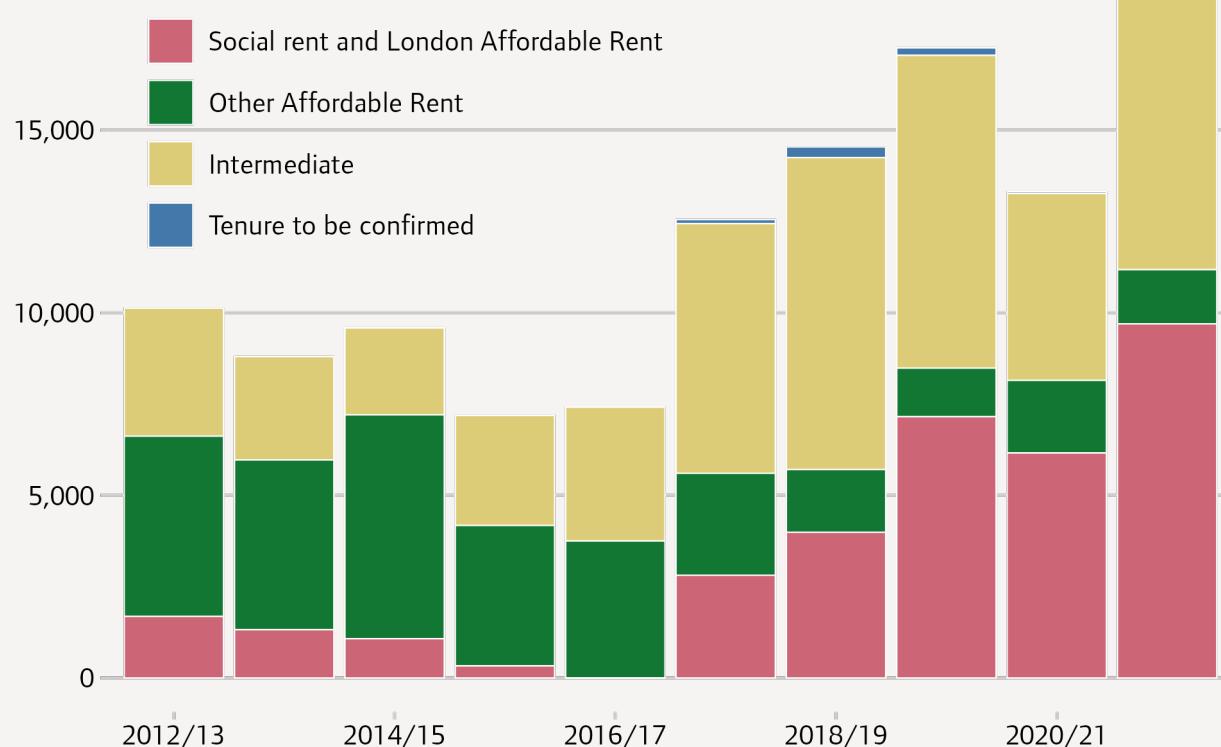


Molior, quarterly BTR starts and completions.

- Build to Rent (BTR) schemes are purpose-built for market rent. There are a range of organisations active in London's BTR market including institutional investors, private developers, local authorities, and housing associations.
- Since January 2009, 46,750 BTR homes have started construction and 35,556 have been completed, with supply increasingly focused on Outer London (generally in or near town centres).
- There were 4,219 new BTR homes started in London in 2021, 20% fewer than were started in 2020. On the other hand, completions rose between 2020 and 2021 by 43%, driven by a near tripling of homes completed in Inner London.

2.8 GLA-funded affordable housing starts in 2021/22 rose by 41% from the year before, with construction started on 18,700 homes across all types of affordable housing

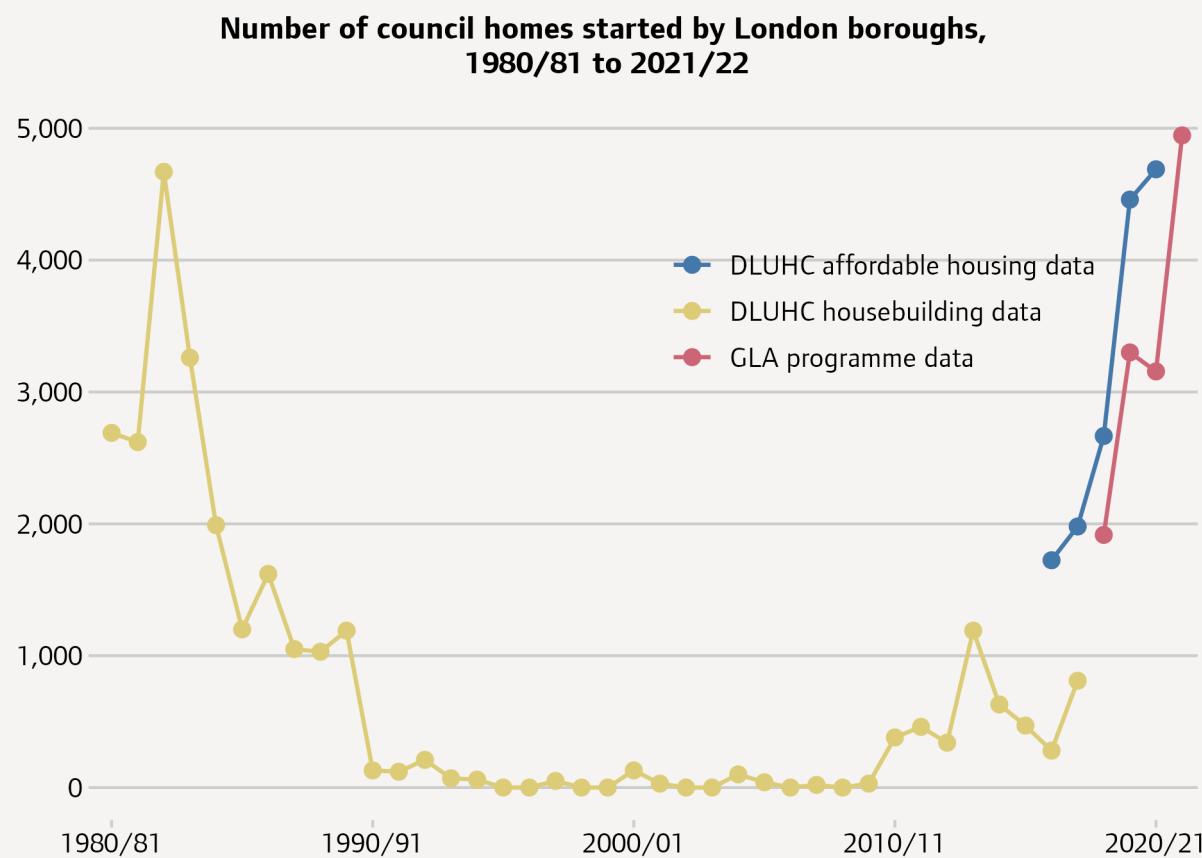
Affordable housing starts in London funded by the GLA, 2012/13 to 2021/22



GLA Affordable Housing statistics.

- Construction began on 18,700 GLA-funded affordable homes in 2021/22, the highest number of starts since GLA records began in 2012. This represents a 41% increase in affordable starts since the pandemic-related dip in 2020/21 and an 9% increase on 2019/20.
- In 2021/22, social rent and London Affordable Rent (LAR) homes continued to make up the majority of GLA-funded affordable housing starts, with a 57% increase from last year. The 9,700 social rent and LAR home starts represent the highest number ever started in London. The number of intermediate homes started rose by 45% from 2020/21 but remains lower than the number started in years preceding the pandemic.
- 54% of the GLA-funded affordable housing starts in 2021/22 were in Outer London, but the borough with the most starts was the Inner London borough of Southwark with 2,090. The City of London had the lowest number with no GLA-funded affordable homes started, followed by Richmond with 48 starts.

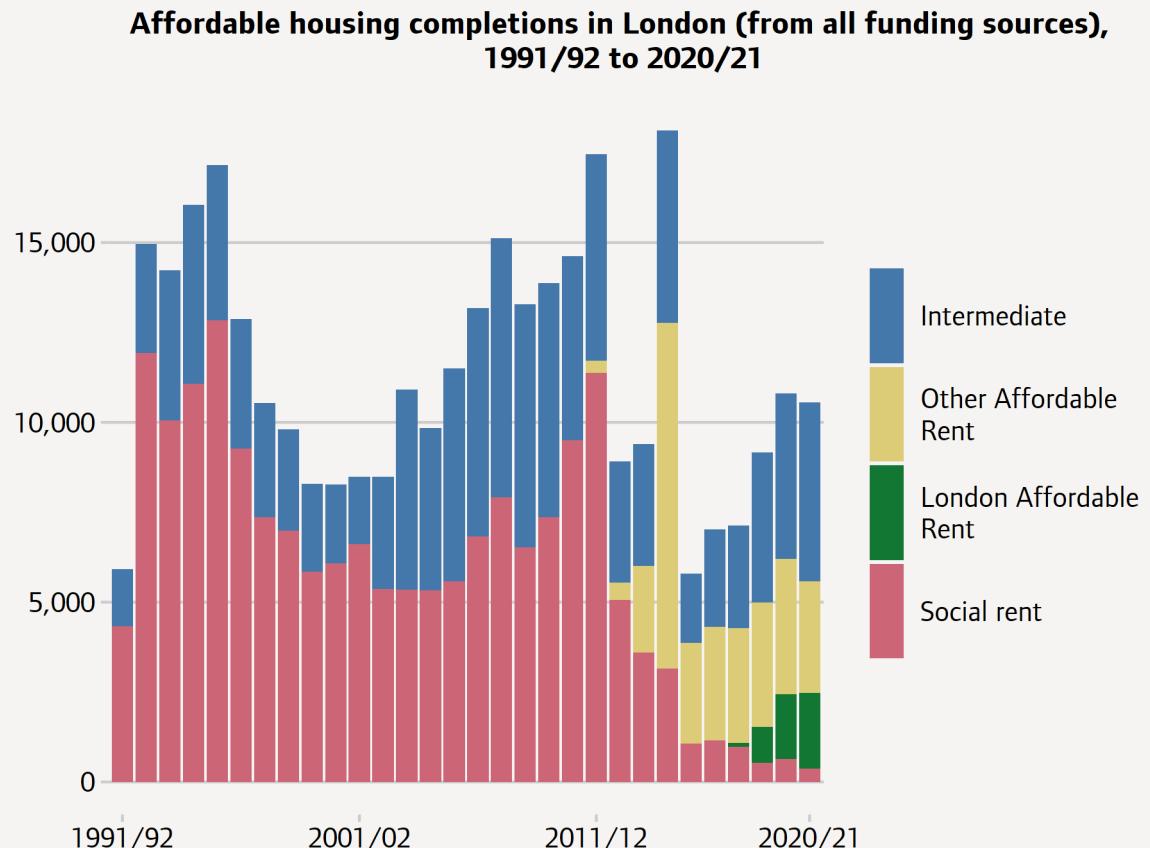
2.9 4,950 new council homes were started by London boroughs in 2021/22 with GLA support, up 57% from 2020/21 and the highest number of council housing starts in London since the 1970s



Figures for 1980/81 to 2017/18 are from DLUHC housebuilding data from live table 253. Affordable housing data for 2016/17 to 2020/21 are from live table 1011. Figures for 2018/19 to 2021/22 are from GLA affordable housing statistics.

- Council housebuilding in London peaked in the 1970s, and in the early 1980s London councils were still starting substantial numbers of new homes, with 4,670 homes started by councils at the last peak in 1982/83.
- By the end of the decade, the combined effect of government-imposed borrowing restrictions and an absence of grant funding meant that very few council homes were being started, a situation that persisted for two decades with only 990 homes started between 1990/91 and 2009/10.
- More recently, the re-introduction of self-financing and the Mayor's Building Council Homes for Londoners programme have enabled councils to ramp up supply again. In 2021/22, 4,950 new council home starts were recorded by the GLA, an increase of 57% since 2020/21 according to GLA programme data. DLUHC affordable housing data is not yet available for 2021/22 but shows that more council homes were started in 2020/21 than in any other year since the 1970s.

2.10 10,590 affordable homes were completed in London in 2020/21, 2% fewer than in 2019/20 (likely reflecting in part the impacts of the pandemic)

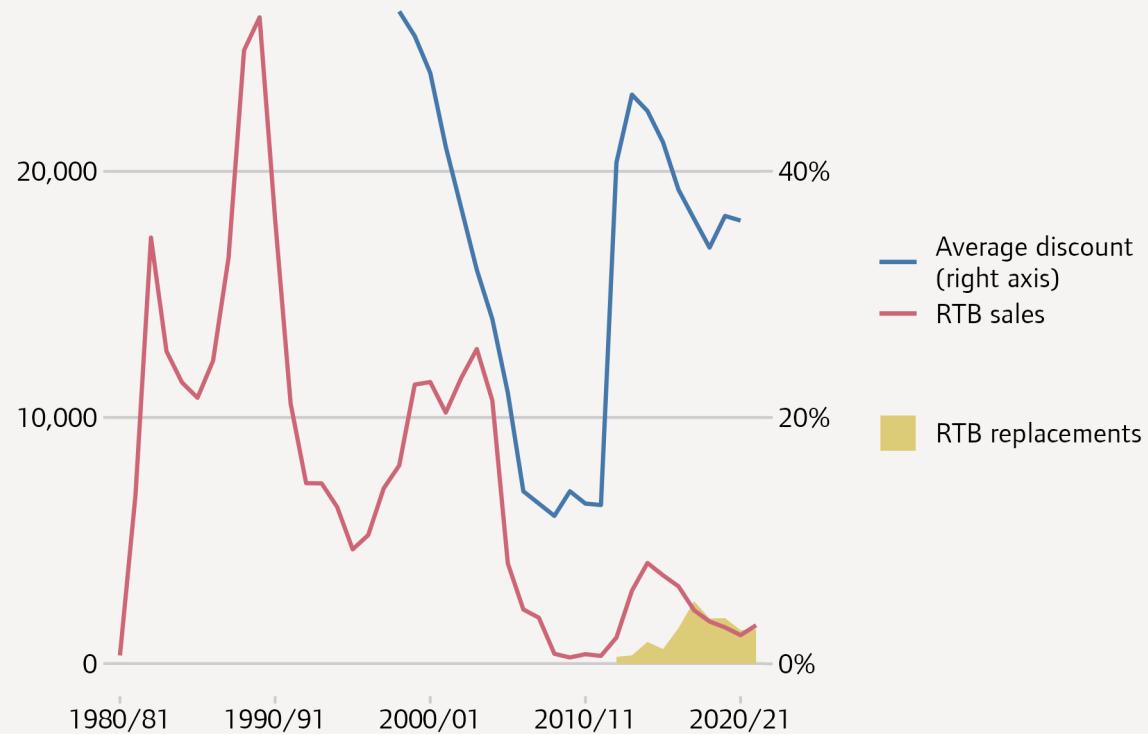


- Counting homes funded from all sources, a total of 10,590 affordable homes were completed in London in 2020/21, a 2% fall from 2019/20 but an 83% increase on the 28-year low recorded in 2015/16.
- The mix of new affordable homes completed has changed significantly since the beginning of the 2010s, with the introduction of Affordable Rent in 2010 and London Affordable Rent (LAR) in 2016.
- In 2020/21, 2,480 social rent and LAR homes were completed, 23% of the total and a slight increase from 2,440 in 2019/20. There were 3,110 completions of other Affordable Rent homes (29% of the total) and 4,970 completions of intermediate homes (47% of the total).

DLUHC affordable housing supply live table 1011. The method for collecting these statistics is different from the net conventional completions measure used earlier. The figures include acquisitions and do not net off losses to the stock and therefore represent gross completions. Figures for 2021/22 are not yet available.

- 2.11 1,555 council homes in London were sold through the Right to Buy scheme in 2021/22, the highest number since 2018/19 but still well below the peaks seen in the 1980s, early 2000s and mid-2010s

Annual Right to Buy council housing sales, average discount and replacements in London, 1980/81 to 2021/22

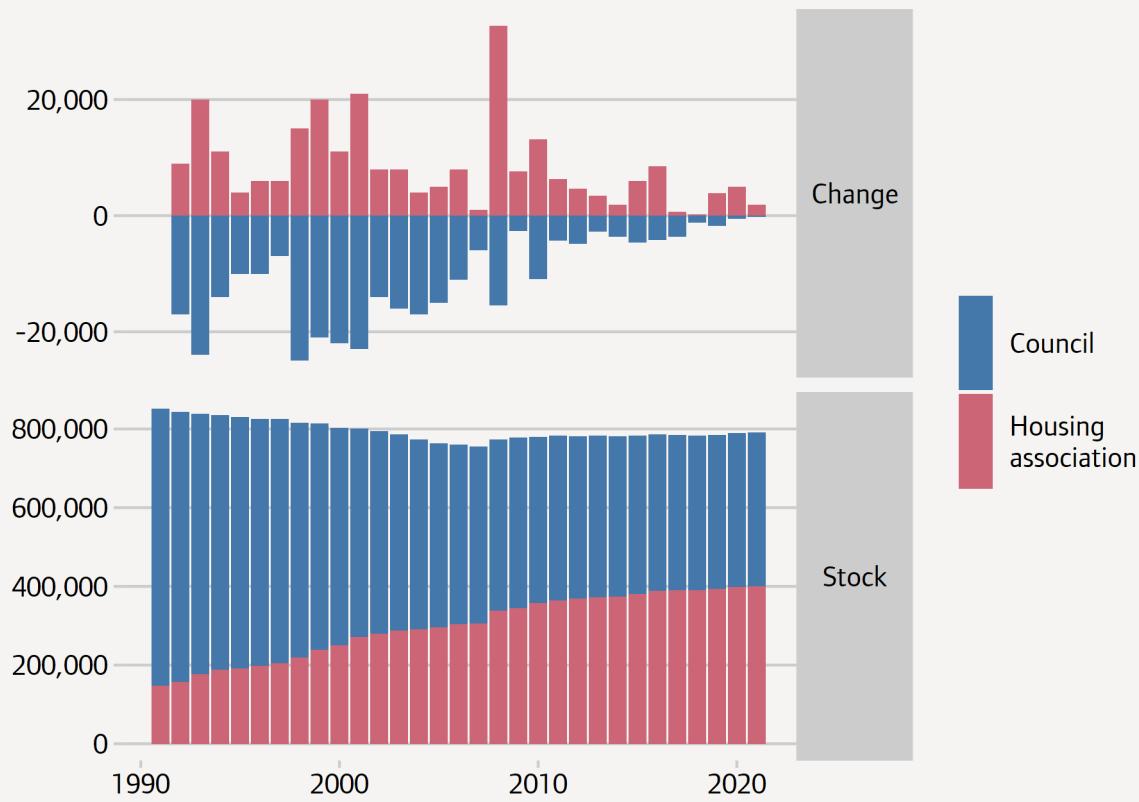


DLUHC, live tables on social housing sales and Local Authority Housing Statistics (Section B). Data on prices and discounts is not yet available for 2021/22. The 2021/22 figure represents the subset of RTB sales which were eligible for the pooling of capital receipt, therefore the final total is likely to be higher.

- 1,555 council homes in London were sold through the Right to Buy (RTB) scheme in 2021/22, up 35% from 2020/21. While an increase from last year, this is far below the most recent peak of 12,780 in 2003/04, and the record annual figure of 26,260 in 1990.
- The average market value of a home sold under the RTB scheme in London was £300,400 in 2020/21, and the average discount was £108,100 (36%). The maximum discount in London increases each year in line with inflation and is currently £116,200.
- In London in 2021/22, there were 1,397 homes started or acquired by local authorities using RTB receipts as a funding source, and in effect replacing lost council rented homes. Since 2012/13, a total of 12,482 homes have been started/acquired with RTB receipts, equivalent to just over half of the number of RTB sales over the same period (22,883).

2.12 Social housing landlords in London owned 791,200 affordable homes for rent in 2021, the highest total since 2002

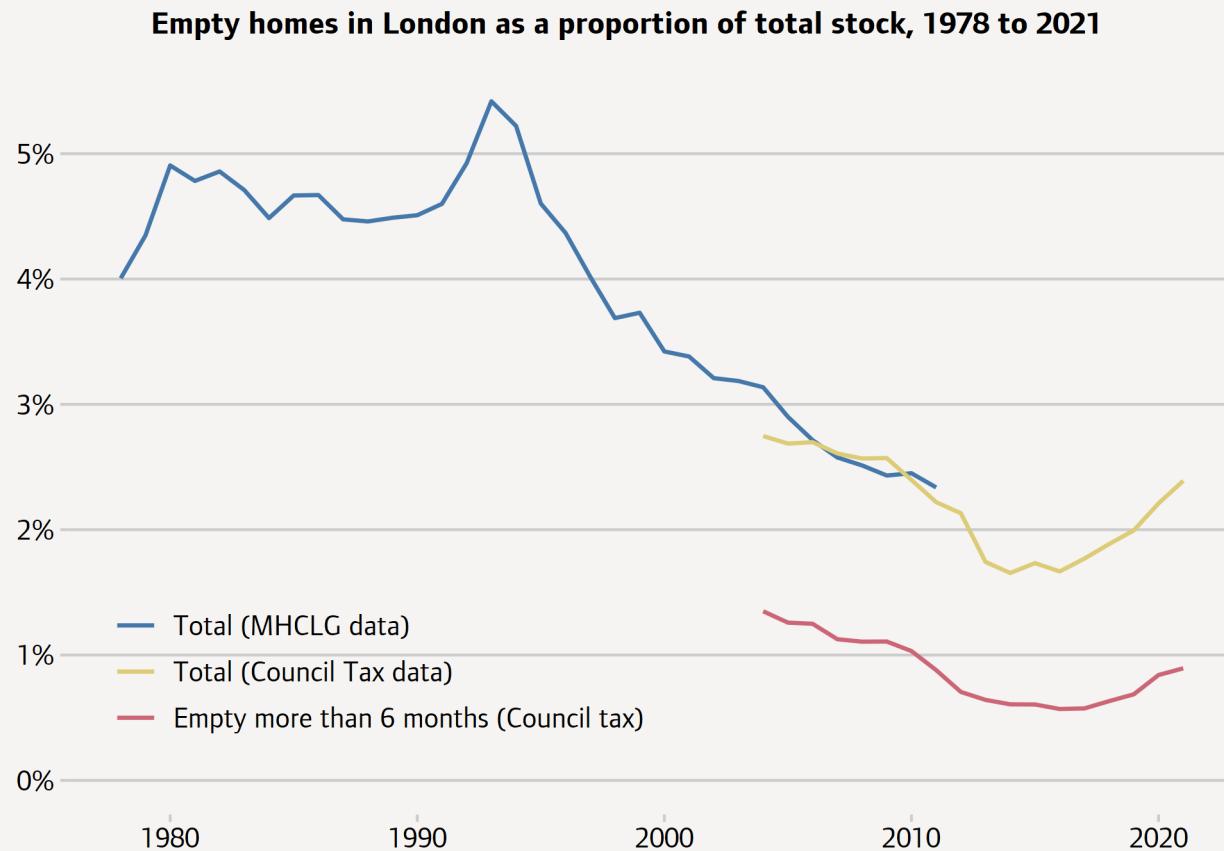
Affordable housing in London (excluding shared ownership) by type of landlord



- Local authorities in London owned 390,300 affordable homes (including social rent and Affordable Rent but excluding shared ownership) in 2021, down slightly from 390,500 in 2020. For the second year in a row, this was the smallest net annual loss of council housing in London since the introduction of the Right to Buy.
- Housing associations owned another 401,000 homes, up from 399,100 in 2020.
- The combined total of 791,200 is an increase of 1,700 from 2020 and the highest total since 2002.
- Over this period the share of affordable homes in London owned by housing associations has grown from 17% in 1991 to 51% in 2021, driven by a combination of new supply and stock transfers from council ownership.

DLUHC live table 109.

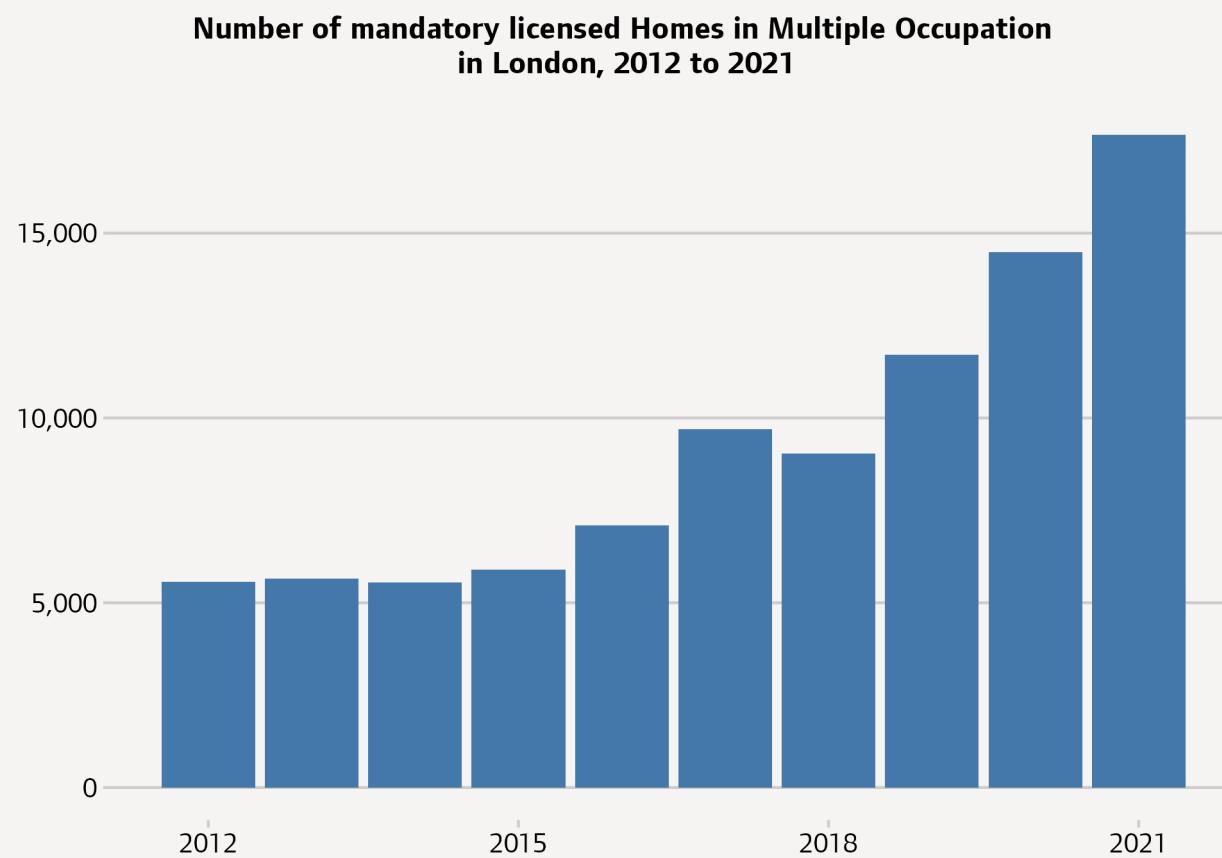
2.13 An estimated 2.4% of homes in London were officially recorded as empty for Council Tax purposes in 2021, following an increase in recent years



Compiled by GLA from: 1978 to 2011 from historical data provided to GLA by DLUHC and figures reported by local authorities to DLUHC: 2004 on from Council Tax statistics published by DLUHC in live table 615.

- According to Council Tax data there were 87,700 empty homes in London in 2021, equivalent to 2.4% of the total dwelling stock, up from a low of 1.7% in 2014.
- Long-term data indicates that both the number of recorded empty homes in London and their share of the total housing stock are still at relatively low levels, having fallen steadily from a figure of 160,500 empty homes in 1993 (5.4% of the stock at the time).
- In 2021, there were 32,800 homes in London that had been recorded as empty for more than six months, equal to 0.9% of the total dwelling stock (and up from a low of 0.6% in 2018).
- The exact reasons for the recent increase in empty homes are not known, but the trend is likely to be related to relatively high rates of housing supply relative to population growth and the accompanying improvements in affordability (see 3.1 and 3.10) before the pandemic.

2.14 In 2021, there were 17,645 Homes in Multiple Occupation (HMOs) with mandatory licences issued by London boroughs, although this represents only a small portion of the total number of HMOs



- A House in Multiple Occupation (HMO) is a property rented out by at least three people who are not from the same 'household' (such as a family), but who share facilities like bathrooms and kitchens. HMOs must be licensed where the property is rented to five or more people who share facilities.
- The number of HMOs that have been issued with mandatory licences in London increased by 22% from 14,470 in 2020 to a new high of 17,650 in 2021. This is more than three times higher than the 5,550 HMOs with mandatory licences in 2012.
- The number of HMOs that have been issued with mandatory licences is a fraction of the total number of HMOs. In 2021, local authorities estimated there were a total of 153,600 HMOs in London, of which 32,800 were mandatory licensable.

DLUHC, Local Authority Housing Statistics data returns.

3. Housing costs and affordability

More than half of social housing tenants and nearly half of private tenants in London said in July 2022 that their rent had recently increased (see chart 3.1). Low-income Londoners and those from a Black or Asian ethnic background were the most likely to have experienced rising housing costs (3.2).

After adjusting for the current exceptionally high rate of retail price inflation, the average London house price in July 2022 was 2.9% lower than its level in July 2021 (3.3). Prices were supported between late 2020 and mid-2021 by a surge in the number of new loans for first-time buyers and home movers, but the volume of lending has since fallen back (3.4). Much of this surge in lending was at relatively low loan-to-value ratios, but the number of loans at higher LTVs recovered slightly in 2021 (3.5). The mean mortgage deposit put down by first-time buyers in London remains extremely high at around £148,000, up from a low of £5,200 in 1997 (3.6).

There were nearly 5,700 homes bought in London through Help to Buy in 2021/22, with 76% of those in Outer London (3.7). London's housing market generated £2.6 billion in Stamp Duty receipts in 2020/21, the lowest since 2012/13 but rising to 44% of England's total receipts (3.8).

The balance of supply and demand in London's rental market currently looks very different to the sales market. While the number of recently added properties for sale in London on the Rightmove portal is slightly above pre-pandemic levels, the number of recently added rental listings is well below (3.9). According to Rightmove data, annual rental growth in London fell throughout 2020 but has since grown every quarter, with the largest increases in inner London (3.10).

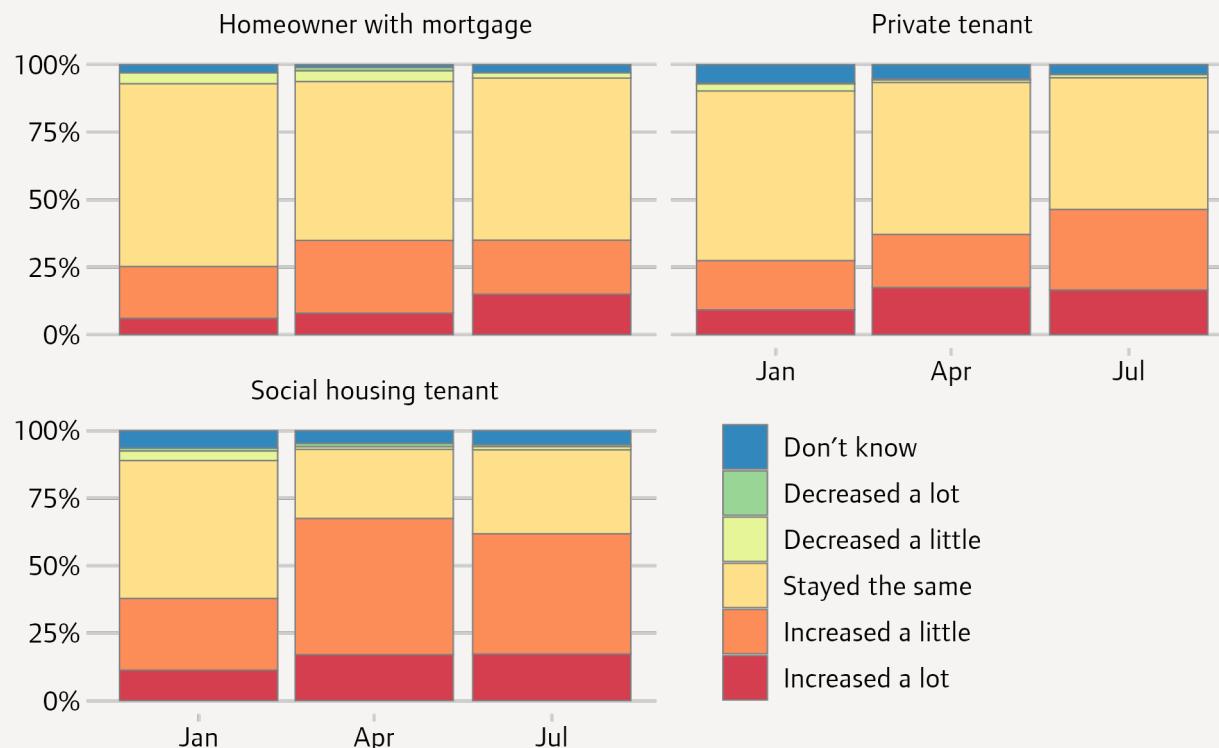
The affordability of average private rents (including ongoing as well as new tenancies) in London compared to average earnings continued to improve in 2021, as earnings rose by more than rents (3.11). Median monthly private rents in London are almost double those elsewhere in England, with a one-bedroom home in London on average costing 44% more than a three-bed home in other regions (3.12). Median private rents for two-bedroom homes vary widely between boroughs, while the greatest range of rents is seen in the more expensive, central London boroughs (3.13).

The number of Housing Benefit and Universal Credit recipients in London rose sharply during the pandemic and has fallen only slightly since then (3.14). Average rents for social rented homes in London increased in nominal terms in 2020/21 after several years of stability, while average rents for Affordable Rent properties remain below 2016 levels due to the introduction of the Mayor's London Affordable Rent product (3.15).

After falling sharply during the pandemic, activity in London's short-term lettings market has picked up again in 2022, as indicated by the number of Airbnb listings with a recent review (3.16).

3.1 More than half of social housing tenants and nearly half of private tenants in London said in July 2022 that their rent had recently increased

Proportion of Londoners who said their housing payments had increased in the previous six months by tenure, January to July 2022



YouGov cost of living polling for GLA.

- The regular polling on the cost of living carried out by YouGov on behalf of the GLA asks a representative sample of London adults whether their housing payments (rent, mortgage or other housing costs) had increased in the last six months.
- At the start of the year, most people in all three tenures were reporting no change in their costs (although hardly any were reporting a fall). But as the year progressed a growing proportion of Londoners, particularly renters, started to report that their housing costs had recently increased.
- In July 2022, 17% of social housing tenants in London said their rent had increased a lot in the last six months, and 45% said it had increased a little. Among private renters, 17% said their rent had increased a lot and 30% a little. Fewer homeowners reported increases in their mortgage costs, with 15% reporting their costs had increased a lot and 20% a little.

3.2 Low-income Londoners and those from a Black or Asian ethnic background were more likely to have experienced rising housing costs in 2022

Proportion of respondents who reported increased housing costs in the last six months compared to the London average, by group (July 2022)

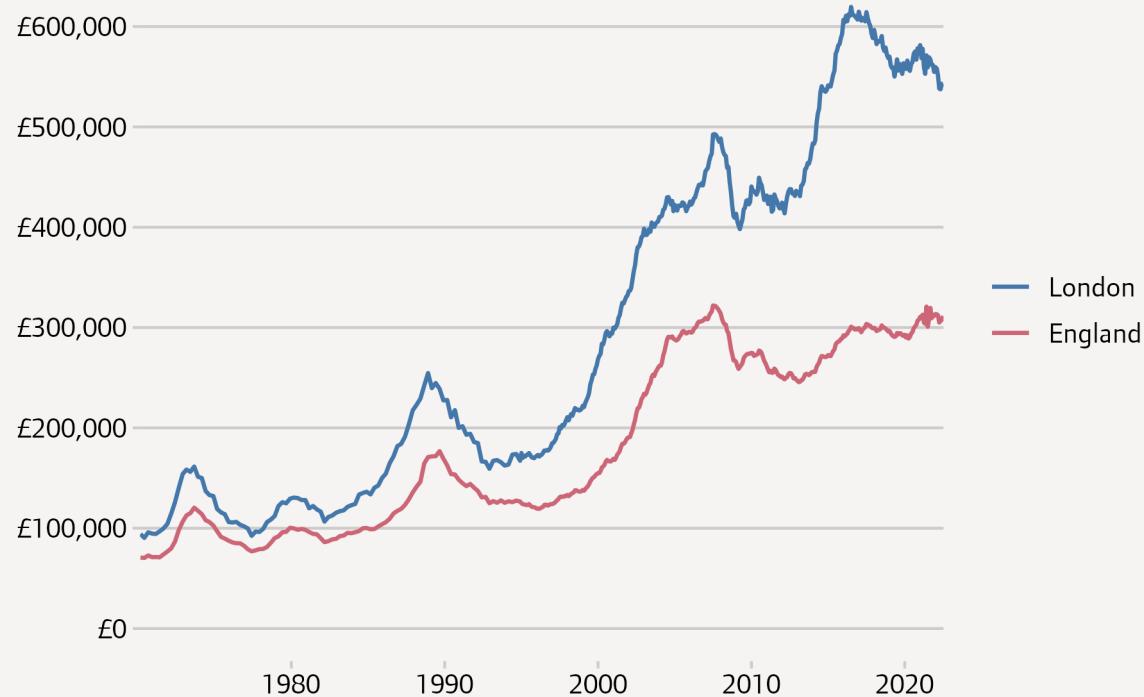


- In July 2022, 38% of the Londoners surveyed by YouGov on behalf of the GLA said that their housing payments had increased a little or a lot in the last six months (see previous chart).
- But there are stark differences on this measure between different groups of Londoners. 58% of Black Londoners said in July that their housing costs had increased in the previous six months. This is probably due, in part, to a lower home ownership rate, as homeowners were less likely to report cost increases (27%) than renters (53%).
- Asian Londoners were also more likely to report increased housing costs, with 42% giving this response.
- There was a clear difference by income, with 44% of those on the lowest incomes reporting that their housing costs had increased recently.

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 1245 adults. Fieldwork was undertaken between 15th - 20th July 2022. The survey was carried out online. The figures have been weighted and are representative of all London adults (aged 18+).

- 3.3 After adjusting for changes in the purchasing power of the pound, the average London house price in July 2022 was 2.9% lower than its level in July 2021 but 24% higher than ten years ago

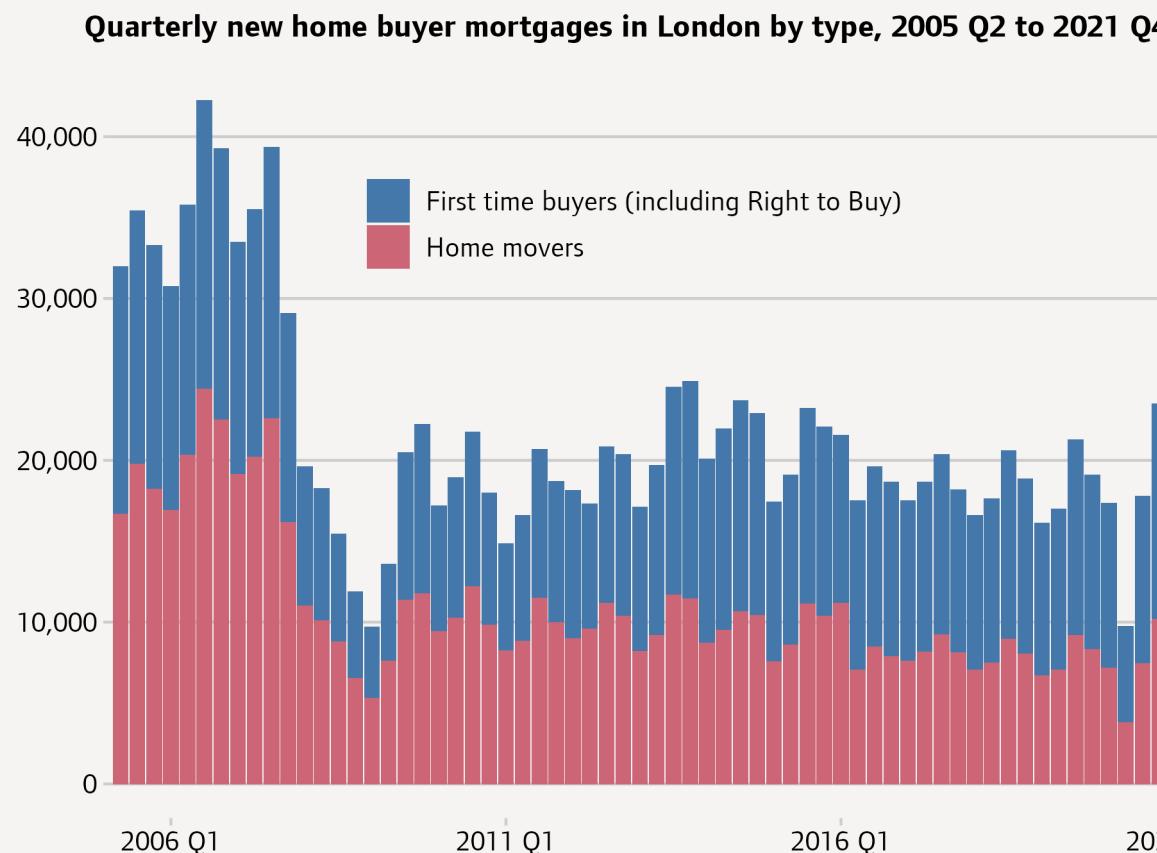
**Average house prices in London and England after adjusting for retail price inflation,
March 1970 to July 2022**



UK House Price Index (UKHPI) adjusted for retail price inflation. Data is quarterly until the end of 1994 and monthly thereafter. Data for recent months is subject to revision as it is based on a relatively small number of transactions.

- London's average house price was £543,500 in July 2022, according to the UK House Price Index. In nominal terms this was an increase of 9.2% from July 2021, but after adjusting for changes in the purchasing power of the pound as measured by retail price inflation (which was running at 12.3% a year in July 2022), it was 2.9% lower.
- In nominal terms London's average house price is higher than it has ever been, but in real (inflation-adjusted) terms it peaked in July 2016 at £619,600.
- The average house price across England rose by 3.6% over the last year in real terms to £311,600, still slightly below its inflation-adjusted peak of £322,000 in July 2007.
- Average inflation-adjusted prices in London are now 24.1% above the level of ten years ago, compared to an increase of 22.3% across England as a whole.

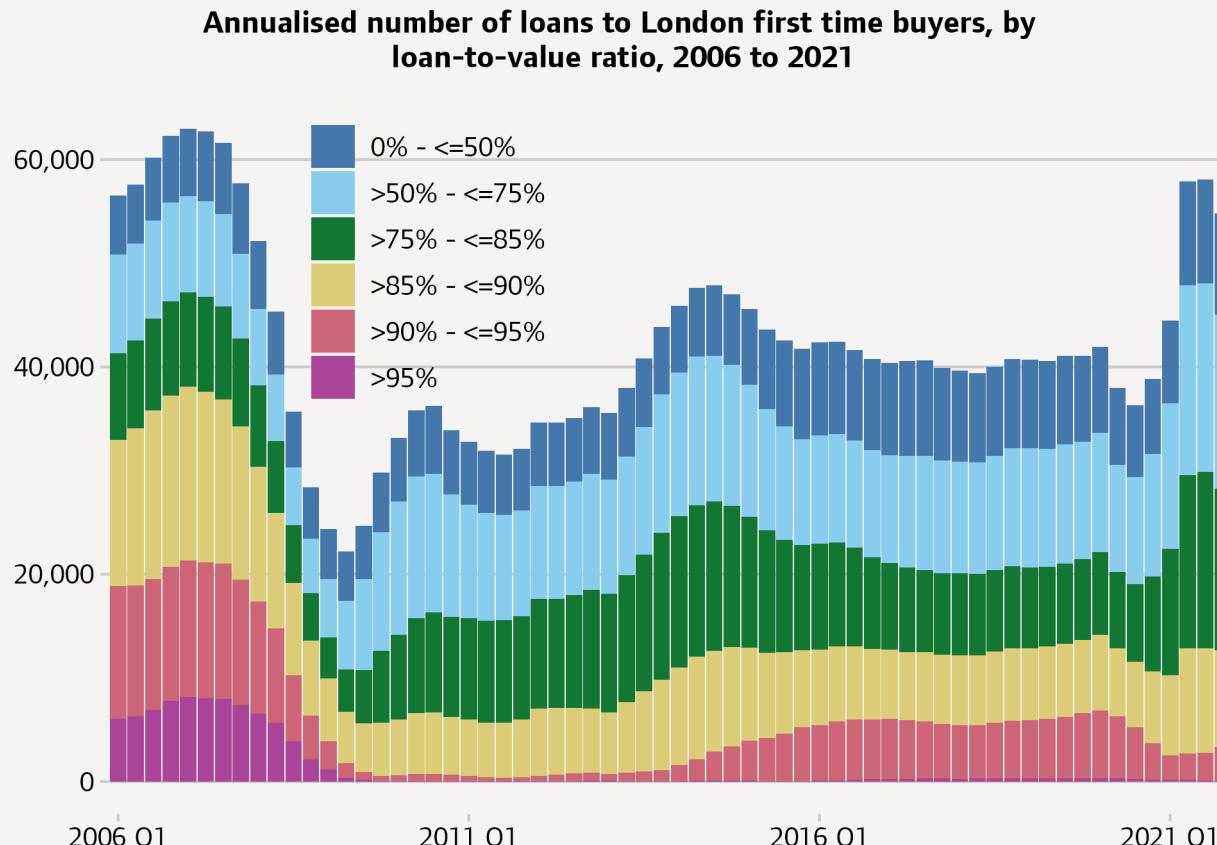
- 3.4 The number of new loans to first-time buyers and home movers in London surged in late 2020 to mid-2021, but has subsequently fallen back



Financial Conduct Authority Product Sales Data.

- The number of mortgages granted in London fell sharply at the onset of the pandemic in early 2020, but recovered quickly thereafter, in part due to temporary Stamp Duty relief that was phased out from the end of June 2021.
- Ahead of that, the second quarter of 2021 saw 19,500 new mortgages advanced to first-time buyers and 15,520 to home movers (owner occupiers moving to a new house), according to data from the Financial Conduct Authority. The figure for first-time buyer mortgages was the highest since the data began in 2005, and the figure for home movers the highest since 2007.
- Lending volumes fell sharply again in late 2021, returning to levels that for first-time buyers were broadly in line with the average from the decade leading up to the pandemic, but for home movers were significantly lower.

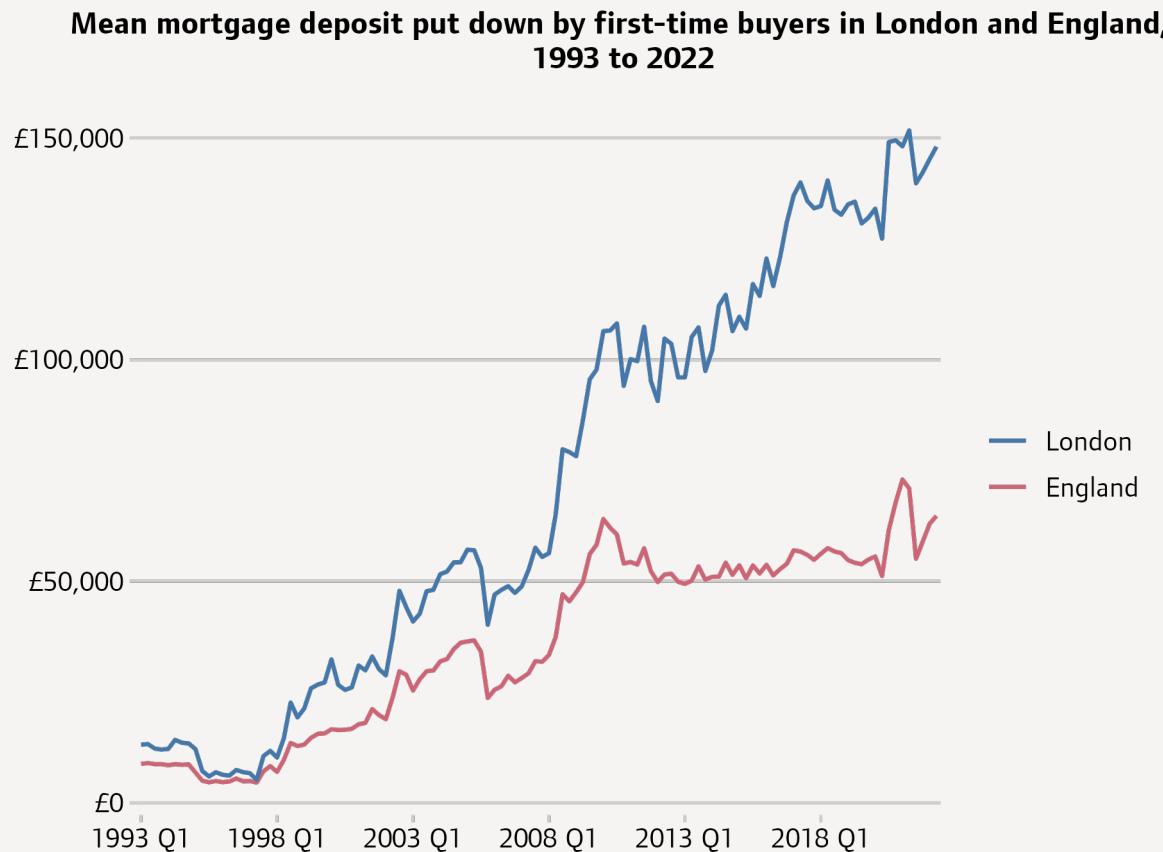
3.5 The availability of mortgages at higher loan to value ratios fell in London in 2020, before recovering slightly in 2021



FCA, Mortgages Product Sales Data.

- In 2006, mortgages with loan to value ratios (LTVs) of more than 90% comprised over one third of all lending to first-time buyers in London. However, this share fell to just 1% in 2011.
- The proportion of mortgages at LTVs of 90% and above then gradually increased and reached 16% of the total in 2019, before falling back to 5% in the year to mid-2021. The end of 2021 saw a slight recovery in this figure to 6%.
- The increase in lending to first-time buyers from mid-2020 to mid-2021 mostly comprised mortgages with LTVs of more than 50% but less than 85% – an indication that it was buyers with substantial savings or wealth who disproportionately benefited from increased access to mortgages in this period.

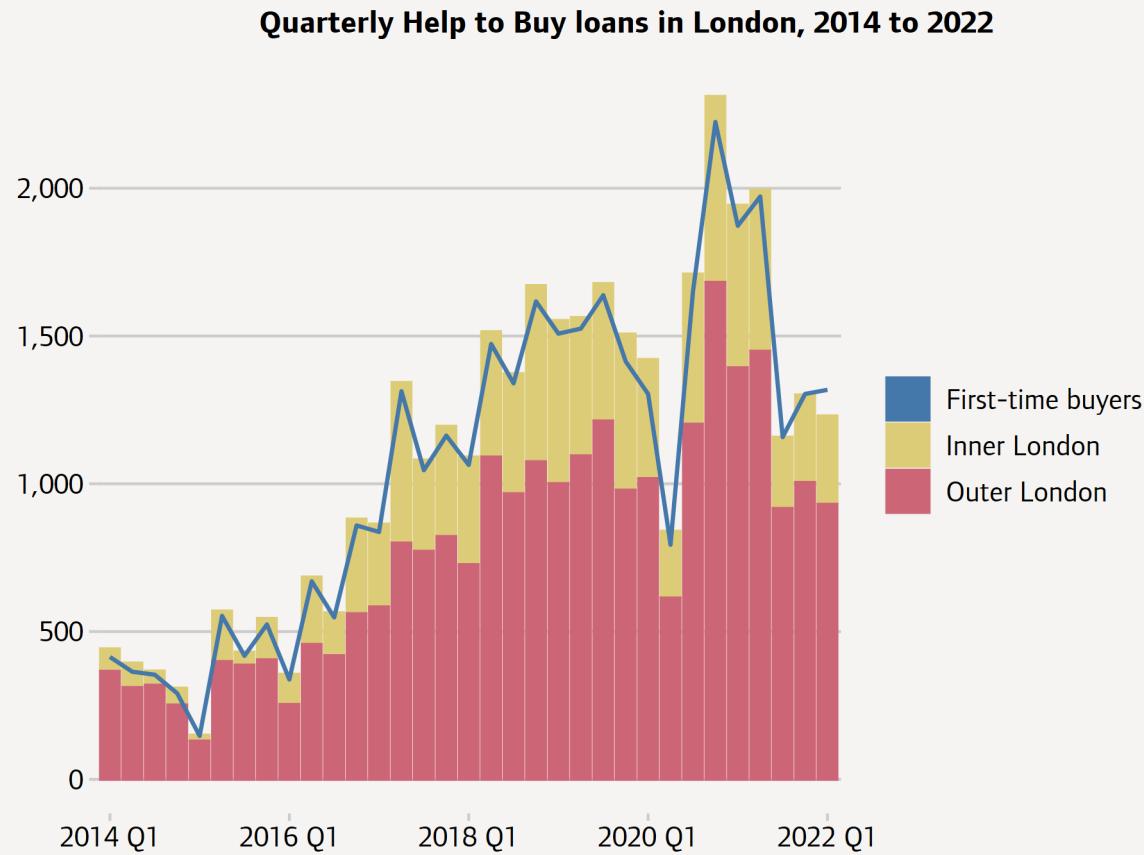
3.6 Those who buy a first home in London are now putting down an average deposit of around £148,000, up from a low of £5,200 in 1997



- A combination of rising prices and (since 2008) falling loan to value ratios has resulted in huge increases in the average mortgage deposit put down by first-time buyers in London over the last thirty years.
- In 1993, the mean average first-time buyer deposit in London was £13,000 (unadjusted for inflation), already significantly higher than the average of £8,700 across England as a whole. In 1997 the average deposit in London fell to just £5,200.
- As of mid-2022, the average deposit in London had increased to £148,050, slightly down from the peak of £151,730 in mid-2021. At the national level, the average deposit was £64,730 in mid-2020, again down from the peak seen during the pandemic.

ONS House Price Index quarterly tables. These figures are simple mean averages, unadjusted for inflation or the mix of properties sold.

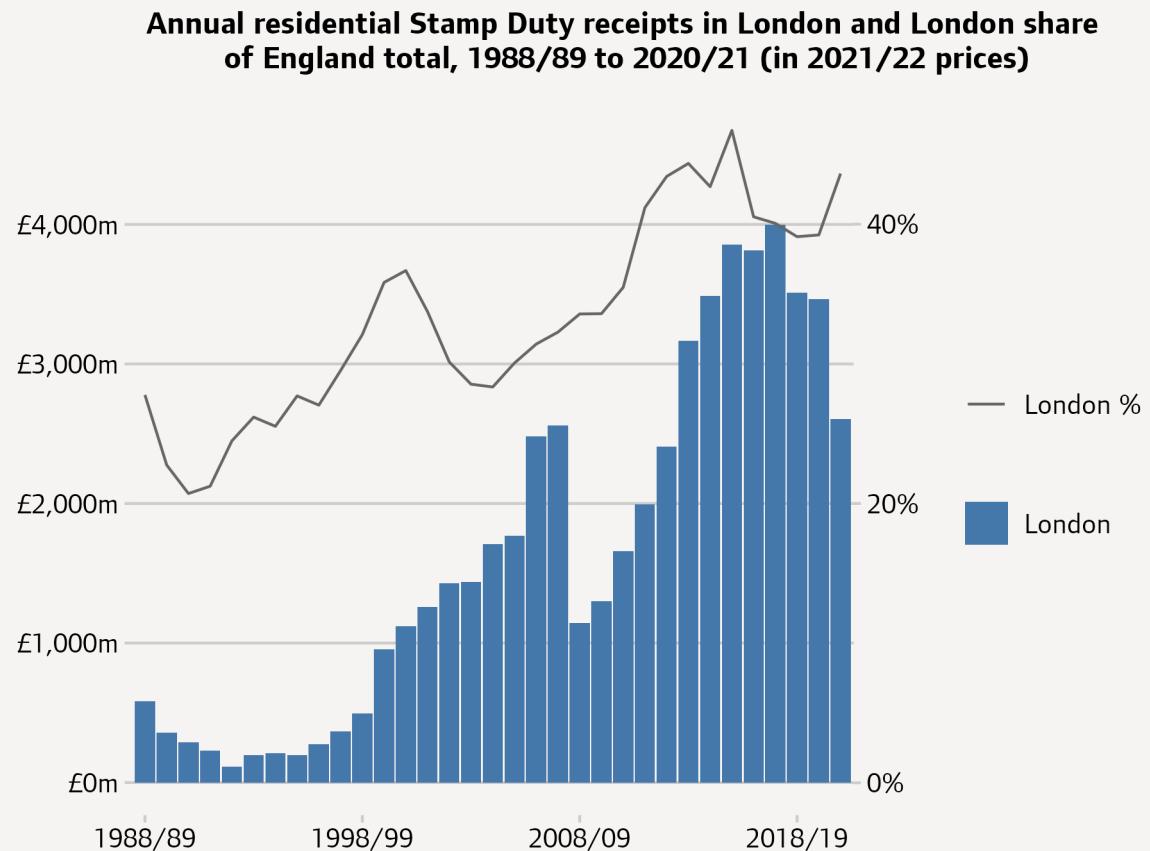
3.7 There were nearly 5,700 homes bought in London through Help to Buy in 2021/22, with 76% of those in Outer London



DLUHC, Help to Buy equity loan statistics.

- Almost 5,700 new homes were bought in London with assistance from the government's Help to Buy equity loan scheme in 2021/22, a fall from 6,800 in 2020/21. 4,300 of the purchases in 2021/22 were in Outer London boroughs and 1,380 were in Inner London. Help to Buy sales in the third quarter of 2021 fell to the lowest level since the beginning of 2018 (excluding the exceptional fall during the first lockdown in 2020) but picked up slightly in the next two quarters.
- 99.6% of homes purchased using Help to Buy in London in 2021/22 were purchased by first-time buyers. The median income of London households buying with Help to Buy in Q1 2022 was around £64,400 and the median purchase price of properties sold under the scheme in London was £450,000.

- 3.8 London's housing market generated £2.6 billion in Stamp Duty receipts in 2020/21, the lowest since 2012/13 but rising to 44% of England's total receipts

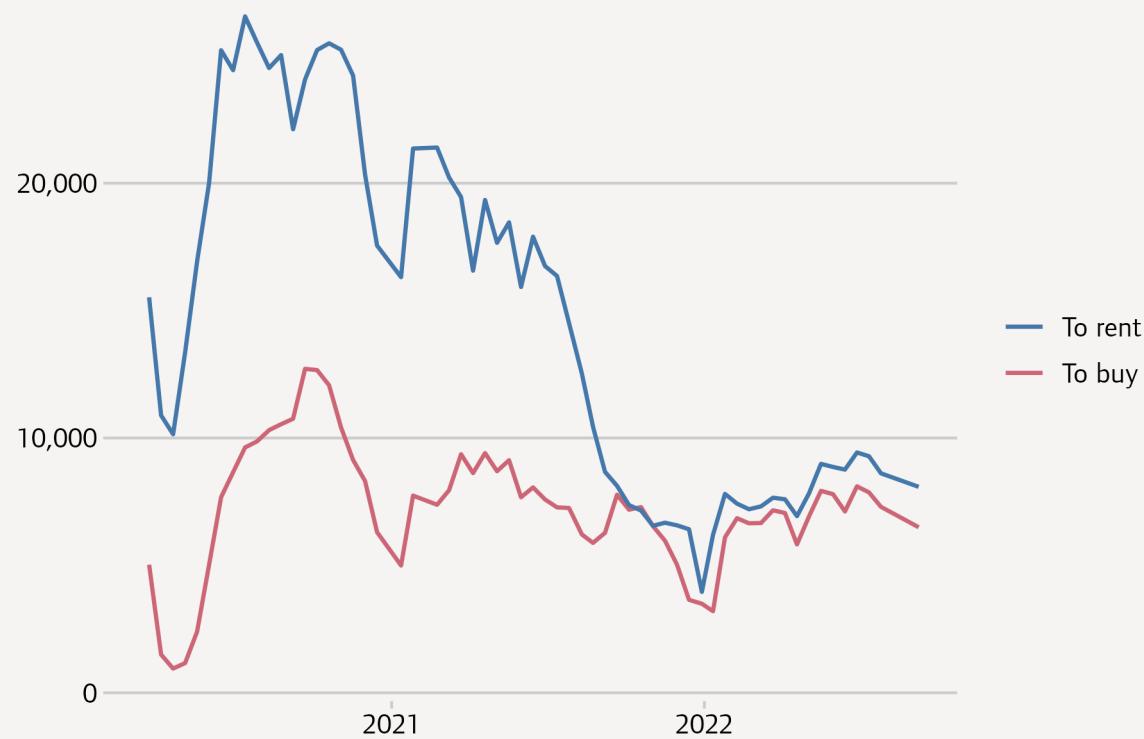


1996/97 to 2020/21 figures from HMRC UK Stamp Tax statistics; 1988/89 to 1995/96 from 1999/00 UK Housing Review. Historic prices have been adjusted for inflation using the Treasury's official GDP deflators for 2021/22.

- In 2020/21 Stamp Duty receipts from purchases of homes in London generated £2.6 billion for the national exchequer, a 25% fall from the total receipts generated in 2019/20. Across England, Stamp Duty receipts fell by 32% between 2019/20 and 2020/21. Although these figures have fallen since the heights of recent years, they are still above the long-term average, even after adjusting for inflation.
- Over the long term, Stamp Duty receipts in London have increased hugely due to a combination of higher prices and a higher effective tax rate, with Londoners consistently paying higher Stamp Duty as a percentage of property values.
- London's share of the total national receipts rose from a recent low of 39% in 2019/20 to 44% in 2020/21, this increase is due to the significant fall in receipts in other regions. The number of transactions in London in 2020/21 was 120,000, which has remained steady for the previous two years.

- 3.9 While the number of recently added properties for sale in London on the Rightmove portal is slightly above pre-pandemic levels, the number of recently added rental listings is well below

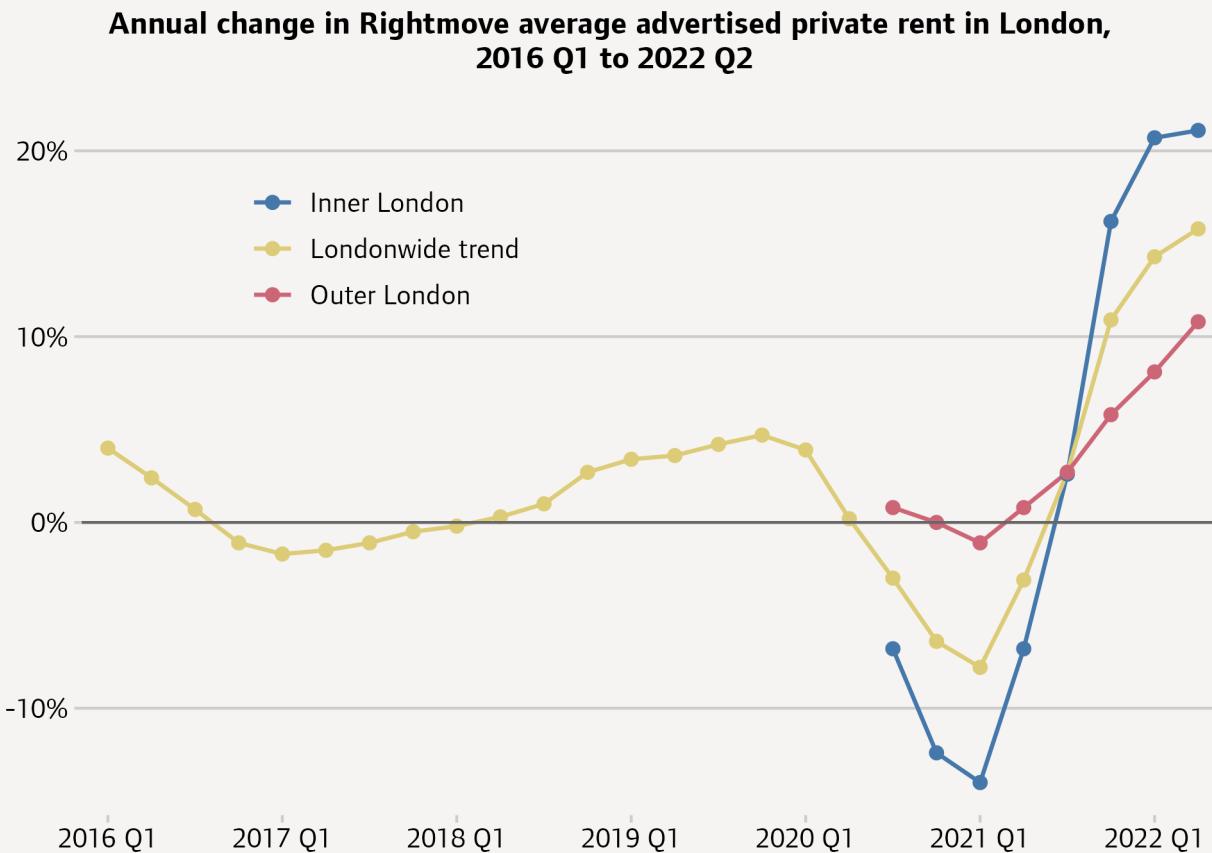
Number of rent and sale listings in London that had been added to Rightmove in the last fortnight, March 2020 to August 2022



Data gathered from public Rightmove portal. The London area referred to covers only the London postcode districts (excluding those starting with 'CR', 'BR' etc).

- During the first lockdown, the number of rental listings in London postcodes that had been recently added to Rightmove fell by about a third, while the number of recent sale listings fell over 80%. Both recovered to well above their mid-March levels in the second half of 2020 but fell consistently since mid-June 2021.
- As of August 2022, the number of recent sales listings has begun to settle and is 30% above pre-pandemic levels, although they may be expected to fall seasonally over the winter.
- The number of recently listed rental properties in London is currently almost half the number just before the pandemic. Due to the higher flexibility of the rental market, listings have risen and fallen to a much larger extent than in the sales market over the past two years. The current shortage of rental supply is partly due to the number of residents returning to central London post-lockdown.

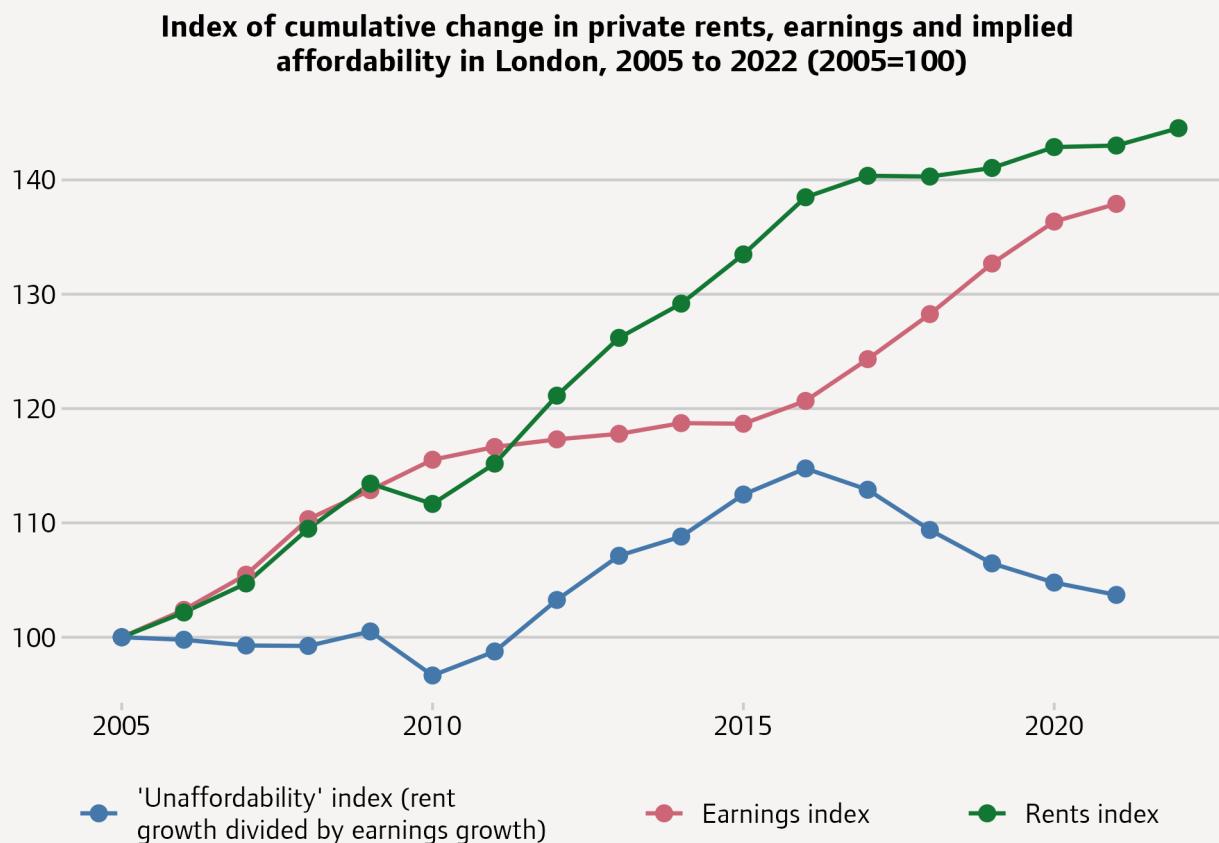
- 3.10 According to Rightmove data, annual rental growth in London fell throughout 2020 but has since grown every quarter, with the largest increases in inner London boroughs



GLA analysis of data from Rightmove. The split between Inner and Outer London is not available before 2020 Q3.

- Rightmove's asking rents index shows that average advertised private rents in London grew by 15.8% between the second quarters of 2021 and 2022. This represents the highest ever annual growth in any region since their records began.
- Private rents fell throughout 2020 to a larger extent in London than in other regions. Rental growth fell particularly significantly in inner London, and at the lowest point in the first quarter of 2021, advertised rents were 14% lower than the previous year.
- Advertised rents in outer London only fell annually by 1.1% in early 2021 but have now risen by 10.8% between the second quarters of 2021 and 2022. This increase is slightly lower than the national average asking rent growth of 11.8% to 2022 Q2.

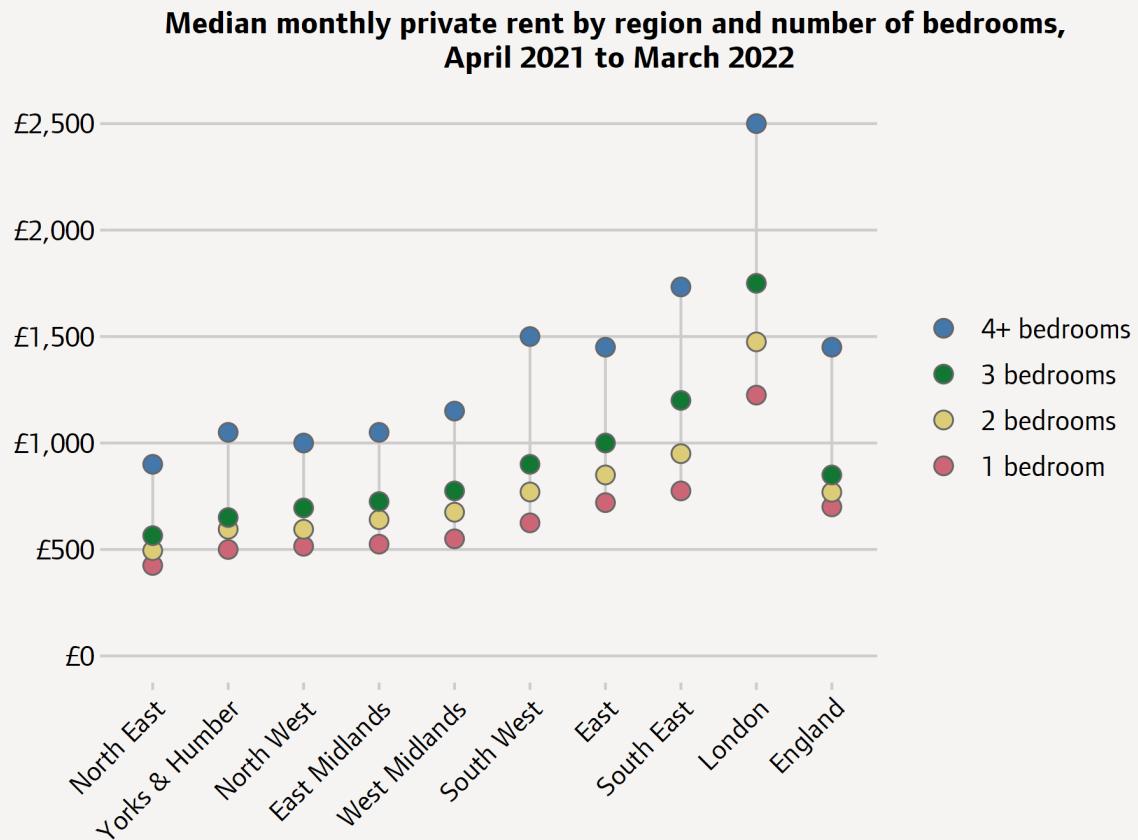
- 3.11 The affordability of average private rents (including ongoing as well as new tenancies) in London compared to average earnings continued to improve in 2021, as earnings rose by more than rents



Earnings: Median full-time weekly earnings by place of work, London. From ONS Annual Survey of Hours and Earnings, republished on London Datastore. Rents: ONS Index of Private Rental Housing Prices, April each year to match ASHE data. Affordability index: Rent index divided by earnings index.

- The 'unaffordability' index shown here is the cumulative change in rents divided by the cumulative change in earnings.
- Between 2005 and 2016 average private rents in London rose by more than earnings, leading to worse affordability. Since then, rents have been relatively stable in nominal terms, while earnings have increased, bringing affordability back towards where it was at the start of the 2010s.
- Rents in April 2021 were only just above the 2020 level while earnings increased by 1.1%, narrowing the gap between the two indices and resulting in a sixth consecutive year of improvements in affordability.
- The ONS rental data shown here reflects rents paid on all tenancies, while the Rightmove data in the previous chart (3.10) is for new tenancies only. The ONS data therefore reacts more slowly to changes in the market for new tenancies and does not yet reflect the rapid increases in advertised rents in 2021 and 2022.

- 3.12 Median monthly private rents in London are almost double those elsewhere in England, with a one-bedroom home in London on average costing 44% more than a three-bed home in other regions

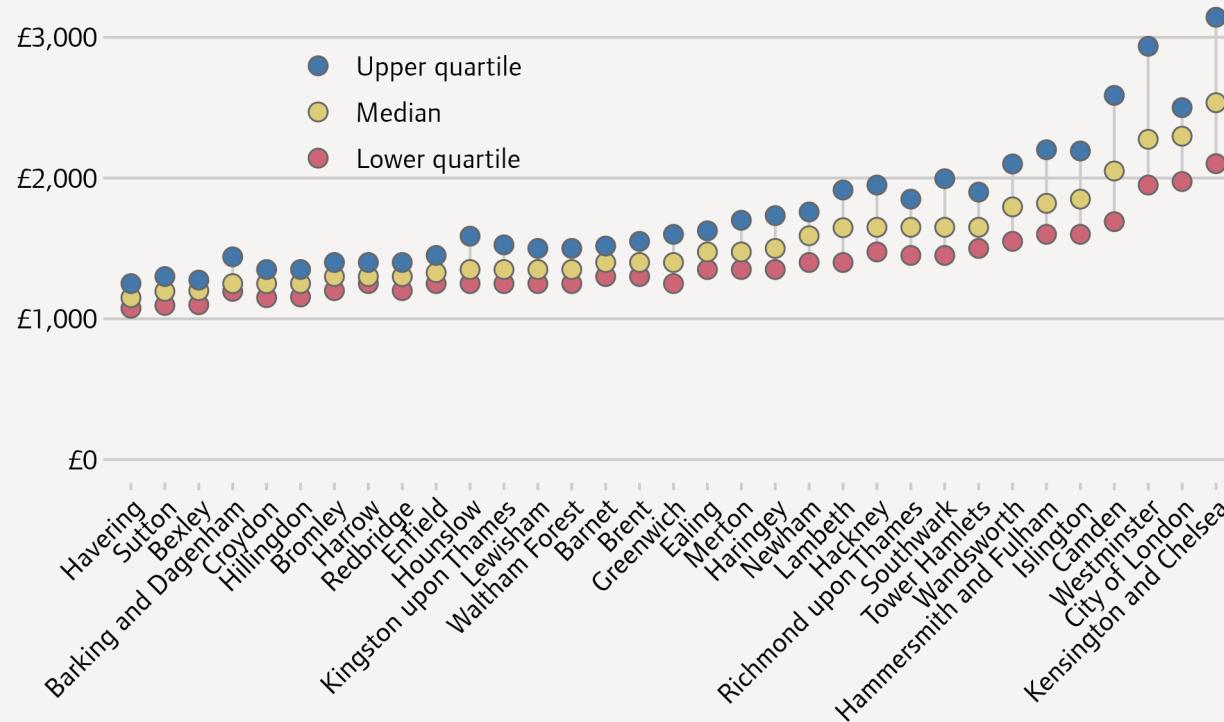


ONS private rental market summary statistics. These figures exclude any cases where the tenant receives Housing Benefit.

- In the year to March 2022, the median rent for a privately rented home in London was £1,450 per calendar month, almost twice as high as the median in England as a whole (£795). Although London rents remain considerably higher than in other regions, the gap between London and other regions shrank over the year to March 2022. The gap between London and other regions may widen again as the rapid growth in advertised rents for new tenancies seen in London in the last year feeds through.
- London's rents are so much higher than those of other regions that the median monthly rent for a one-bedroom home in the capital (£1,225) is higher than the median rent for a home with four or more bedrooms across all of the North and Midlands.
- It should be noted that the ONS statistics exclude any cases where the tenant receives Housing Benefit. As the average private rent for households on Housing Benefit is below the overall average, excluding these cases is expected to inflate the average reported.

3.13 Median private rents for two-bedroom homes vary widely between boroughs, while the greatest range of rents is seen in the more expensive, central London boroughs

Lower quartile, median and upper quartile monthly private rent for two bedroom homes by London borough, April 2021 to March 2022

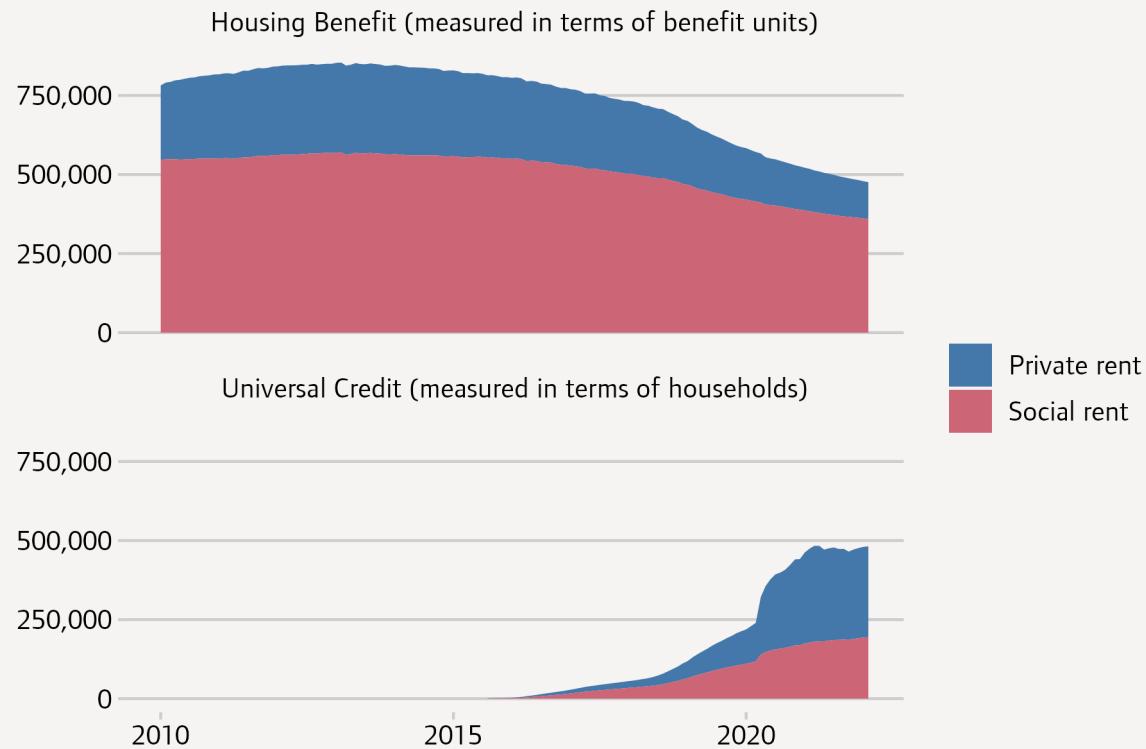


ONS private rental market summary statistics. These figures exclude any cases where the tenant receives Housing Benefit.

- The lowest median monthly rent for a two-bedroom home is £1,150 in Havering, while the median rent in Kensington and Chelsea is around 2.2 times higher at £2,535.
- Richmond-upon-Thames was the Outer London borough with the highest median private rent for a two-bedroom home (£1,650). Lewisham was the Inner London borough with the lowest median private rent for a two-bedroom home (£1,350).
- Median private rents for two-bedroom homes fell in eight boroughs since March 2021, with the largest falls in Westminster (-£225) and Kensington and Chelsea (-£152). This may be a continuation of the sharp falls in rent seen during the pandemic in the most expensive boroughs, partly as a result of the limited international travel and reduced requirements for people to work from central London offices.

3.14 The number of Housing Benefit and Universal Credit recipients in London rose sharply during the pandemic and has fallen only slightly since

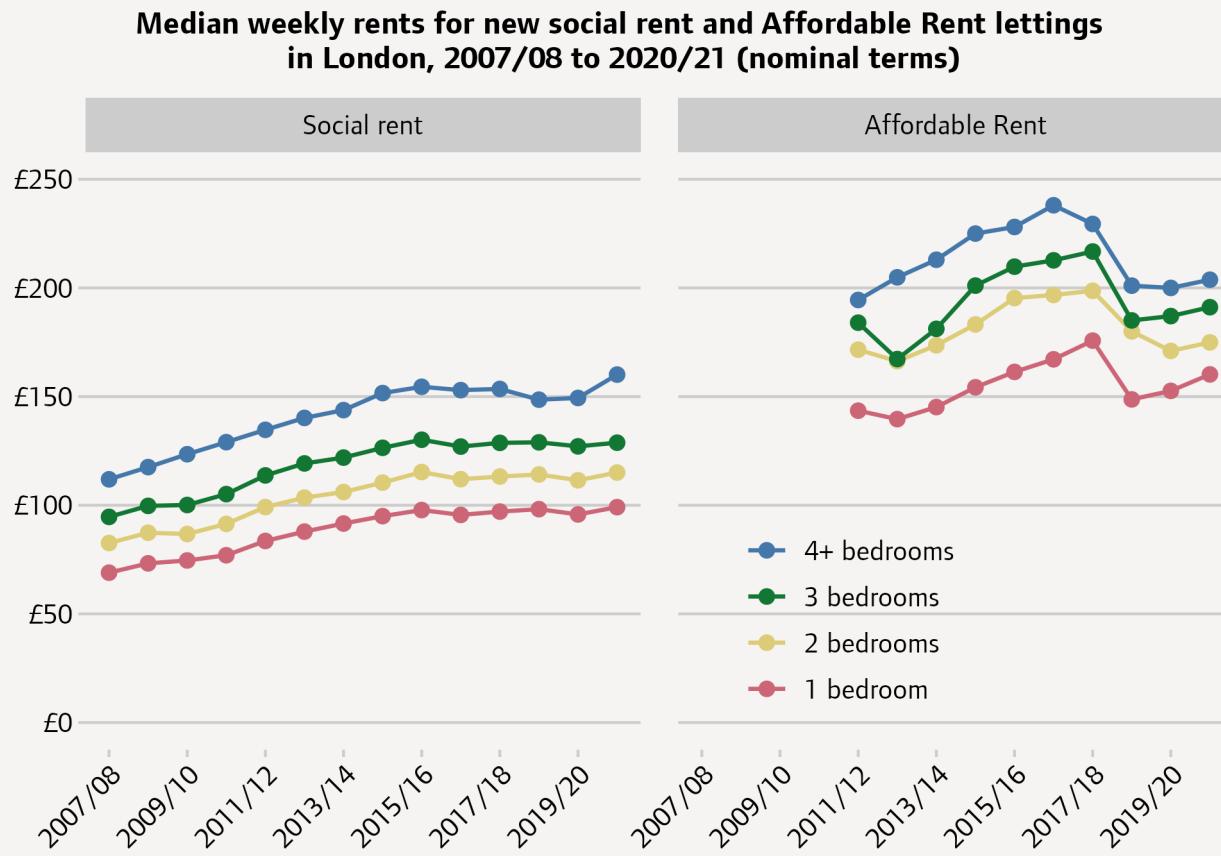
Trend in Housing Benefit and Universal Credit caseload in London by tenure, 2010 to 2022



Compiled by GLA from: 1998 to 2001: UK Housing Review and 2002 to 2022 DWP, Housing Benefit caseload statistics and Stat Xplore. Chart excludes a small number of cases where the tenure is unknown.

- The number of recipients of Housing Benefit or Universal Credit (with a housing costs component) in London was broadly steady in the years immediately preceding 2020, but then shot up due to the economic impacts of the pandemic. In January 2020 there were 808,000 recipients in London, but by January 2021 this figure had risen to 995,000. A year later the total was only slightly smaller at 968,000.
- The vast majority of the increase during the pandemic was among private tenants. In January 2020 there were 271,000 private renting recipients, but this figure increased to 423,000 in January 2021 then fell back only slightly to 405,000 in January 2022. Over the same period the number of social renting recipients rose from 531,000 to 554,000.
- Universal Credit has accounted for the vast majority of new cases since its full-service roll-out in 2016, and it now makes up nearly half of all housing cases in London.

- 3.15 Average rents for social rented homes in London increased in nominal terms in 2020/21 after several years of stability, while average rents for Affordable Rent remain below 2016 levels due to the introduction of the Mayor's London Affordable Rent product



DLUHC, *Social Housing Lettings in England* summary tables. Weekly rent excludes supplementary charges such as service and support charges. The Affordable Rent category includes homes both above and below the London Affordable Rent benchmarks.

- Rents for new general needs social housing tenancies were broadly stable in nominal terms between 2015/16 and 2019/20, due to legislated annual rent reductions (offset by the construction of new homes at higher than average rents). Rents increased again in 2020/21, taking the average for a two-bedroom home to £115 a week, just below its level in 2015/16.
- Affordable Rent homes, introduced by the coalition government, could be let at rents up to 80% of the equivalent market rent. The average rent for a two-bedroom Affordable Rent home in London peaked at £199 a week in 2017/18.
- This figure then fell, as more homes began to be completed at the Mayor's new London Affordable Rent, which set benchmark rents based on social rent levels. As a result, average rents for two-bedroom Affordable Rent homes fell to £171 a week in 2019/20, before rising in 2020/21 to £175 a week.

- 3.16 After falling sharply during the pandemic, activity in London's short-term lettings market has picked up again in 2022, as indicated by the number of Airbnb listings with a recent review



Data from InsideAirbnb.com.

- From early 2018 to early 2020, the total number of Airbnb listings in London that had received a review in the last month averaged around 20,000, with slightly more listings for entire homes than for private rooms. The total number of Airbnb listings in London is far higher than this figure but many of them seem to be either inactive or not regularly rented out.
- After lockdown was imposed in March 2020, the number of listings with a recent review fell sharply, and only started to recover in late 2021.
- The ongoing recovery in London's tourism market saw a renewed increase in short-term lettings activity in the last year. In June 2022, there were 8,100 listings of entire homes that had received a review in the last month (compared to 12,000 in June 2019) and 5,500 private room listings with a recent review (compared to 10,000 in 2019).

4. Housing needs

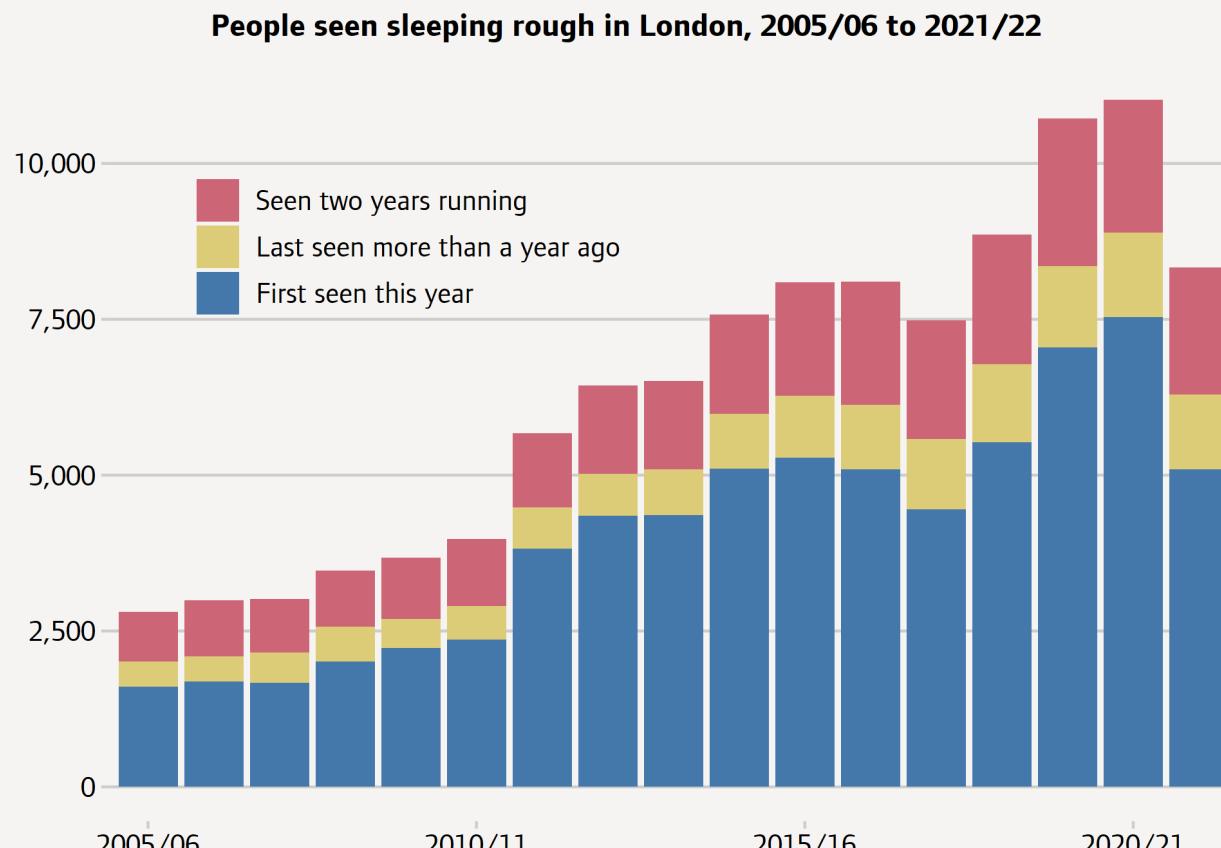
Over 8,300 people were seen sleeping on the streets in London in 2021/22, of which 5,000 people were seen for the first time (chart 4.1). 1,474 people seen sleeping rough for the first time in 2021/22 spent more than one night on the streets, down 29% from last year (4.2). There was a short-term spike in the number of people seen sleeping rough immediately after the first lockdown, followed by a fall to below pre-pandemic levels (4.3). The number of UK nationals seen sleeping rough fell by 23% in 2021/22 compared to 2020/21, and the number of rough sleepers from Central or Eastern Europe fell by over a quarter. (4.4).

The pandemic led to a shift in the patterns of homelessness assessments by local authorities, with fewer households requiring support to prevent them becoming homeless and more who had already become homeless needing help to secure accommodation (4.5). The proportion of households who became homeless due to the end of a private sector tenancy has risen again after falling during the pandemic (4.6). In March 2022 there were 56,640 homeless households living in temporary accommodation arranged by London boroughs, including 75,850 children (4.7).

Low-income Londoners, those living in social housing and from Bangladeshi and Black African backgrounds were among those most likely to say they are living in crowded homes (4.8).

The number of claims for mortgage and landlord repossession fell sharply in London during the early pandemic period but rose strongly again in 2021 and 2022 (4.9).

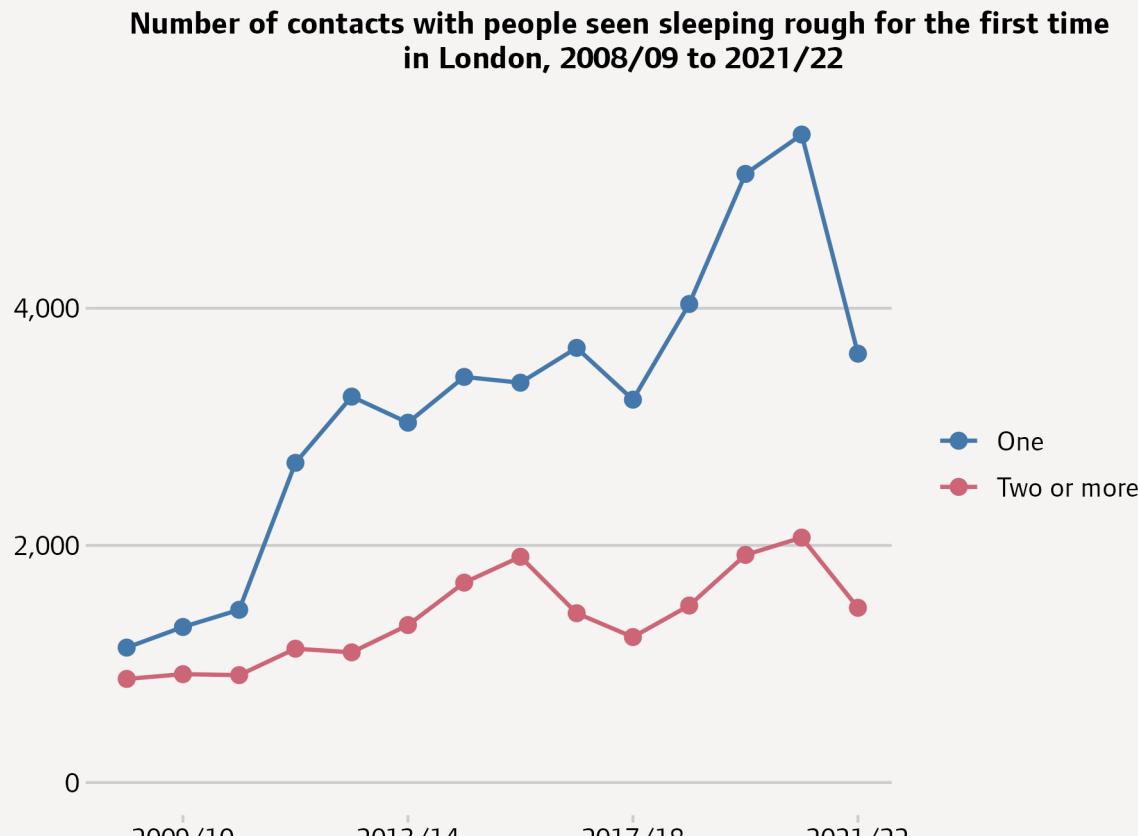
4.1 Over 8,300 people were seen sleeping on the streets in London in 2021/22, of which 5,000 people were seen for the first time



Combined Homelessness and Information Network (CHAIN) annual reports 2005/6 to 2021/22

- 8,329 people were seen sleeping rough in London in 2021/22, a considerable fall from 11,018 in 2020/21 and the lowest number since 2017/18.
- The largest group of rough sleepers in 2021/22 were the 5,091 people seen sleeping rough for the first time. This 'flow' of new people onto the streets fell by nearly a third in the last year but has tripled since 2005/06, although some of this increase is probably due to increased monitoring.
- The 'stock' figure, which measures the number of people seen sleeping rough two years in a row, decreased by 5% in 2021/22 to 2,033, but it has more than doubled since 2005/06.
- The 'returner' figure, which represents those who were last seen sleeping rough more than a year ago, fell by 11% in 2021/22 to 1,205, but has almost doubled in the last decade.

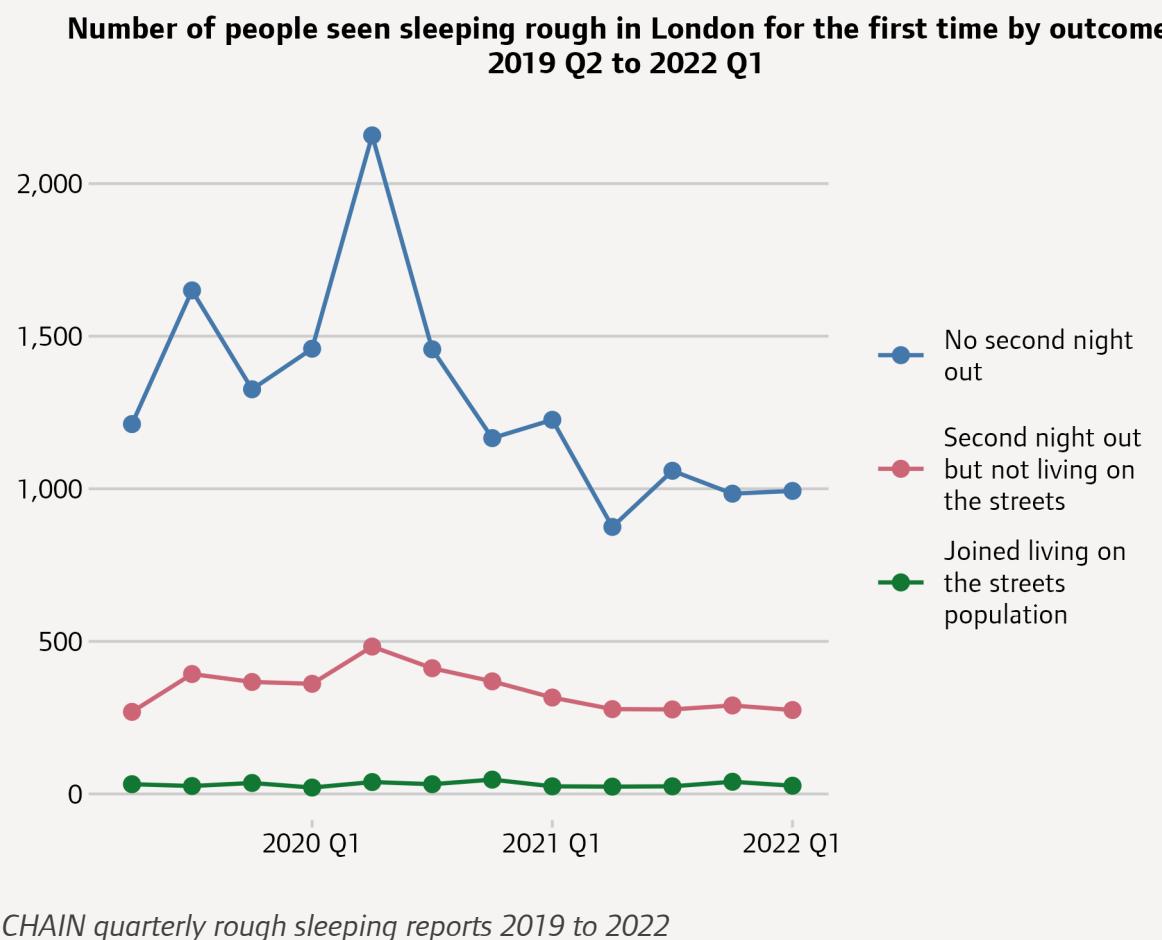
4.2 1,474 people seen sleeping rough for the first time in 2021/22 spent more than one night on the streets, down 29% from last year



CHAIN annual reports 2008/09 to 2021/22

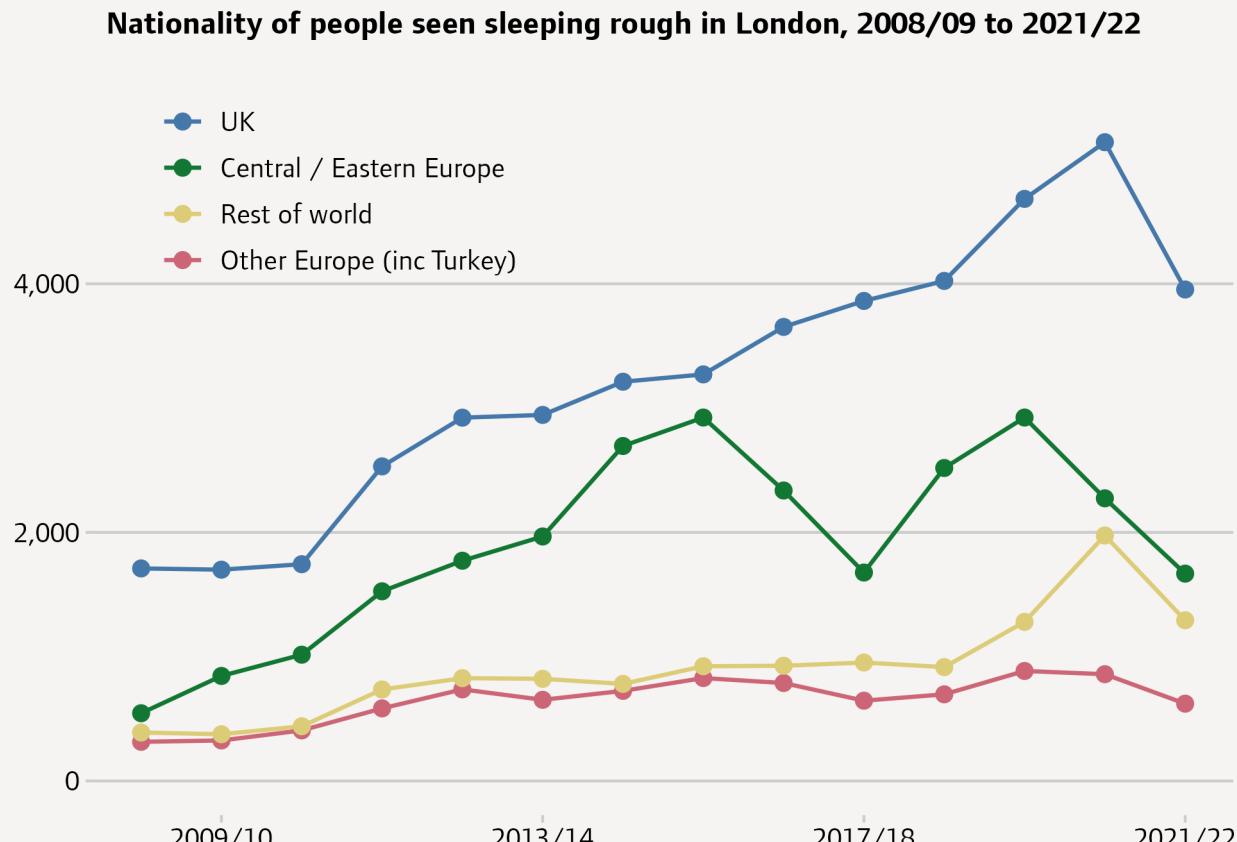
- 3,617 people, or 71% of those new to the streets in 2021/22, were seen sleeping rough only once in the year, down significantly from 5,465 in 2020/21 and the lowest number since 2017/18.
- 1,474 new rough sleepers were seen more than once in 2021/22, 29% of the total. Of this group, over half were seen just twice.
- The fall in the number of new rough sleepers since 2021/22 has been the most significant among those seen 5 or less times. The numbers of people seen sleeping rough for the first time in 2021/22 on six or more occasions are similar to other recent years. 76 people were seen sleeping rough more than ten times, down from 85 in 2020/21 and 80 in 2019/20.

- 4.3 The number of people seen sleeping rough in London for the first time peaked immediately after the first lockdown, but has since fallen significantly to below pre-pandemic levels



- In the first quarter of 2022 outreach teams recorded 1,295 people sleeping rough in London for the first time, down 30% from pre-lockdown figures. This figure peaked at 2,680 in Q2 2020, immediately after the first national lockdown was announced.
- The majority of new rough sleepers only spent one night sleeping rough, including during the height of lockdown measures. Schemes such as the Covid-19 emergency rough sleeper accommodation programmes run by the GLA and London boroughs helped to reduce the numbers of rough sleepers, particularly in early and mid-2020.
- Numbers of people recorded sleeping rough for two nights but not considered to be living on the streets also peaked in Q2 2020 but has nearly halved since.
- By contrast, the number of rough sleepers who have joined the population living on the streets stayed relatively steady throughout the pandemic.

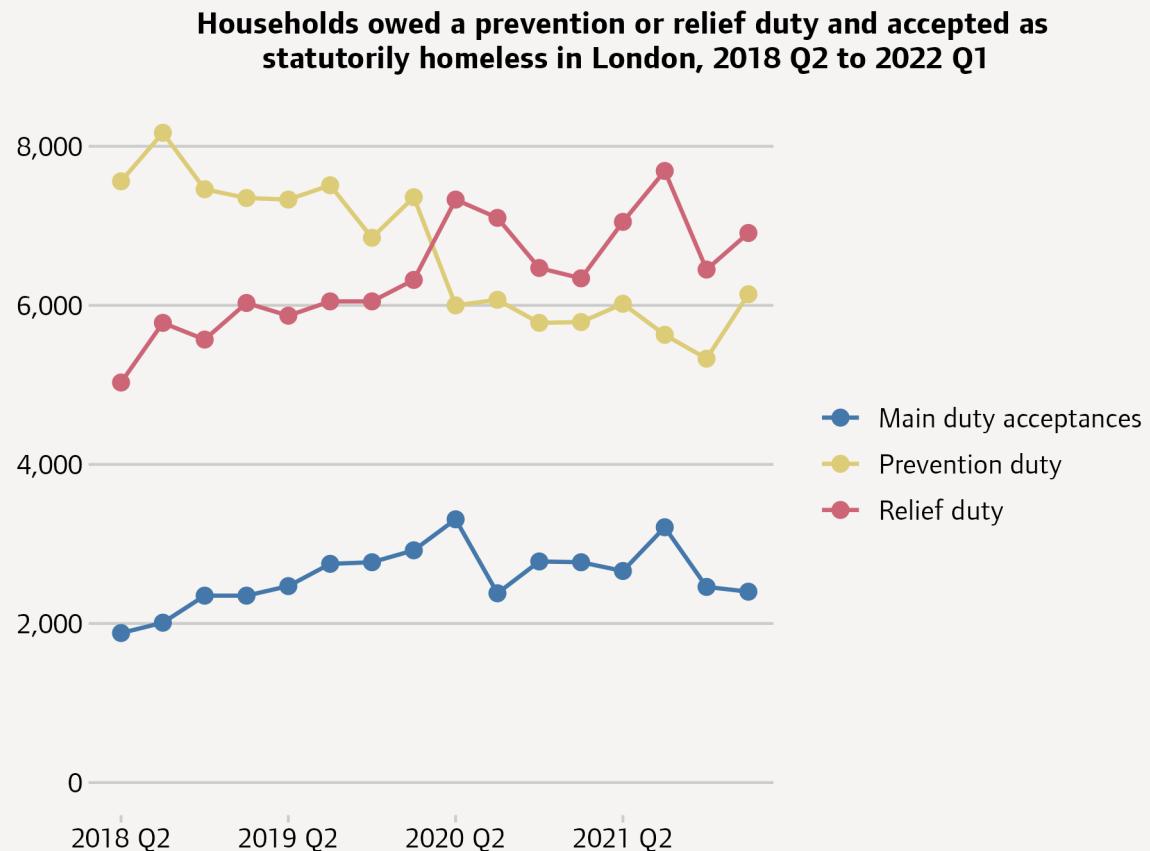
- 4.4 The number of UK nationals seen sleeping rough fell by 23% in 2021/22 compared to 2020/21, and the number of rough sleepers from Central or Eastern Europe fell by over a quarter



CHAIN annual reports 2008/09 to 2021/22

- The nationality profile of rough sleepers in London remains diverse, with people of 131 different nationalities seen sleeping rough during 2021/22. UK nationals accounted for 3,954 of those seen sleeping rough in London in 2021/22, 47% of the total. This proportion is similar to the previous two years.
- People from Central or Eastern Europe seen sleeping rough made up the second highest nationality, after UK citizens. There was a slight increase in the number of people seen sleeping rough whose area of origin was not known, from 771 in 2020/21 to 792 in 2021/22.
- There were notable increases in people from the rest of the world seen rough sleeping, including people from Africa, Asia, the Americas and Australasia. The decrease in the number of people who are nationals of an African country who were seen rough sleeping was particularly stark, as it fell by 43% from 1,118 in 2020/21 to 640 in 2021/22.

- 4.5 The pandemic led to a shift in the patterns of homelessness assessments by local authorities, with fewer households requiring support to prevent them becoming homeless and more who had already become homeless needing help to secure accommodation

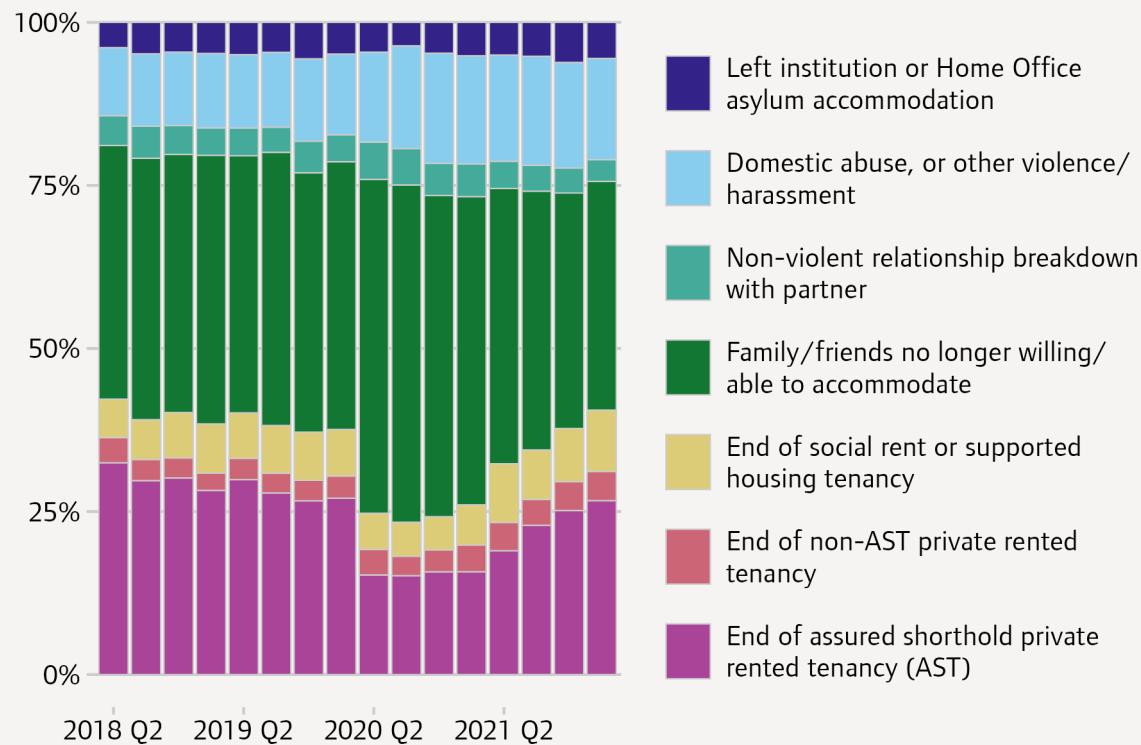


DLUHC live tables A1 and MD1, from the collection 'Statutory homelessness in England'.

- The Homelessness Reduction Act came into force in 2018, creating new prevention and relief duties for local authorities. Under the Act, a prevention duty is owed to households threatened with homelessness within 56 days and a relief duty is owed to households that are already homeless and require help to secure accommodation. The relief duty lasts 56 days, after which a household can be accepted as statutorily homeless and owed a main homelessness duty.
- There were 13,050 households assessed as owed a new prevention or relief duty in London in 2022 Q1, including 6,140 prevention and 6,930 relief duties. The number of households owed a prevention duty has fallen since the onset of the pandemic while the number already homeless and owed a relief duty has risen.
- There were 2,400 households accepted as statutorily homeless by London boroughs in 2022 Q1. This figure increased during the early part of the pandemic but has trended downwards since then.

- 4.6 The proportion of households who became homeless due to the end of a private sector tenancy has risen again after falling during the pandemic

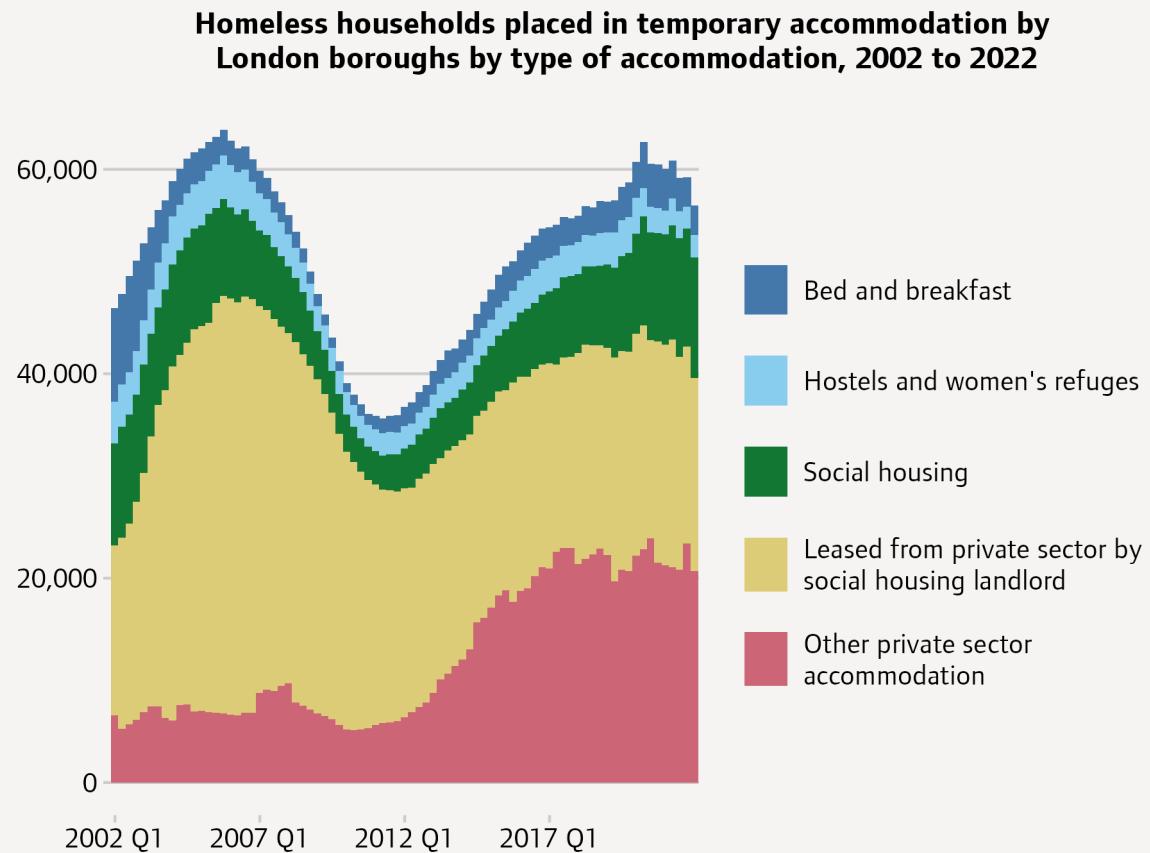
Reasons given for loss of last settled home by households in London assessed as owed a homelessness prevention or relief duty, 2018 Q2 to 2022 Q1



DLUHC, Statutory Homelessness statistics.

- When assisting homeless households, local authorities record the reason the household became homeless. Under the new Homelessness Reduction Act reporting, this information is also recorded for all households who are owed a new prevention or relief duty.
- The most commonly recorded reasons (apart from the 'unknown or other reasons' category) for becoming homeless are family and friends being no longer willing to accommodate the household and the end of a private sector Assured Shorthold Tenancy (AST).
- The introduction of a ban on evictions at the onset of the pandemic led to a sharp fall in the proportion of households who became homeless due to the end of an AST, but the lifting of this ban and the rise in rents has seen this figure rise again. At the same time, the proportion of households becoming homeless due to family and friends being no longer willing to accommodate them has fallen after rising during the pandemic.

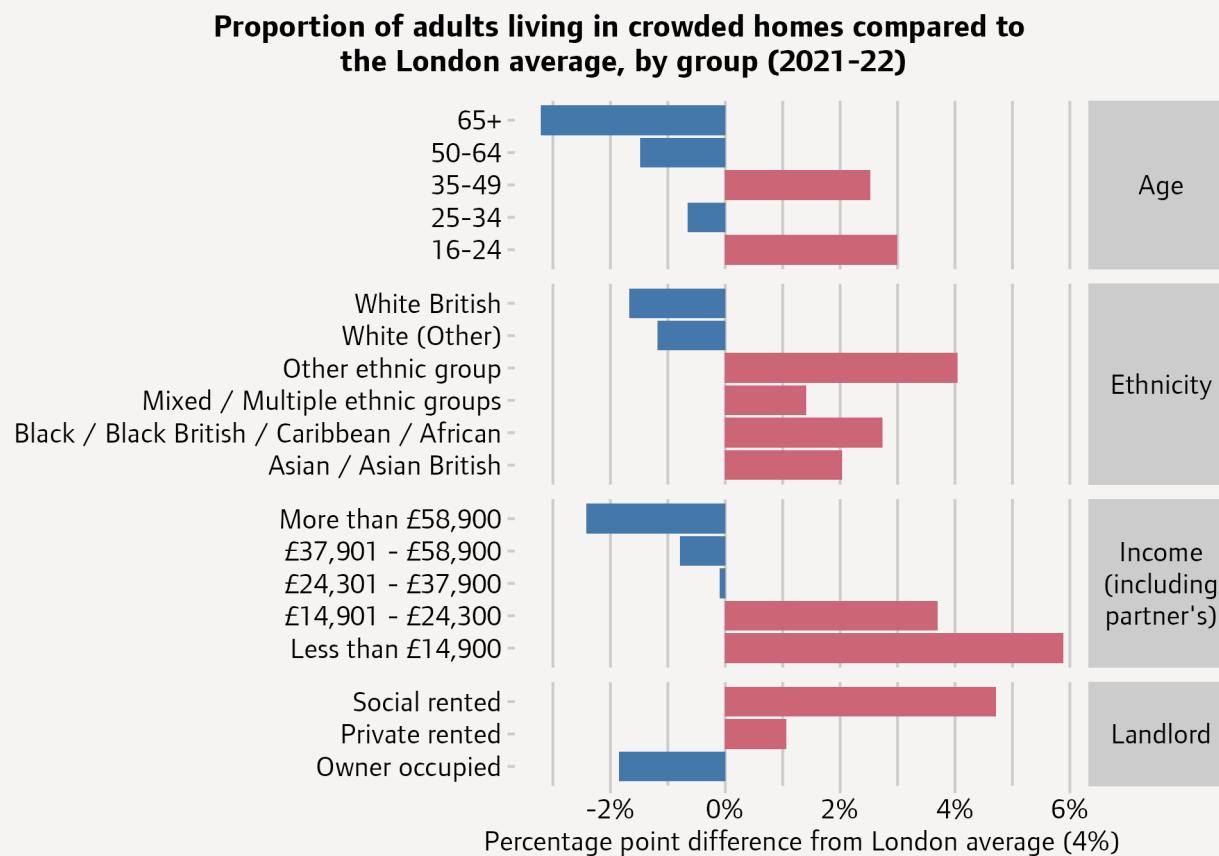
- 4.7 In March 2022 there were 56,640 homeless households living in temporary accommodation arranged by London boroughs, including 75,850 children



- At the end of March 2022, there were 56,460 homeless households in temporary accommodation arranged by London boroughs, down from 60,010 in March 2021 and the recent peak of 62,650 recorded in mid-2020. 38,160 of the households accommodated in March 2022 had children, with a total of 75,850 children between them.
- 21,620 of the households in temporary accommodation arranged by London boroughs, or 38% of the total, were placed outside their home borough.
- The number of households in bed and breakfast accommodation (2,890) is down 30% from March 2021. 18,890 homeless households were living in accommodation leased from the private sector by a social housing landlord, and a further 20,670 were in some other form of private sector accommodation. 11,770 were being temporarily accommodated in social housing, the highest figure on record.

Compiled by GLA from: Housing Finance Review 1995/96; UK Housing Review 2004/05; DLUHC Statutory Homelessness statistics.

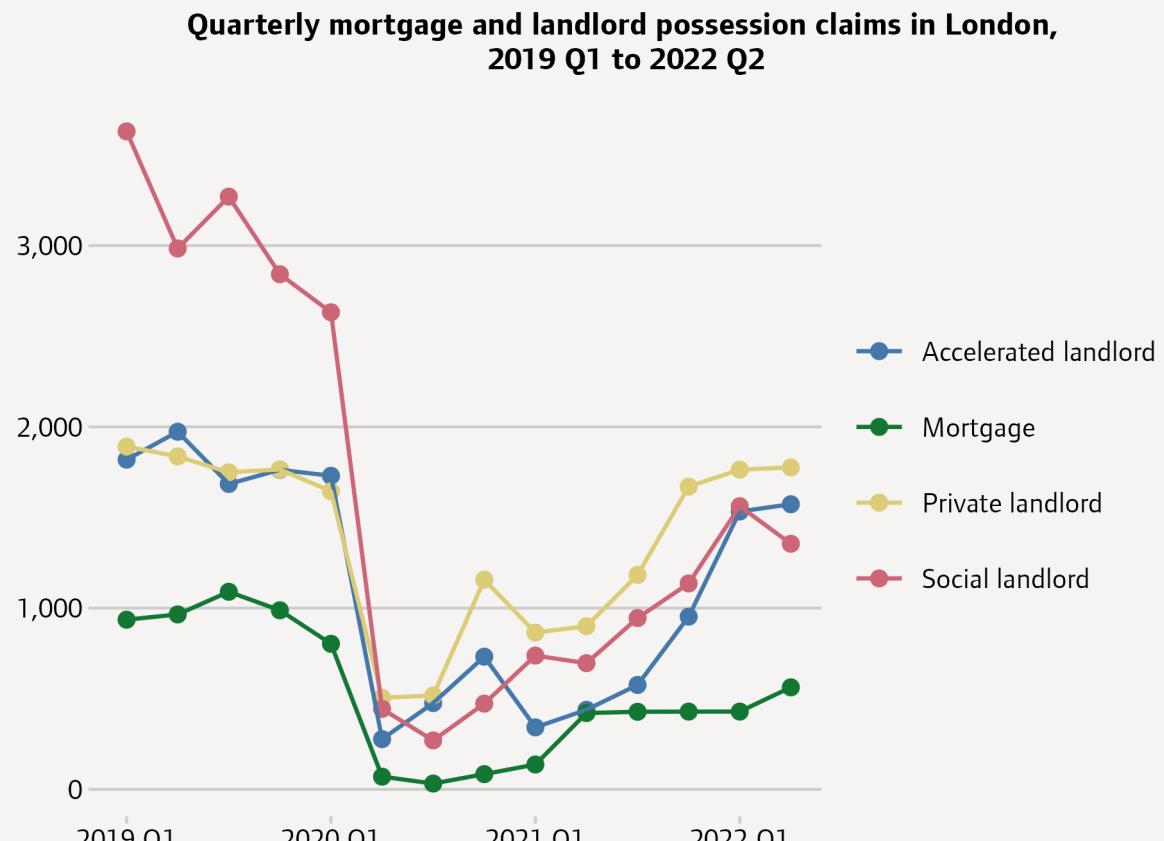
4.8 Low-income Londoners, those living in social housing and from Bangladeshi and Black African backgrounds were among those most likely to say they are living in crowded homes



GLA, Survey of Londoners 2021-22.

- The 2021-22 Survey of Londoners (see chart 1.4 for more details) asked whether in their household two or more people aged 10 or over and of different sexes have to sleep in the same room (discounting couples sharing a room). This question was intended to identify homes with some level of overcrowding, although it is not the same measure as the 'bedroom standard' used in the English Housing Survey.
- Across all Londoners, 4% of adults said their home was crowded by this measure. Adults living in social housing were twice as likely as the London average to say their homes were crowded, and those on lower incomes were also significantly more likely to be living in crowded conditions.
- Among the broad ethnicity categories shown here, the highest rates of crowding were reported by Bangladeshi (18%), Black African (9%) and other (non-Caribbean) Black Londoners (10%).

- 4.9 The number of claims for mortgage and landlord repossession fell sharply in London during the early pandemic period, but rose strongly again in 2021 and 2022



Ministry of Justice, Possession statistics.

- As a result of Financial Conduct Authority announcements and the passing of the Coronavirus Act in March 2020, mortgage and landlord repossession claims fell sharply in London courts (as in other regions) in mid-2020.
- There were just 70 mortgage possession claims between March and June 2020 compared to 970 in Q2 2019, but by Q2 2022 the figure had risen again to 560.
- Across the three categories of landlord possession claims (social landlords, private landlords and the 'accelerated landlord' procedure, which mostly covers private landlords) the number of claims fell from 6,790 in Q2 2019 to 1,230 in Q2 2020, before increasing again to 4,700 in Q2 2022.
- As was the case before the pandemic, it is likely that some claims will not end up resulting in actual possessions.

5. Mobility and decent homes

The pandemic caused severe disruption to London's rental market, as the supply of rooms in flatshares rose sharply while demand from potential flatsharers plummeted. But since December 2020, the number of rooms available in flatshares on the SpareRoom website has fallen consistently, with just one available room for every person searching as of September 2022 (5.1).

The number of households moving into social housing each year in London has fallen by over three quarters since the mid-1990s (5.2). The Mayor's Housing Moves scheme is aimed at increasing the mobility of social housing tenants in London, and it enabled 140 social housing tenants to move between boroughs in 2021/22 (5.3). Around 2,620 social rented homes in London have been freed up through the Seaside and Country Homes scheme since 2007/08 (5.4).

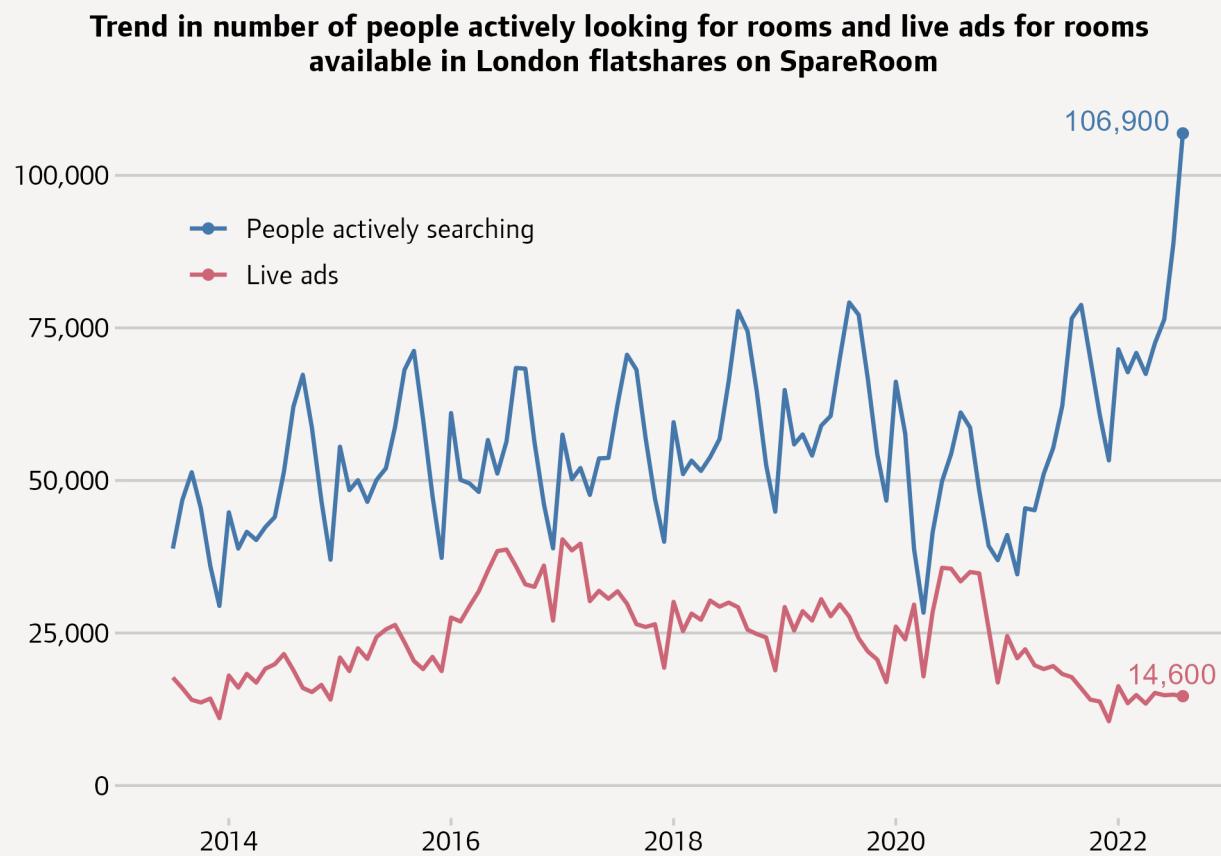
The Decent Homes Standard is a measure of whether homes provide sufficiently modern, warm and safe conditions, and in 2020 an estimated 12% of homes in London fell below the Standard, a figure that has fallen over time – though less so for private rented homes than for those of other tenures (5.5). The number of affordable rented homes in London falling below the Standard reported by social housing landlords fell from 260,290 in 2005 to 44,230 in 2021 (5.6).

In the aftermath of the Grenfell Tower fire, funding has been made available for the remediation of unsafe cladding. As of July 2022, cladding remediation works had been completed on 189 of the 256 high-rise housing blocks identified in London with aluminium composite material (ACM) cladding systems unlikely to meet building regulations (5.7).

Per capita greenhouse gas emissions from domestic energy use have fallen by 38% in the last decade, although the rate of decline has slowed recently (5.8). The energy efficiency of London's existing housing stock has improved over time, but new build homes are still far

more energy efficient on average (5.9). Progress in improving the energy efficiency of existing homes has picked up again after slowing in recent years (5.10). In late 2021 and early 2022, 13% of adults in London said they couldn't afford to keep their home warm enough in winter, with much higher figure reported by those on low incomes, living in social housing or of a Black or mixed ethnicity (5.11).

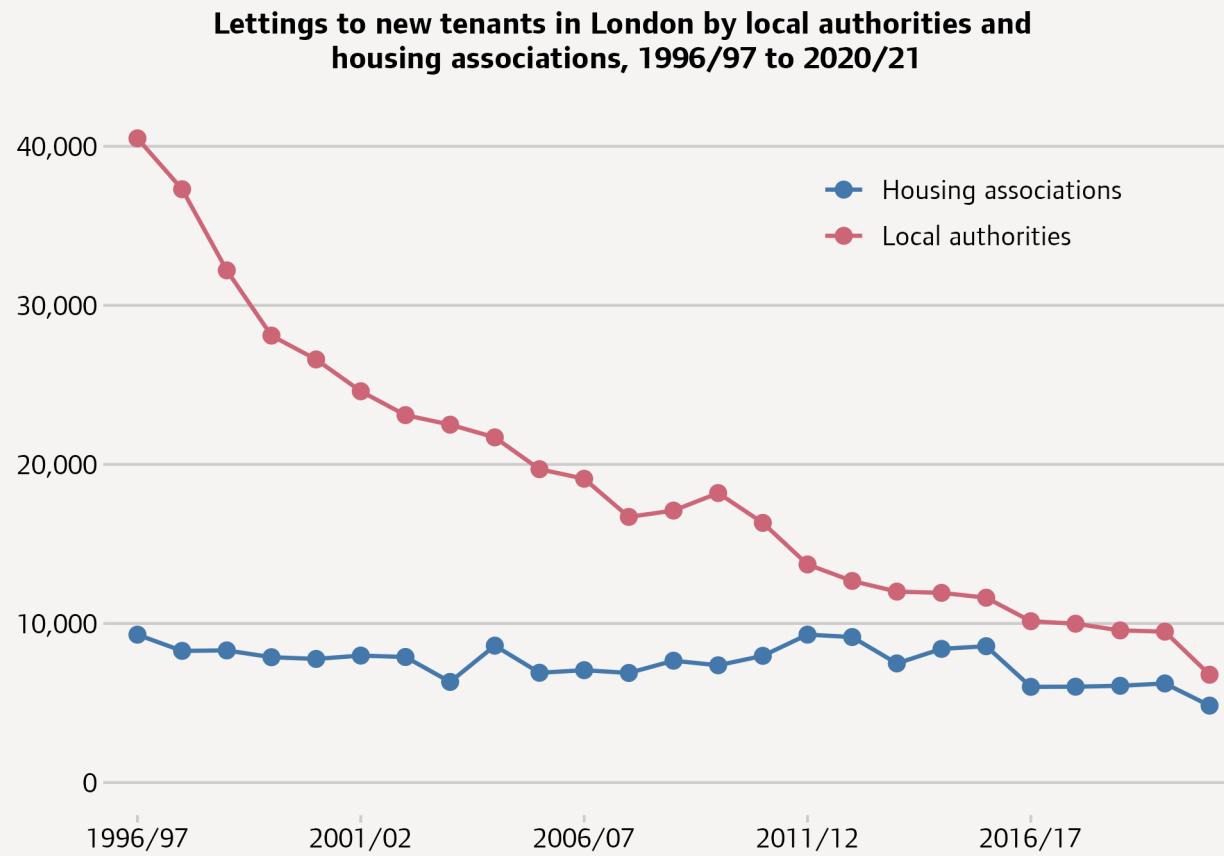
- 5.1 The number of people actively looking for a room in a flatshare in London (as recorded on the website SpareRoom) rose to a record high in summer 2022, while the number of rooms available fell to its lowest summertime level since 2013



Data provided by SpareRoom (www.spareroom.co.uk). The number of people actively looking for a room is greater than the number of people who have placed 'room wanted' ads on SpareRoom, a figure that was reported in last year's edition of Housing in London.

- Flatsharing is an important part of London's rental market, and one indicator of the balance between supply and demand in this sector is given by the number of rooms advertised as available and the number of flatshares actively looking for rooms on the website SpareRoom.
- During the pandemic lockdowns there was both an increase in the supply of available rooms and a decrease in demand. But the last year has seen a dramatic reversal, with the number of people looking for a room climbing rapidly while available supply fell.
- There were 106,900 people on SpareRoom actively looking for a room in London in August 2022, by far the highest figure recorded since data began to be collected in 2013. But there were only 14,600 rooms available, the lowest August figure on record. There were 7 people searching for every 1 available room, up from a pre-pandemic peak of 4 in Autumn 2014.

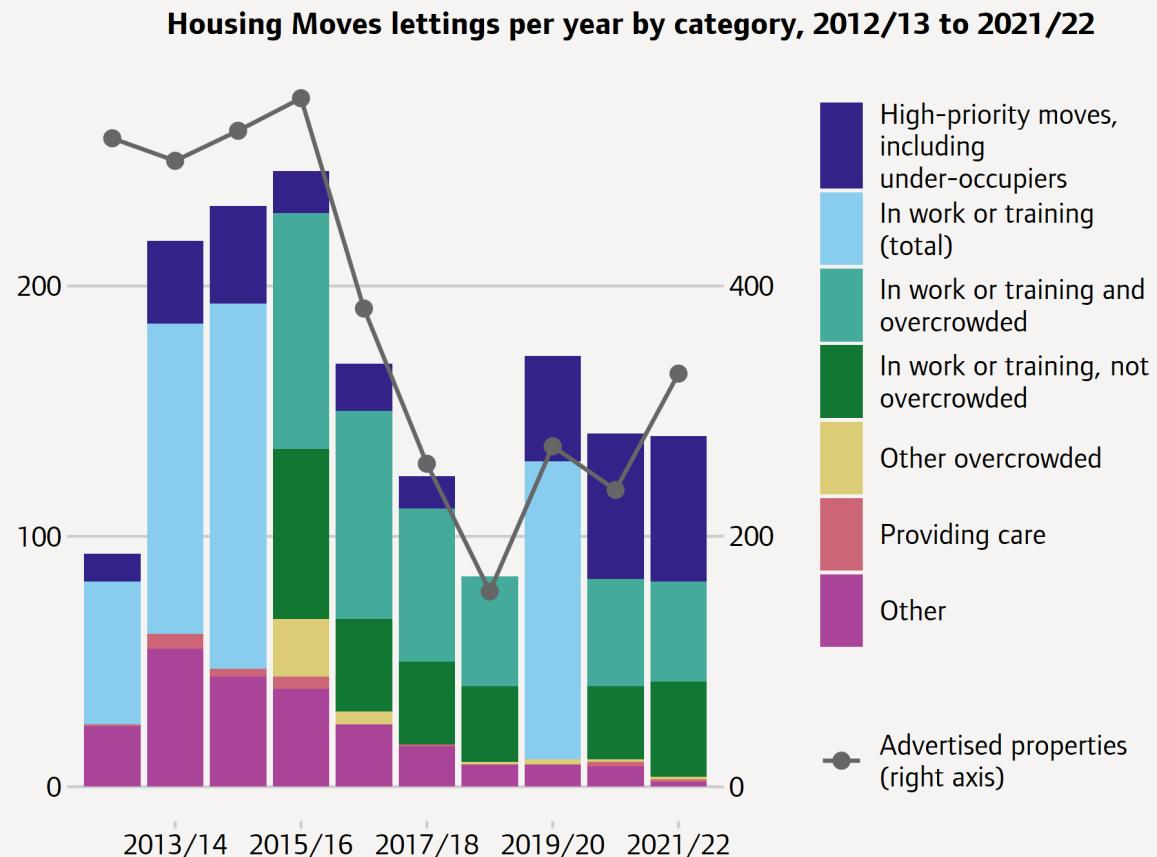
5.2 The number of households moving into social housing each year in London has fallen by over three quarters since the mid-1990s



- In 2020/21, 11,620 households new to social housing moved into council or housing association homes in London, a figure that has fallen from 49,800 in 1996/97. Lettings to new tenants have been in long-term decline in London but there was a particularly sharp fall in 2020/21, probably due to the pandemic.
- Properties let to new tenants in 2020/21 were equivalent to 1.5% of the total social housing stock in London (791,240 in 2021), the lowest turnover rate on record.
- 6,780 of the 2020/21 lettings were to new council tenants and 4,840 to housing association tenants. Council lettings have fallen sharply over time due to the shrinking of the council housing stock, but lettings from housing association have not increased to offset this decline, with a growing stock failing to compensate for a falling letting rate.

Compiled by GLA from UK Housing Review, various years. Data is for tenants new to social housing and includes those moving from supported housing.

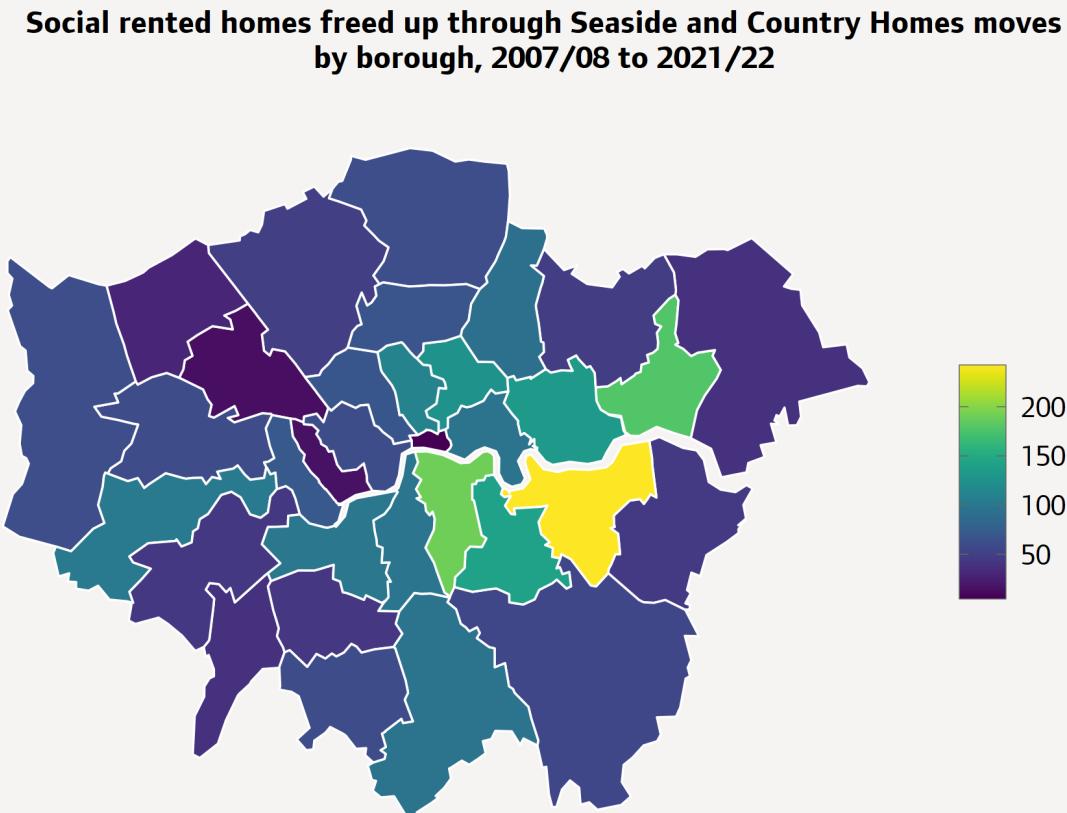
5.3 The Mayor's Housing Moves scheme enabled 140 social housing tenants to move between boroughs in 2021/22



GLA Housing Moves programme monitoring data.

- The Mayor's Housing Moves scheme offered social housing tenants in London the opportunity to move to suitable accommodation in another borough. The scheme enabled 140 social housing tenants to move between boroughs in 2021/22. This is almost identical to the total number of moves that took place in 2020/21. A number of properties advertised in the 2021/22 period are still in the process of being let.
- The scheme prioritised applicants who fell into certain categories. Households in work or training accounted for just over half of moves in 2021/22 (78 moves in total), of which just over half were overcrowded before they moved.
- In 2019, two new pilot pathways were introduced to give greater priority to former rough sleepers ready to move on from supported accommodation and to social housing tenants who needed to move due to domestic abuse. 49 of the moves in 2021/22 were made by applicants in these groups.

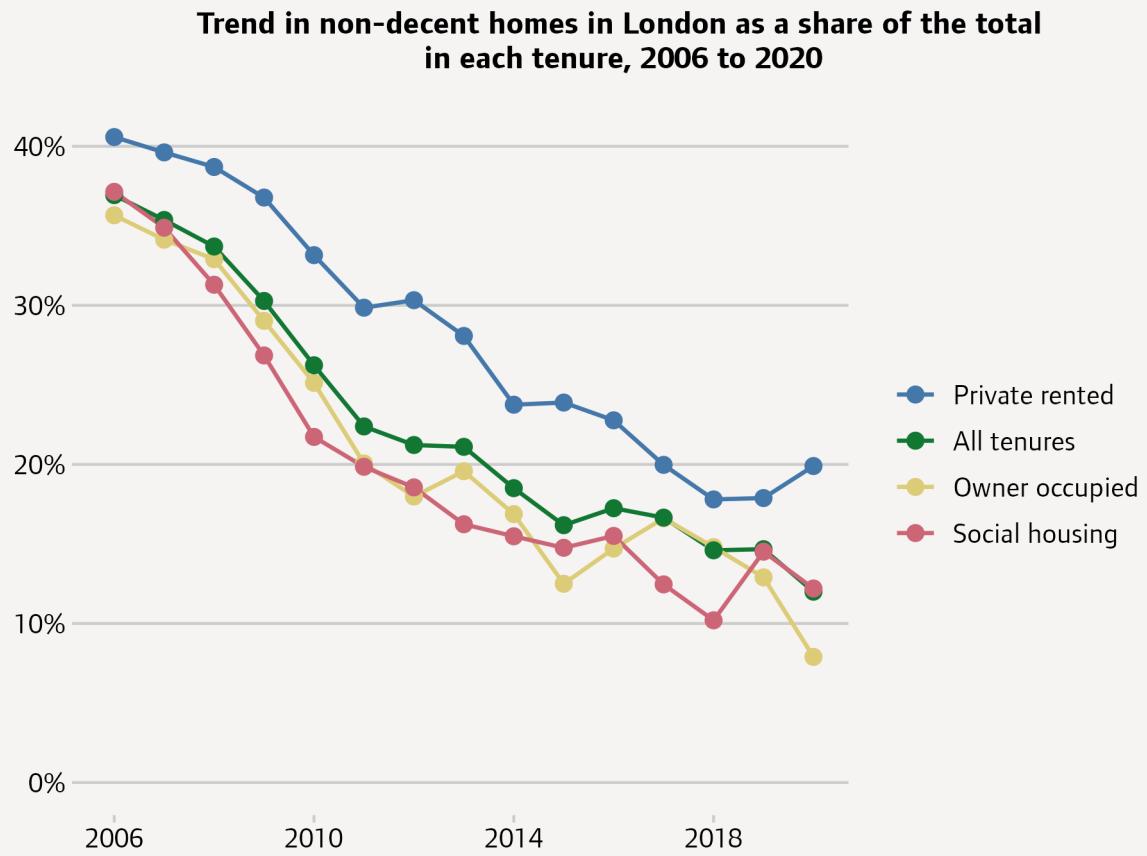
5.4 Around 2,620 social rented homes in London have been freed up through the Seaside and Country Homes scheme since 2007/08



- Between 2007/08 and 2021/22 there were 2,620 social rented homes freed up in London after the tenants moved out through the Seaside and Country Homes scheme, which helps older council and housing association tenants in London move to a home outside London.
- The borough that has had the most homes freed up was Greenwich (242), followed by Southwark (190) and Barking and Dagenham (178). The City of London (with five), Brent (13) and Kensington and Chelsea (15) have had the fewest homes freed up.
- This scheme allowed 181 households to move to a range of counties in 2021/22. Essex accommodated the highest number of movers this year, with 32 households relocating there. Kent, West Sussex and Hampshire were also popular locations for those moving out of London.

GLA Seaside & Country Homes programme monitoring data.

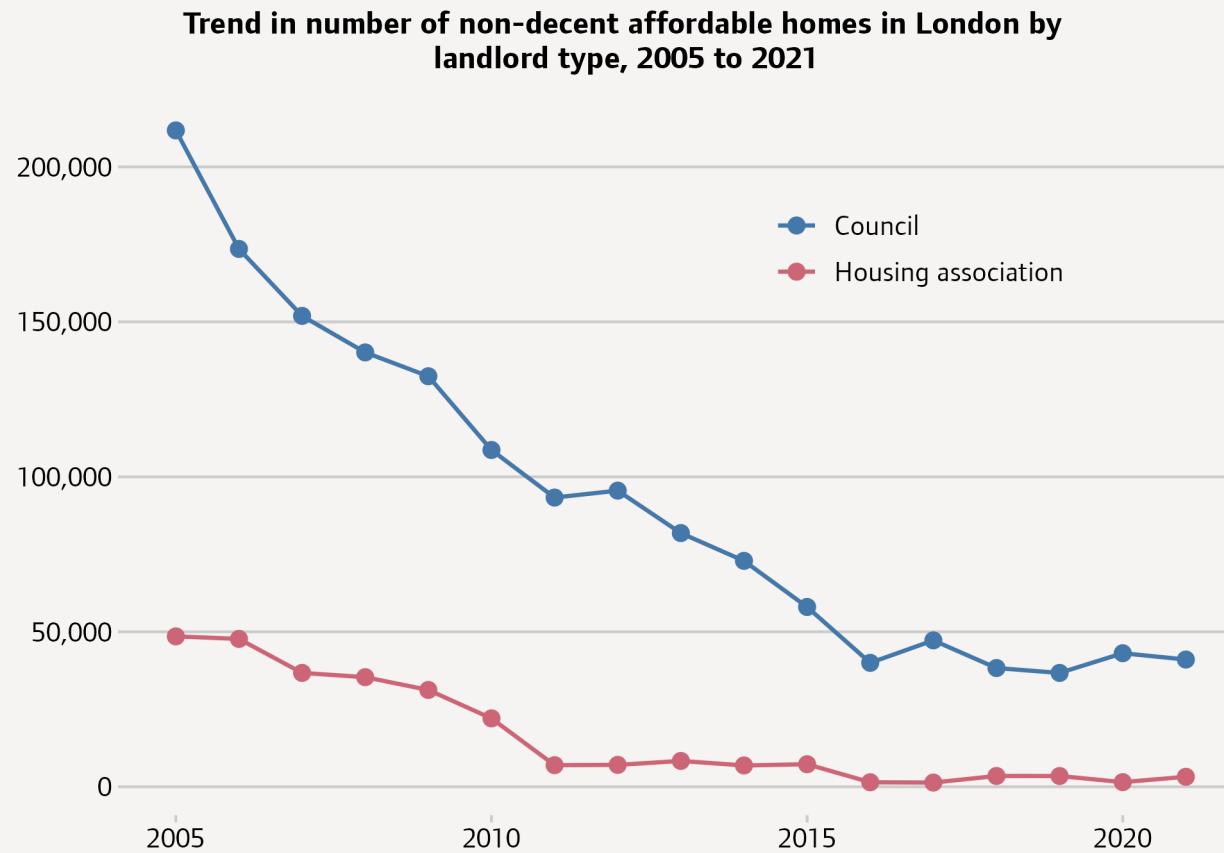
- 5.5 In 2020 an estimated 12% of homes in London fell below the official Decent Homes Standard, a figure that has fallen over time – though less so for private rented homes than homes of other tenures



DLUHC, English Housing Survey and English House Condition Survey.

- Between 2006 and 2020, the proportion of homes in London below the official Decent Homes Standard fell from 37% to 12%.
- The proportion of homes below the standard fell from 36% to 8% for owner occupied homes 37% to 12% for social rented homes and from 41% to 20% for privately rented homes.
- The higher proportion of homes below the standard in the private rented sector is likely to reflect in part the fact that there is a higher share of older homes in the sector.
- The sharp changes seen between 2019 and 2020 may also reflect the disruptive effects of the pandemic, which meant that English Housing Survey data for 2020 was based on modelled estimates rather than internal surveys of each property.

- 5.6 The number of affordable rented homes in London falling below the Decent Homes Standard reported by social housing landlords fell from 260,290 in 2005 to 44,230 in 2021

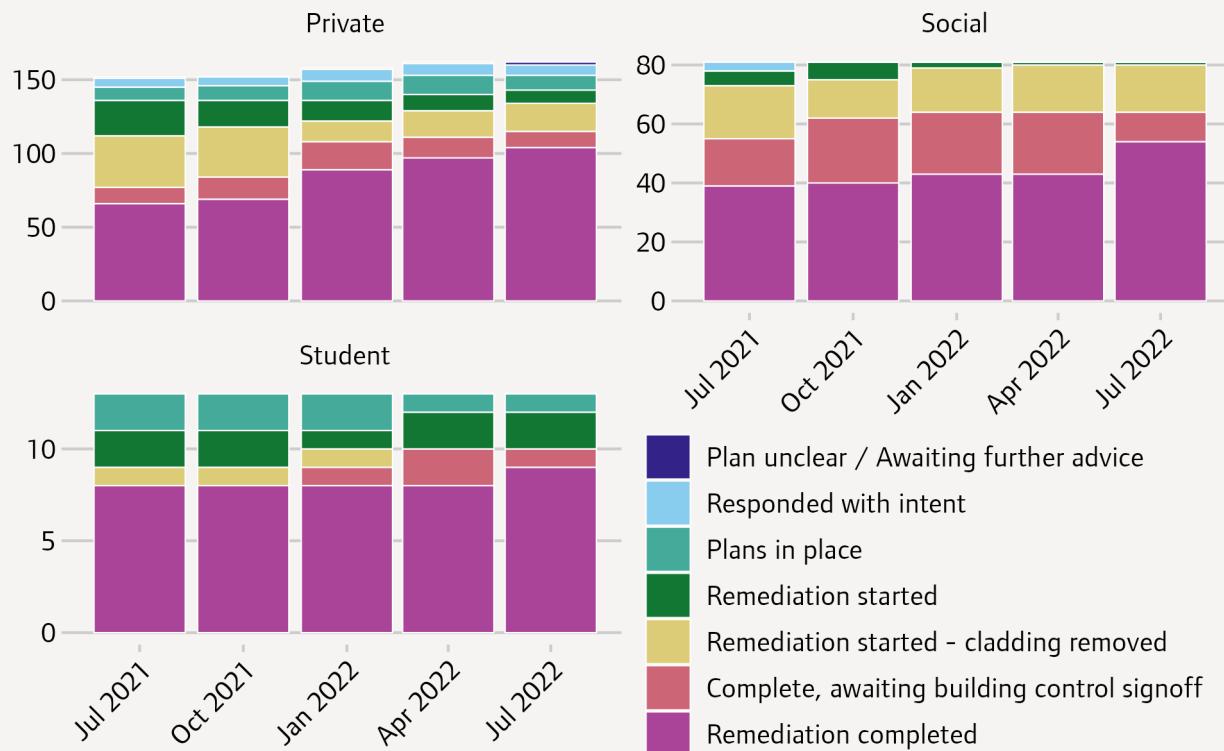


Council data from Business Plan Statistical Appendix and Local Authority Housing Statistics data published by DLUHC; Housing association data from statistics published by the Regulator of Social Housing and its predecessor bodies.

- In April 2021, councils and housing associations reported that they owned a combined total of 44,270 rented homes in London that fell below the Decent Homes Standard. This figure is down slightly from 44,570 in 2020 but broadly in line with the level of the last several years. The figures recorded by councils and housing associations differ from those reported in the previous chart, which derive from surveys of random samples of properties across all tenures.
- Between 2005 and 2017, the number of non-decent housing association homes fell from 48,520 to 1,360, and in 2021 it sat at 3,220. According to these figures, non-decent homes make up 0.8% of the total housing association stock in 2021.
- The number of non-decent council homes fell from 211,800 in 2005 to an all-time low of 36,730 in 2019, but then increased again to 41,050 in 2021. 11% of the total number of council homes were below the Decent Homes Standard in 2021, compared to 45% in 2005.

- 5.7 As of July 2022, cladding remediation works had been completed on 189 of the 256 high-rise housing blocks identified in London with aluminium composite material (ACM) cladding systems unlikely to meet building regulations

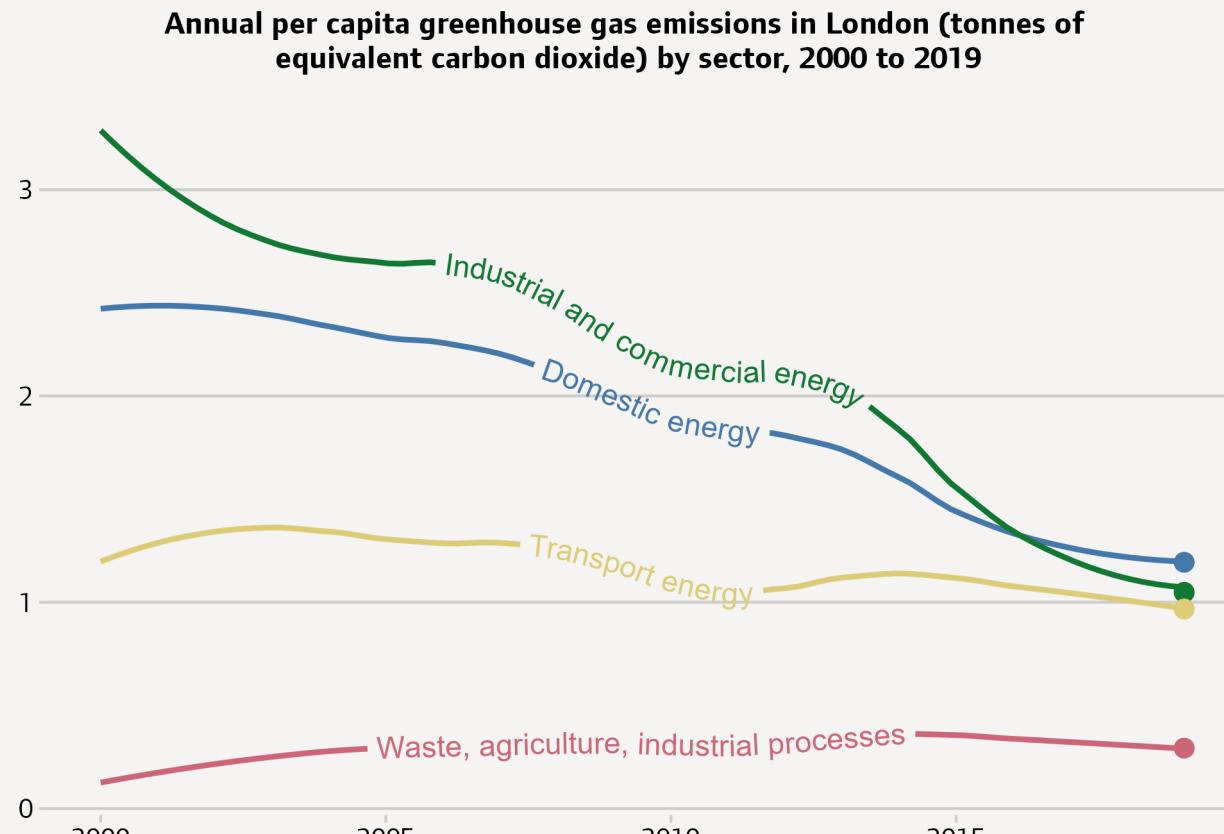
Progress of remediation on high-rise residential buildings in London identified for removal of ACM cladding systems, July 2021 to July 2022



DLUHC, Building Safety Data Release July 2021 to July 2022.

- The GLA administers on behalf of government three funding programmes to remediate London buildings with unsafe cladding: the Social Sector and Private Sector ACM Cladding Remediation Funds and the Building Safety Fund for the remediation of unsafe non-ACM cladding systems
- In July 2022, there were 256 high-rise residential buildings identified in London with ACM cladding systems unlikely to meet building regulations, up from 246 in July 2021. 81 of the buildings identified for remediation in London were owned by social housing landlords, 162 were private housing blocks and another 13 were student blocks.
- Remediation works had been completed on 189 buildings (including 22 awaiting sign-off from Building Control), up from 140 in July 2021. Works had started on another 47 blocks, with plans for work in place for a further 11. The owners of 7 private blocks had ‘responded with intent’ to undertake work, while in two cases the plan was unclear or further advice was being awaited.

- 5.8 Per capita greenhouse gas emissions from domestic energy use have fallen by 38% in the last decade, although the rate of decline has slowed recently

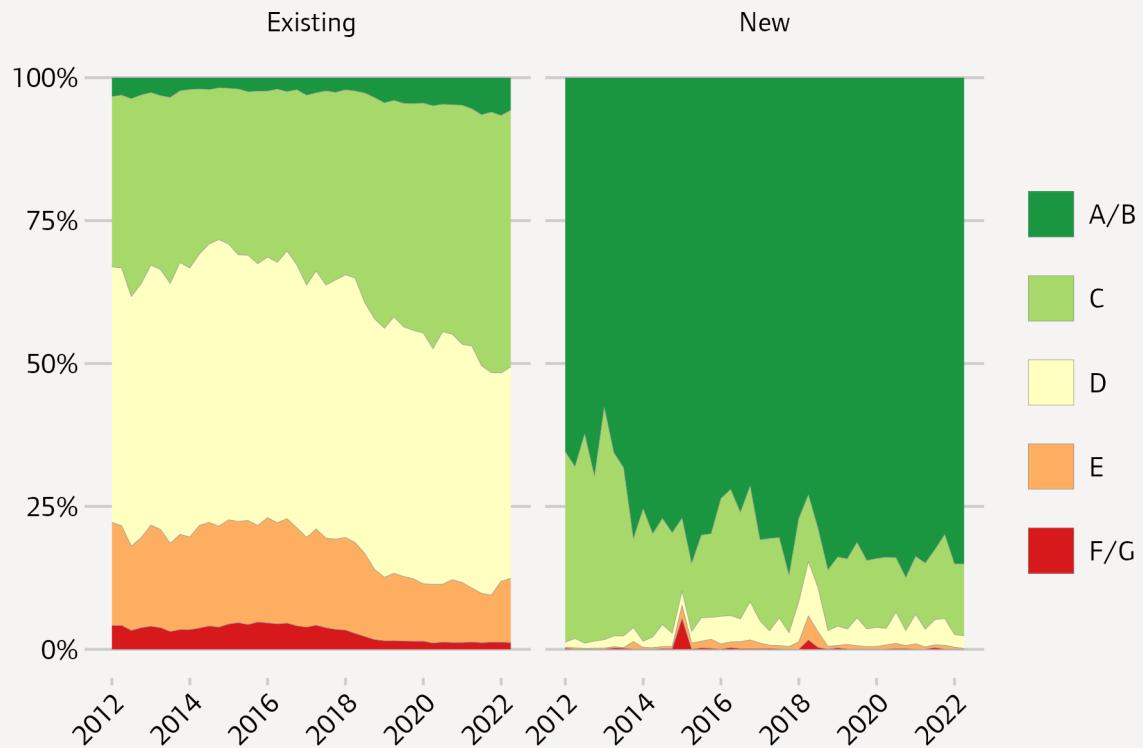


GLA, London Energy and Greenhouse Gas Inventory (LEGGI).

- The GLA's London Energy and Greenhouse Gas Inventory (LEGGI) measures greenhouse gas emissions from London's workplaces, homes and transport. Total greenhouse gas emissions have fallen by 38% in the last decade to 3.5 tonnes per Londoner in 2019.
- Per capita emissions of greenhouse gases from London's homes equalled 1.2 tonnes in 2019, down very slightly from 2018 and 38% lower than a decade before. The rate of decline has slowed recently compared to the mid-2010s.
- Per capita emissions from industrial and commercial energy use have fallen faster than domestic emissions and more than halved in a decade, from 2.2 tonnes in 2009 to 1.0 tonnes in 2019.
- Transport emissions per Londoner are lower than emissions from homes and workplaces, but have been relatively flat over the last decade, standing at 1.0 tonnes per capita in 2019.

- 5.9 The energy efficiency of London's existing housing stock has improved over time, but new build homes are still far more energy efficient on average

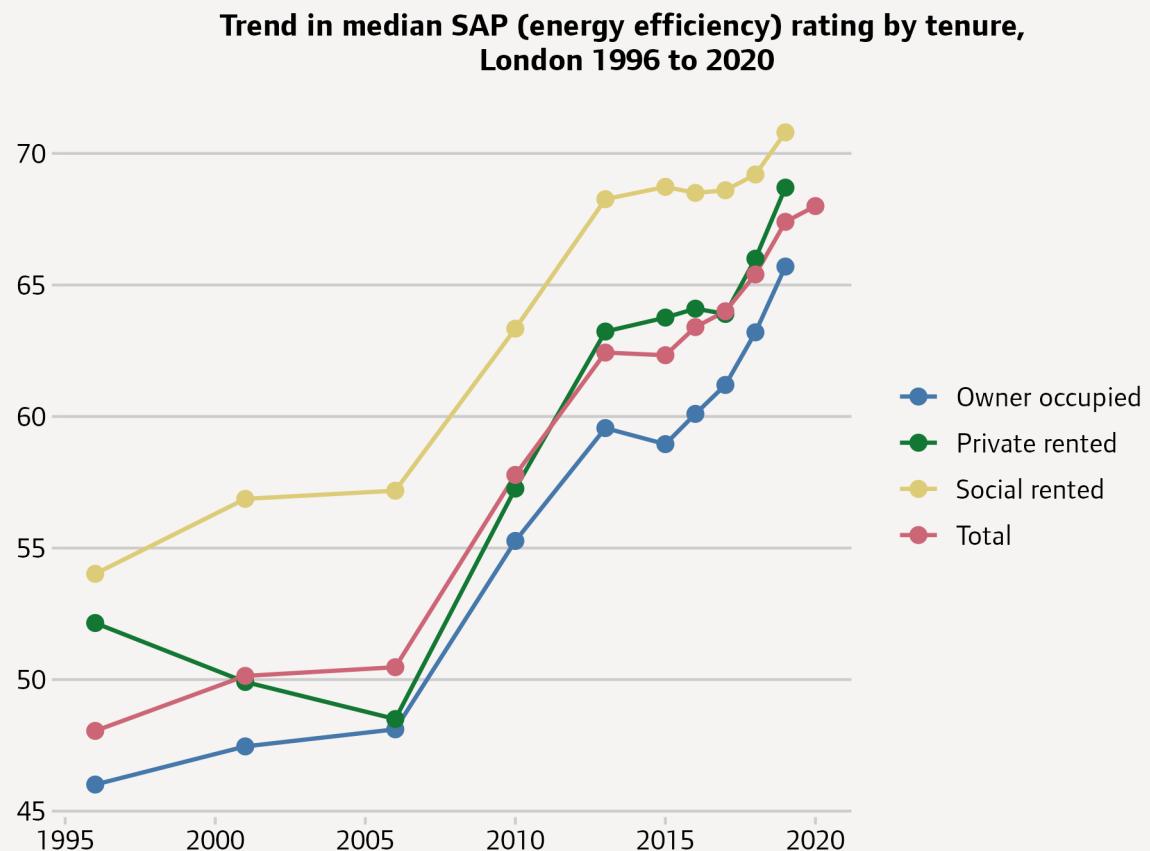
Energy efficiency band of Energy Performance Certificates lodged for new and existing homes in London, 2012 Q1 to 2022 Q2



- Energy Performance Certificates (EPCs) are required when new homes are built or when existing homes are sold or relet. 5.7% of the existing homes with an EPC lodged in 2022 Q2 fell into the top A/B energy efficiency bands, an improvement from 3.3% in 2012. The number of C-rated homes recorded has also increased over this period, from 30% to 45%.
- In comparison, 85% of new build homes with EPCs lodged in 2022 Q2 had energy efficiency ratings of A or B, and another 12.5% were in band C. While the ratings of new homes have improved over time, most of this improvement came in the first half of the decade.
- There are still few homes in London in the top band, A. Over the last year there were just 339 A-rated EPCs recorded for new build homes in London, and only 44 for existing homes.

DLUHC, Live tables on Energy Performance of Buildings Certificates.

5.10 Progress in improving the energy efficiency of existing homes has picked up again after slowing in recent years

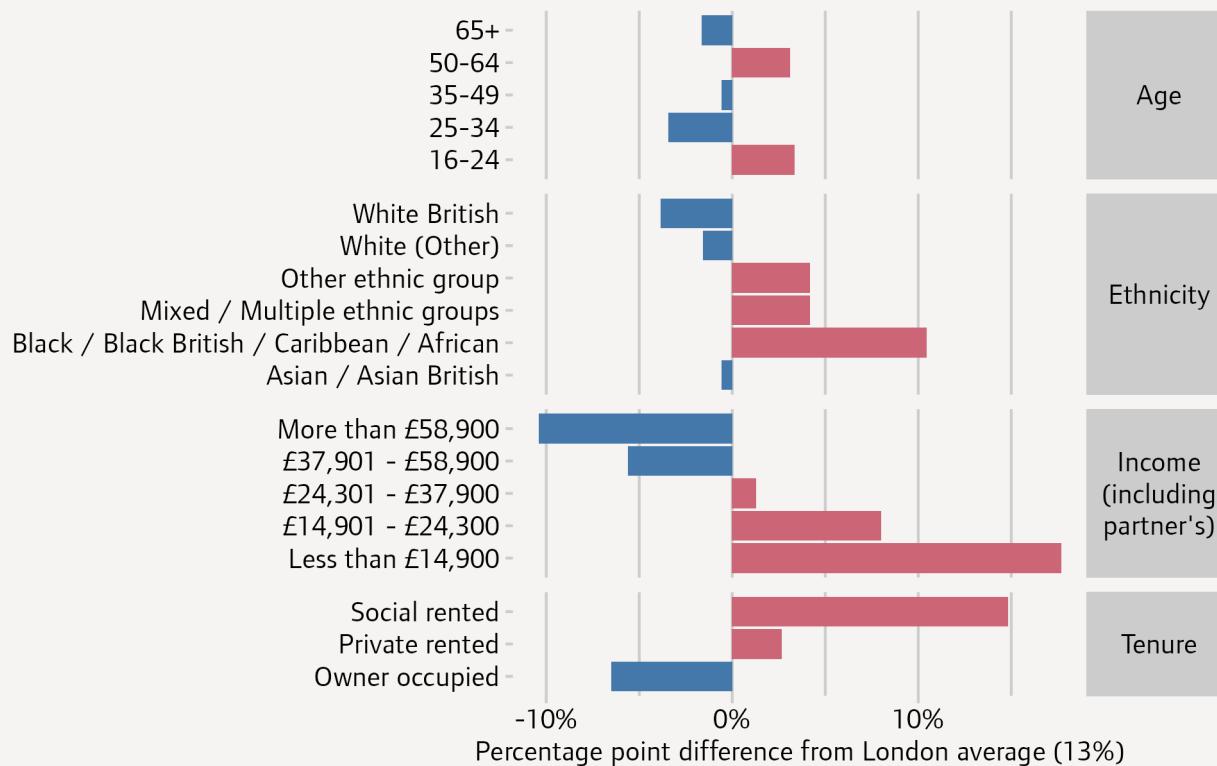


- The energy efficiency of housing can be measured by the Standard Assessment Procedure (SAP), which gives ratings in percentage terms (with 100% representing zero energy cost). This chart tracks these ratings since 1996 for all homes in London and for each of the three main tenures.
- The median rating for all homes in London was 68% in 2020, up from 48% in 1996 and 67% in 2019.
- The latest figures for individual tenures are from 2019. Social housing is the most energy efficient tenure, with a typical rating of 71% in 2019. The ratings of private sector homes have tended to catch up with social housing over time, with owner occupied and privately rented homes having median SAP ratings of 66% and 69% respectively in 2019.

English House Condition Survey and English Housing Survey stock data, 1996 to 2020. This analysis uses the 2012 SAP definition throughout and refers to all dwellings including vacant.

- 5.11 In late 2021 and early 2022, 13% of adults in London said they couldn't afford to keep their home warm enough in winter, with much higher figure reported by those on low incomes, living in social housing or of a Black or mixed ethnicity

Differences in the proportion of Londoners who say they can't keep their home warm enough in winter, by group (2021-22)



GLA, Survey of Londoners 2021-22.

- The 2021-22 Survey of Londoners (see charts 1.4 and 4.8) asked whether respondents could afford to keep their home warm enough during the winter. The fieldwork for this survey largely took place in November and December 2021, before the onset of the energy costs crisis. Nevertheless, 13% of adults responded that they couldn't afford to keep their home warm enough.
- Difficulties staying warm were much more common among those living in social housing, 28% of whom said they couldn't afford to keep their home warm. There were also significantly higher rates among households with low incomes and among Londoners of a Black, mixed or 'other' ethnicity.
- Within the broad ethnicity categories shown here, particularly high proportions of Bangladeshi (24%), Pakistani (21%) and Black African (25%) and other (non-Caribbean) Black Londoners (31%) said they couldn't afford to keep their homes warm enough.

Acknowledgements

This report draws heavily on official statistics and other data produced by various GLA teams, the Office for National Statistics and statisticians across central Government (particularly DLUHC), and their work is gratefully acknowledged.

We are also grateful to Molitor, YouGov and Inside Airbnb for allowing us to use their data.

Much of the analysis and all of the visualisation in this report was carried out using the R programming environment and a range of packages including ggplot2, ggrepel, ggthemes, readxl, surveytoolbox, sf, tidyverse, and viridis. We are grateful to all of those who authored or contributed to these packages.