

Resident Estimates and Projections

Location: City of London

Source: GLA Housing Led Projections 2019 and ONS 2018 Sub National Projections

Resident Estimates and Projections provides an overview of the different data sources that can be utilised for planning service delivery. The report focuses on an analysis of the relevant data for the housing stock, the estimated and projected population by sex and age profile.



Published by the Department of the Built Environment
June 2021



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Executive Summary and Key Statistics

There is a range of data available to analyse the number of residents in the City of London, and the projection of future trends.

The data sources include:

- the Office for National Statistics (ONS) Mid-Year Estimates for the usual resident population for the UK for the year (as at 30 June) and a range of Sub-National Projections,
- a range of Greater London Authority (GLA) resident projections.

These data sources are evaluated in the context of the current level of housing which is set out in a range of datasets, and the likely future development profiles in the City of London which are set out in the Strategic Housing Land Availability Assessment (SHLAA) of the London Plan.

The ONS Mid-Year Estimates and Sub-National Projections are primarily a trend-based data profile utilising a range of births, deaths and internal and international migration data. An initial series of Mid-Year Estimates between 2011 and 2016 set out a significant growth in the City of London resident population.

Revised estimates incorporated a change of methodology applied to the international migration component which is difficult to estimate as the UK has no population register. The revised estimates for the City of London show a significant net outward international migration over the years 2012 and 2013 before a net inward international migration for the years 2014 to 2016. This change in estimates for international migration resulted in revised population estimates which were significantly lower than the original estimates. A further minor revision in 2019 in how 0-1 year olds are accounted resulted in an additional minor change.

Accompanying the series of estimates ONS produce a series of projections, normally every two years. The latest projects are the ONS 2018 Sub-National Projections which set out a steady increase in population from 8,706 in 2018 to 9,183 in 2030 and 9,371 in 2036. It should be noted that the updated Mid-Year estimates have a much higher figure of 9,700 for 2019. The ONS plan to produce the next round of projections taking into account the Census of Population 2021 counts.

Resident Estimates and Projections

The updated GLA 2019 housing-led (SHLAA-based) population projections are based upon the ONS Mid-Year estimates and are therefore much higher than the 2018 ONS Sub-National Projections which are likely to be updated in 2022.

The GLA produce a range of population projections. The City Corporation consider that for the City of London the GLA 2019 housing-led (SHLAA-based) population projections are preferable as they model population growth within the context of housing supply constraints set out in the SHLAA. This is monitored on an annual basis to assess housing delivery and shows a high probability that in the near future the housing levels set out in the SHLAA will be delivered.

Whilst it is straight forward to monitor the housing delivery, it is difficult to assess the number of housing units in the City of London that will be occupied as second homes or short term lets. Thus, the population estimates and projections for the City of London are likely to have an element of uncertainty in quantifying the resident population base. The key issue is that a proportion of the new development is likely to be second homes or utilised for short term letting and thus not occupied by permanent residents who would be enumerated in the population profile for the City of London.

Overall the trend profile for the period 2011 to 2026 is sound within the context of the projected development profile of the City of London, although there is a slight note of caution relating to the years 2011 to 2016 where the projections suggested a decrease in the population. The period from 2026 to 2036 is beyond the scope of the current housing pipeline, thus the projections have a greater uncertainty.

The key population statistics for 2021 are set out in Table 1 and the key population projections statistics for the years 2011 to 2036 in Table 2.

Sex	Population
Males	4,889
Females	4,404
Total	9,292
Age Profile	
0-19	1,016
20-64	6,486
65+	1,791
Total	9,292

Table 1: Key Population Statistics for 2021

Source: GLA 2019 Housing-led (SHLAA-based) population projections

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Year	Population
2011	7,412
2016	7,246
2021	9,292
2026	9,705
2031	9,774
2036	10,092

Table 2: Key Population Statistics 2011 to 2036

Source: GLA 2019 Housing-led (SHLAA-based) population projections

The Ethnic Group profile of the City of London resident population is projected to see a growth in each of the groups analysed. The key changes in the proportion of the resident population analysed by ethnic group shows a proportional decrease in the White Group, and an increase in the other Ethnic Groups.

1. Introduction

Resident Population and Employment in the City of London

The City of London is unique. Although little more than one-mile square in size, it is densely developed providing employment for an estimated 541,400¹ people in 2019, who mostly used the public transport to commute to work from across London and the surrounding regions. Alongside its primary business function, the City has many other roles including being a home to approximately 7,400 residents in 2011². The residential base in the City of London is relatively small compared to other local authorities.

The changes in residential population and their associated characteristics need to be evaluated on a regular basis for input into service delivery plans and spending assessments.

Data Sources for Resident Estimates and Projections

There are a range of data sources which can be utilised for estimating and projecting the housing capacity and associated residents and households that occupy the housing stock. Key sources of data include:

- **Housing stock** from the Local Land and Property Gazetteer (LLPG), Council Tax, Electoral Roll; and
- **Population and household estimates and projections** compiled by the Office for National Statistics (ONS) and Greater London Authority (GLA).

The purpose of this document is to provide guidance on utilising these statistical sources in the context of the City of London, taking into consideration factors such as:

- the relatively small level of the housing stock,
- the likely delivery of new housing schemes,
- that the housing stock is predominantly small-scale flats minimising the use of accommodation for families with children,
- that the occupancy of flats in the City of London has a significant element of second homes³,
- the transitional nature (migration) of residents, and the associated age profile.

¹ Source: Business Register and Employment Survey, Office for National Statistics, 2018

² Source: Census of Population 2011, Office for National Statistics

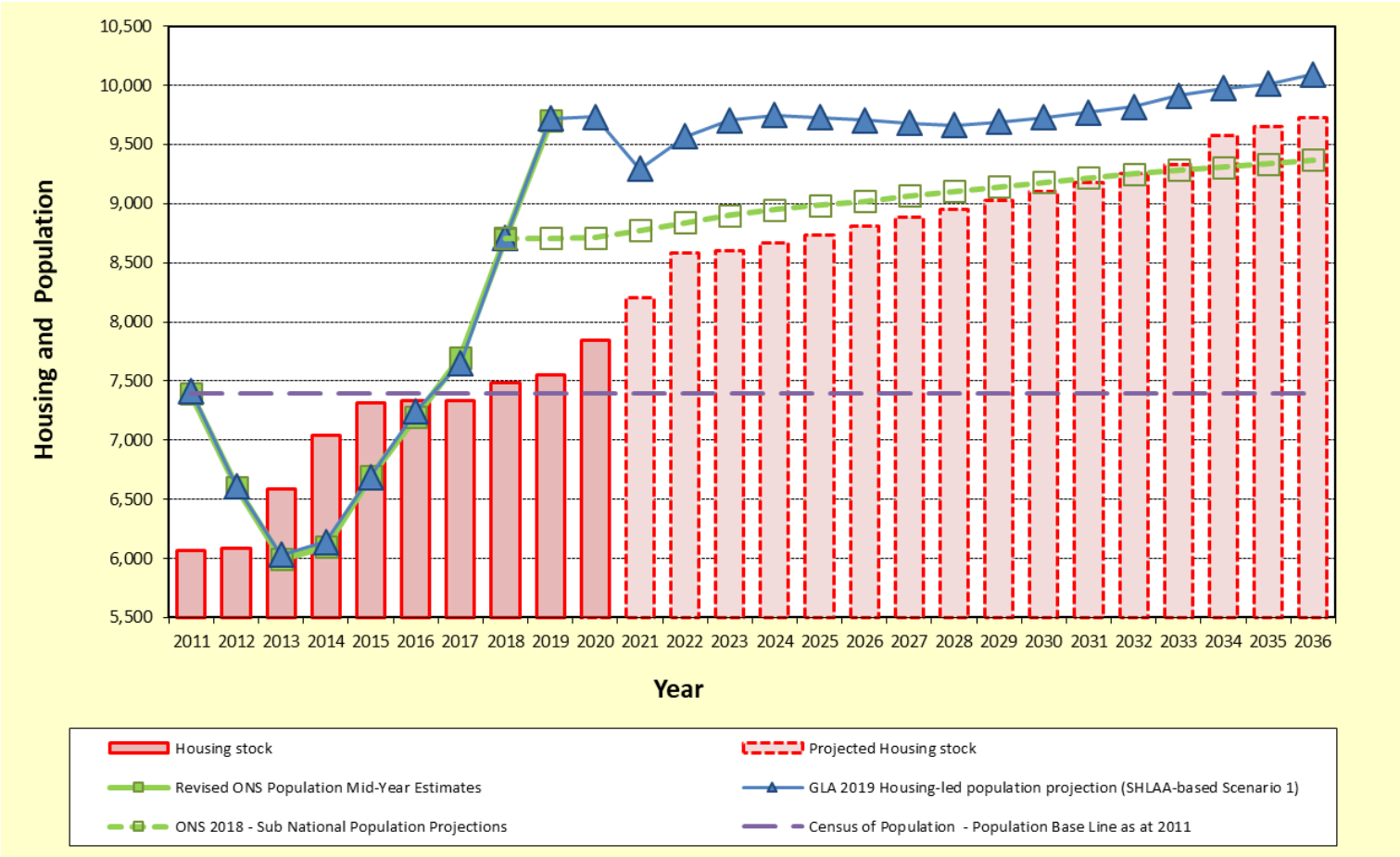
³ In addition, there are 1,370 people who are residents within the UK that have a second home in the City of London. Details are set out in the publication "City of London Resident Population CENSUS 2011 Introduction"

The Report

The report provides:

- an overview of the housing stock, and the population estimates and projections,
- analysis of the population profile for the year 2021,
- analysis of ethnic group projections.

Resident Estimates and Projections



Graph 1: Housing Stock and the Population Estimates and Projections for the City of London

Source: Office for National Statistics Mid-Year Estimates and Sub National Projections, Greater London Authority Population Projections, City of London Housing Stock



2. Overview of the Housing Stock, Population Estimates and Projections

Data Sources

For the purposes of this report the data is analysed by theme, evaluating projections from the year of the last Census of Population in 2011 through to the year 2036 to accord with the time period of the adopted 2015 [City of London Local Plan](#) and the draft [City Plan 2036](#).

Graph 1 sets an overview of the data sources for housing stock; associated population estimates and projections available for the City of London.

An assumption is made that the levels of population will have a strong correlation with the projected housing stock. Thus, the projected levels of housing are analysed. This then provides a base for analysing a range of population data. The starting point is the Census of Population 2011, followed by the ONS Mid-Year Estimates and Sub-National Projections, and the projections produced by the GLA.

Housing Stock

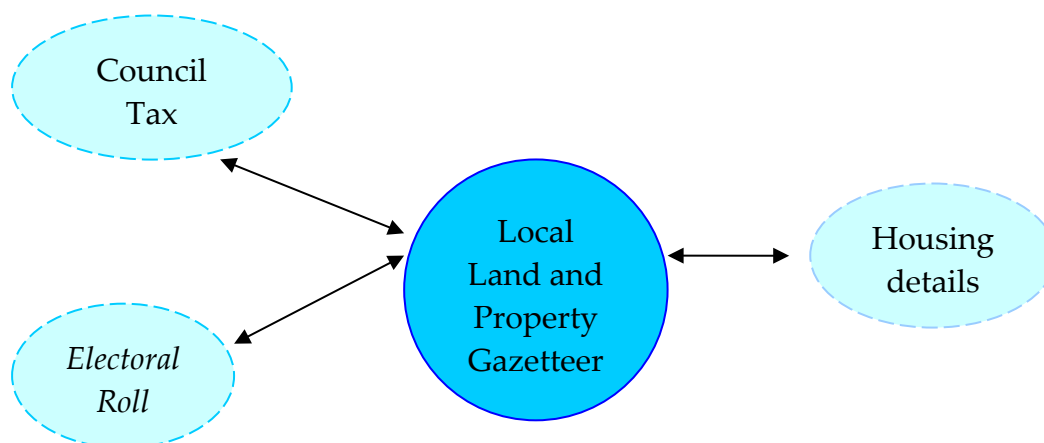


Figure 1: Records of Housing Stock and Occupation

Note: housing stock figures excludes ancillary units (e.g. Staff Accommodation)

The population estimate and projections should be assessed within the context of existing housing and projected housing stock. Information on existing housing is available from a range of City of London administrative records set out in Figure 1.

Resident Estimates and Projections

The Local Land and Property Gazetteer (LLPG) provides a core indexing dataset for linking records which set out:

- properties that meet Council Tax criteria,
- where residents are registered on the Electoral Roll.

In practical terms this accounts for the majority of units in the City of London. However, there are some units which are either of temporary accommodation or ancillary to the main use of the building (e.g. master's Flat for a Worshipful Company), where Council Tax or Electoral Roll will not include these records. Information on the number of rooms for each unit is maintained on an ancillary dataset.

The key issue is that sound population estimates and projections should be within the levels that can be facilitated within the housing stock. The housing stock in the City of London is predominantly flats with a low number of bedrooms.

Housing stock (dwellings) in 2021 is quantified from the LLPG and Council Tax records.

The **Projected Housing Stock** is evaluated through an assessment of housing delivery in the context of the Strategic Housing Land Availability Assessment (SHLAA):

- The projected delivery of housing through to 2025/26 is based upon schemes under construction and those with planning permission but yet to commence, which is set out in the "City of London Local Plan Monitoring Paper – Housing". Thus, there is a high probability such sites will be delivered.
- The projected delivery 2026/27 to 2035/36 is based on the assumption that housing will be delivered as per targets set out in the London Plan and Draft City Plan 2036. Looking into the future an annual assessment of housing delivery in this period will be reviewed.

This sets the parameter for assessing whether population projections are viable within the context of the housing to be provided within the City of London. Thus, in theory the changes in the housing stock would have a significant correlation with the population estimates and projections.

Resident Population Baseline

“usually resident” – that is, the place at which a person has lived continuously for at least 12 months, not including temporary absences for holidays or work assignments, or intends to live for at least 12 months (United Nations, 2008).

The **Census of Population Baseline** as at April 2011 sets out the residential population as per the 2011 Census of Population. The 7,400 count of residents includes only persons in permanent residence. Key information is analysed in the document [“City of London Resident Population Census 2011 - Introduction”](#).

In estimating and projecting population in the City of London, a factor which provides a high level of uncertainty is the 1,370 persons who were residents within the UK and had a second home within the City of London at the time of the 2011 Census. When assessing population estimates and projections beyond 2011, one needs to take into consideration that in 2011, 25.5% of Council Tax registrations were second homes or empty. This increased to 27.4% in 2019⁴. In producing estimates and projections for future years it is difficult to assess whether there will be changes in the proportion of persons who are permanent residents or those who have a second home in the City of London.

Other factors to take into consideration are that:

- the density of occupation of housing units is subject to variation over time.
- there are a significant number of residential units (440 units as at 31st March 2021) where planning permission was granted for short term lets and thus the occupants would not be classified as part of the resident population as occupancy would be for less than 90 days.

Population - Mid Year Estimates

ONS Mid-Year Estimates set out the population for the City of London at the mid-year. These estimates of past resident population are important because they are frequently used by the Government in assessing the performance of local authorities and in making grant funding decisions.

The Mid-Year Estimate for 2011 was a minor variant from the Census of Population Base Line as at April 2011. Estimates were then produced from

⁴ [Gov.uk Council Tax Base Statistics](#)

Resident Estimates and Projections

2012 through to 2016. In March 2018, the ONS revised the Mid-Year estimates for the period 2012 to 2016. The revised estimates were significantly lower than the original estimates. A further revision in 2019 modified the back-series due to changes in the way 0-1 year olds were estimated. This resulted in a minor change to the figures.

The estimates are updated annually up to 2019 to take account of births, deaths internal migration and international migration information:

- Information on births and deaths is reasonably reliable due to the statutory registration process and remains consistent within the original and revised estimates.
- Internal population migration is based on sample surveys and NHS registration records which do not necessarily correspond with resident movements. This a key factor for young men, in particular, where there is often a delay in the registration of details. For most years there is usually a net outward flow of internal migration.
- International migration was based on samples from the Labour Force Survey and International Passenger Survey. For the revised estimates from 2018⁵ a range of other data sources (census and administrative) were used to enhance the model based on a three-year average, which included the year estimated and previous two years.
- In 2018, ONS issued a range of alternative versions of the projection data. This includes high and low international migration variants, an alternative internal migration variant and a 10-year migration variant. These variants are based on differing assumptions. The ONS Population Projections for future years vary depending on the model chosen, with the variation increasing over time. The central trend profile is provided by the standard ONS 2018 Mid-Year estimate, and this model is used in Graph 1.

The key issue is whether this data and the relevant population estimates are realistic within the context of the housing stock and associated occupancy in the City of London.

⁵ Office for National Statistics, "Population estimates for the UK, mid-2018: methods guide, July 2019

Population - Projecting the Future Population

The next stage is projecting the future. There are two options. Thus, the key issue is to evaluate the projections and whether they take into consideration likely levels of housing growth:

- Option 1: **Trend based** analysis as provided in the ONS Sub-National Projections. These are trend-based statistics based upon the population set out in the Mid-Year estimates.
- Option 2: **Incorporating likely levels of housing growth** to assess the likely change in the resident profile that is set out in the GLA housing-led (SHLAA-based) projections.

The GLA produce a range of projection scenarios available from the [London Datastore](#) which define a range of population change. The scenarios include:

- Trend Migration scenarios. These includes the variants of the
 - Short-term trend, more suitable for near-term planning,
 - Central trend,
 - Long-term trend, more suitable for long term planning / strategic work.
- Housing-led (SHLAA-based) scenarios based on housing delivery set out in the London Strategic Housing Land Availability Assessment (SHLAA), part of the evidence base for the Mayor's London Plan⁶. For 2019, the GLA produced three alternative housing-led (SHLAA-based) scenarios differentiated by different migrations assumptions for the Covid period (defined as 2020-22). These are:
 1. Standard migration assumptions for the Covid period; Standard domestic out-migration assumptions in the longer-term,
 2. Standard migration assumptions for the Covid period; Lower domestic out-migration assumptions in the longer-term,
 3. High out migration assumptions for the Covid period; Standard domestic out-migration assumptions in the longer-term.

The differences between these scenarios are small and so the first (standard migrations) scenario is used in this report.

It is considered that the housing-led (SHLAA-based) scenarios taking into consideration projected housing growth are more relevant, as it is highly likely that the relevant housing set out in the SHLAA will be delivered in the City of London⁷ through to 2026. Beyond this, the housing-led scenarios are based on the projected housing delivery set out in the housing targets.

⁶ For the purposes of the City of London data analysis the GLA data series has been smoothed to show a consistent gradient. This does not impact upon the long-term projection.

⁷ This is set out in the Local Plan Monitoring report - Policy CS21: Housing.

There is strong long-term correlation between the **GLA 2019 housing-led population projections through to 2026** and the housing that is being delivered. The exception relates to the period 2011/12 to 2012/13 where the GLA projections set out a decline in the population consistent with the ONS figures, when there was a marginal increase in the levels of housing through development activity and the associated Council Tax live accounts. Thus, there is a risk that GLA projections are lower than the actual population

The prime reason is forecast to be the reduction in average household size. The model assumes a fall in average household size over period which is consistent with wider assumptions about what will happen as the population ages and living arrangements change. So, while there are more dwellings, they are occupied at a lower density meaning that population growth is not as significant.

Thus, the current projections for 2020 and beyond predict a decrease in population for a number of years in the post-Covid scenarios. The level of projected population decrease varies between the scenarios due to different migration assumptions.

From 2026 to 2036, the projected population increases at a steady rate after a small decrease. This is broadly in-line with projected housing stock increase over this period which is target-based rather than based upon the housing pipeline.

Guidance on the Estimates and Projections to be used for the City of London

Estimating and projecting the resident population is subject to a range of factors. Consideration of migration data and use of housing as second homes and short term lets make it difficult to develop a national or regional methodology that produces a set of accurate estimates and projections at the local level of the City of London. Consideration also needs to be given to changes to the average household size.

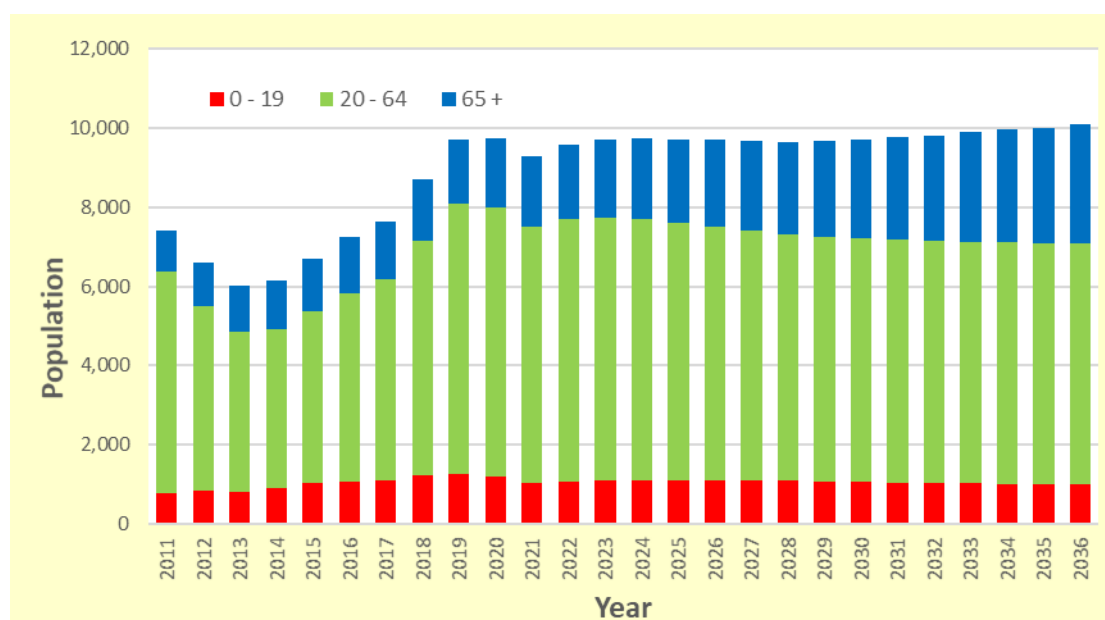
The GLA 2019 housing-led (SHLAA-based) projections incorporate the profile of new housing to be delivered in the City of London and thus reflect the most likely level of residents and population. The level of population is projected to decrease slightly from 9,721 in 2019 to 9,292 in 2021 before increasing to 9,705 in 2026, 9,774 in 2031 and 10,092 in 2036.

3. Greater London Authority Population Projections Age Profile

Age Profile Projections

The GLA projections methodology is developed in the context of providing projections for Greater London. The projections utilised in Graph 2 are sourced from the GLA 2019 housing-led (SHLAA-based) population projections. The data series is consistent with the housing capacity assumed in the 2017 SHLAA, profiled as per the net additional dwellings, utilising assumptions for average household size based upon the prevalence of one-bedroom flats in the assessment.

City of London Demographic Projections by Age Band



Graph 2: City of London Demographic Projections by Age Band

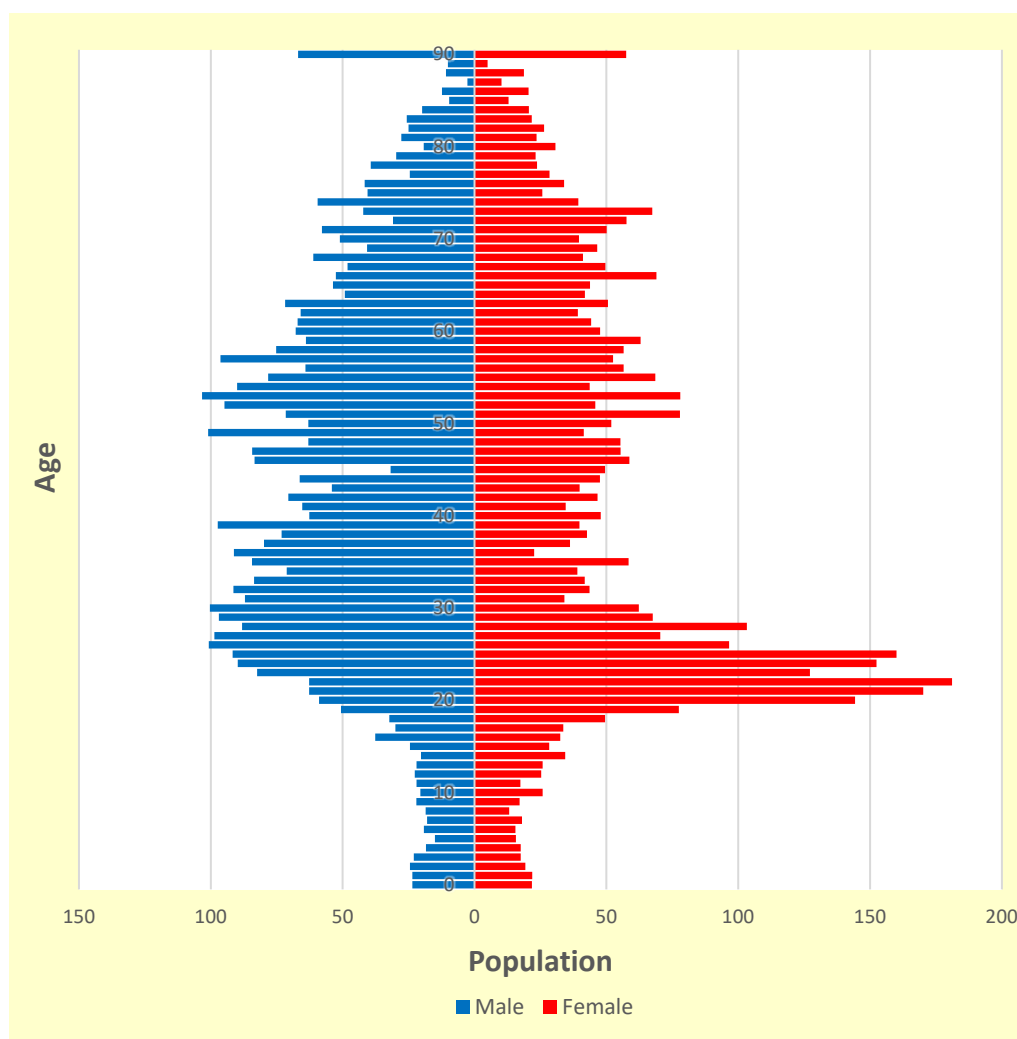
Source: GLA 2019 Housing-led Projections

From 2011 to 2020 the projected population increased from 7,412 to 9,734. From 2020 to 2021 there is a projected decrease in the population from 9,734 to 9,292. This is based on standard migration modelling during the Covid period. The population is then projected to increase to 9,705 by 2026. The difficulty is in assessing the level to which new residential units will be occupied as Full-Time residential units (permanent residential) or as Second Homes and Short Term lets.

Resident Estimates and Projections

In assessing the age profile:

- For Age band 0-19, there is a steady projected increase from 779 in 2011 to 1,203 in 2020. The projections decrease to 1,016 in 2021 before increasing to 1,102 by 2026 and decreasing again to 981 by 2036. Given that developments in the housing pipeline are predominantly flats with a small number of rooms it is difficult to assess whether these changes will materialise in practice. This represents a 26% increase in this age band over the period 2011 to 2036.
- For Age Band 20-64, there was a projected decrease from 5,582 in the years following 2011 followed by an increase to 6,792 by 2020. The projected population decreases slightly to 6,486 in 2021 before decreasing again to 6,116 by 2036. This represents a 10% increase in this age band over the period 2011 to 2036. This age band will also be the main occupier of Second Homes or Short Term lets.
- For Age Band 65+, there is a projected increase from 1,051 in 2011 to 1,739 by 2020. The projected population increases to 1,791 in 2021 and to 2,995 by 2036. This represents a 185% increase in this age band over the period 2011 to 2036. This projected increase is largely due to the ageing of the population profile in the main residential locations of the Barbican and Golden Lane. One must bear in mind that this based on the assumption that a high proportion of older residents will remain in their current accommodation.



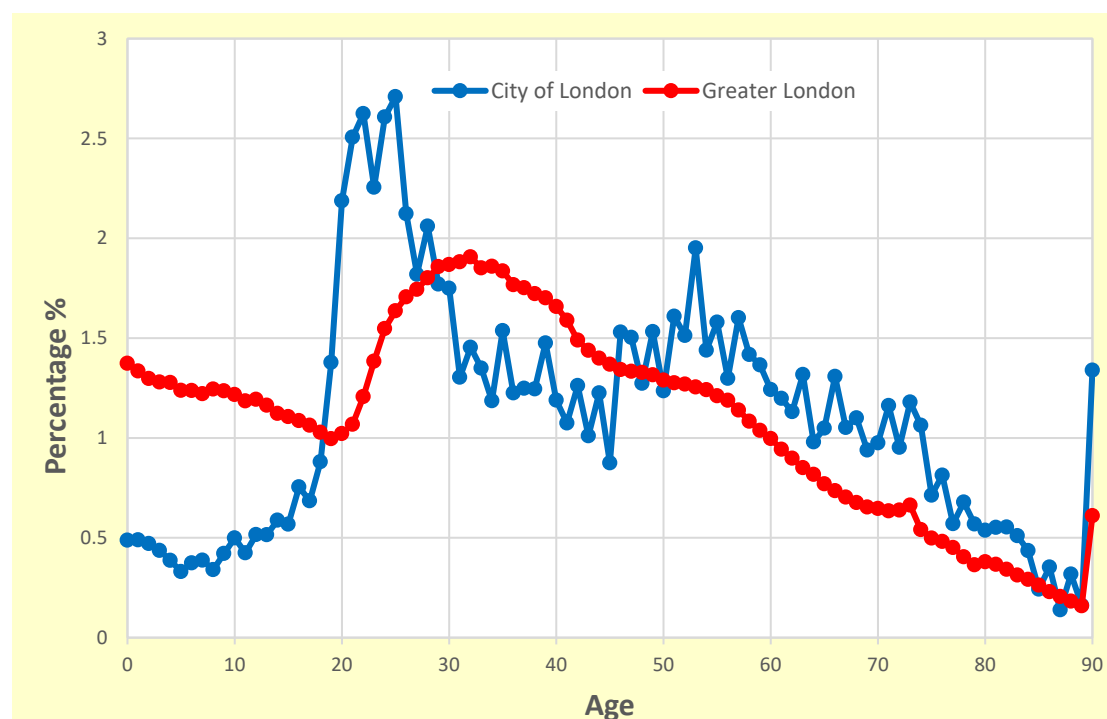
Graph 3: City of London Demographic Projections 2021 Age Profile analysed by sex

Source: GLA 2019 Housing-led Projections

Graph 3 analyses the projected age and sex profile for the year 2021:

- For the age range 0-19, the population numbers are relatively small with similar levels for males and females.
- For the working age range 20-64 the profile is somewhat different for males and females. The projection profile in the work age band 20-64 shows a projected higher number of males than females. For females, the numbers increase to a maximum at age 24 where they significantly outnumber males, then decrease and remain relatively steady to age 64. For males, the numbers increase remaining mostly steady from mid-20s to age 64 except for some notable decreases in numbers in the age bands around the mid-40s.
- For the age group 65+, the profile shows variations but no overall difference trends between males and females.

Age Profile comparison of the City of London with Greater London



Graph 4: Comparison of the age profile for the City of London and Greater London 2021

Source: GLA 2019 Housing-led Projections

Graph 4 compares the projected age band profile of the City of London with that of Greater London for the year 2021. The significant variances are:

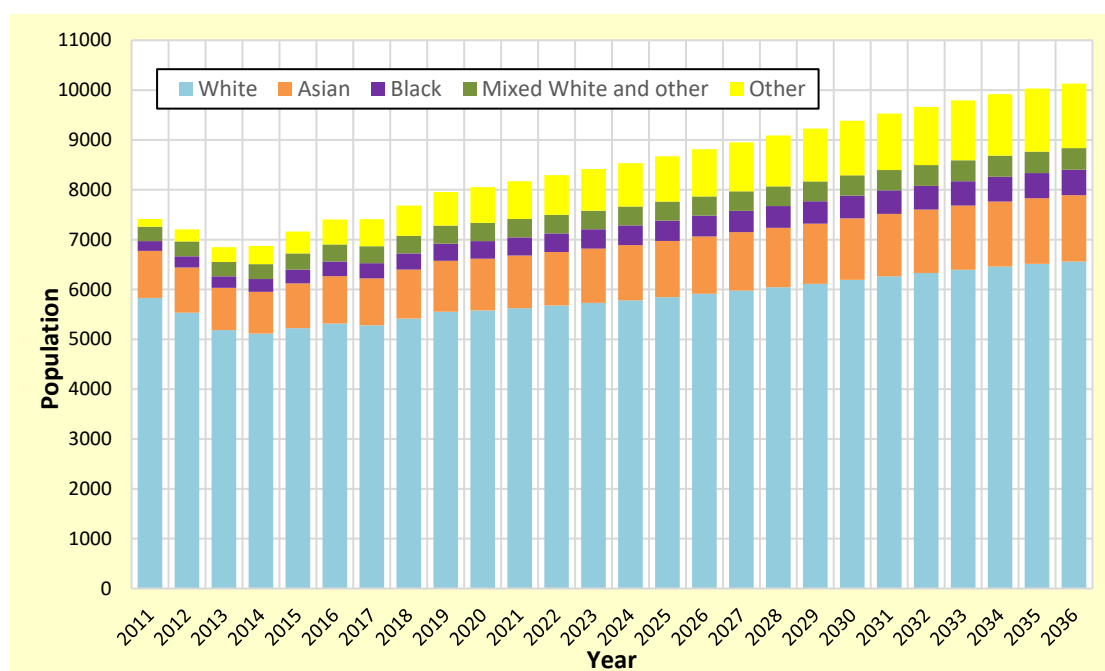
- The percentage of the population for the age bands 0-18 shows that, compared with Greater London, the City has a much lower percentage of the population in this age band.
- For the Age Band 19-28, the percentage for the City of London is higher than for Greater London, significantly so for the early-20s age bands.
- For the Age Band 29-45, the percentage for the City of London is lower than for Greater London,
- For the Age Band 46+, the percentage for the City of London is higher than for Greater London.

4. Ethnic Group Projections

The Ethnic Group Projections are currently based on the 2016 Housing Led Projections. This section will be updated when the GLA publishes more current projections. There is not likely to be any significant variances in the profile from the 2016-based data.

The Greater London Authority produces a series of Ethnic Group Projections. The 2016 Ethnic Group Projections (housing-led) which is consistent with the SHLAA based population projections is analysed below.

The source data is divided into 16 ethnic group categories. For analysing data for the City of London, data is summarised into five key groups: White, Asian, Black, the Mixed White and Other Ethnic Groups and Other.



Graph 5: Resident Population Projections for the City of London analysed by Ethnic Group

Source: GLA 2016 Housing-led Projections

The projection profile for the City of London is shown in Graph 5. Each of the five key Ethnic Groups is projected to increase in population over the period 2011 to 2036. However, in proportional terms there is a mixture of projected profiles:

- White decreases proportionally (79% to 65%).
- Asian remain consistently at the same proportion (approximately 13%), and the Mixed White and other at about 4%.

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- The remaining classifications are projected to increase in proportion, Black from 3% to 5% and Other from 2% to 13%.

Information

Sources:

City of London Corporation
Mayor of London
Office for National Statistics

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