GLAECONOMICS

London's Economy Today

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Chancellor commits to the end of austerity in the Budget

By **Gordon Douglass**, Supervisory Economist
and **Mike Hope**, Economist

The Chancellor, Philip Hammond, delivered his second Autumn Budget on Monday 29 October. Although a number of provisions in the Budget were known in advance. Perhaps the most significant announcements were that a large increase in NHS spending was offset by Office for Budget Responsibility (OBR) forecasts of improved tax receipts. This left the Government's financial position largely unchanged, with it meeting its fiscal rules given these new revenue forecasts (Figure 1).

The Chancellor made a number of announcements, which have either the effect of increasing public spending, or cutting taxes, the most significant of which are:

- An increase in the NHS budget of £20.5 billion after inflation by 2023-24
- An increase in the income tax personal allowance by £650 in April 2019 to £12,500 – this is a year earlier than planned
- An increase in the higher rate personal tax threshold from £46,350 to £50,000 in April 2019
- £1.7 billion to increase existing work allowances in Universal Credit
- £1 billion more for defence over the next two years

Also in this issue

Datastore

The main economic indicators for London are available to download from the London Datastore.

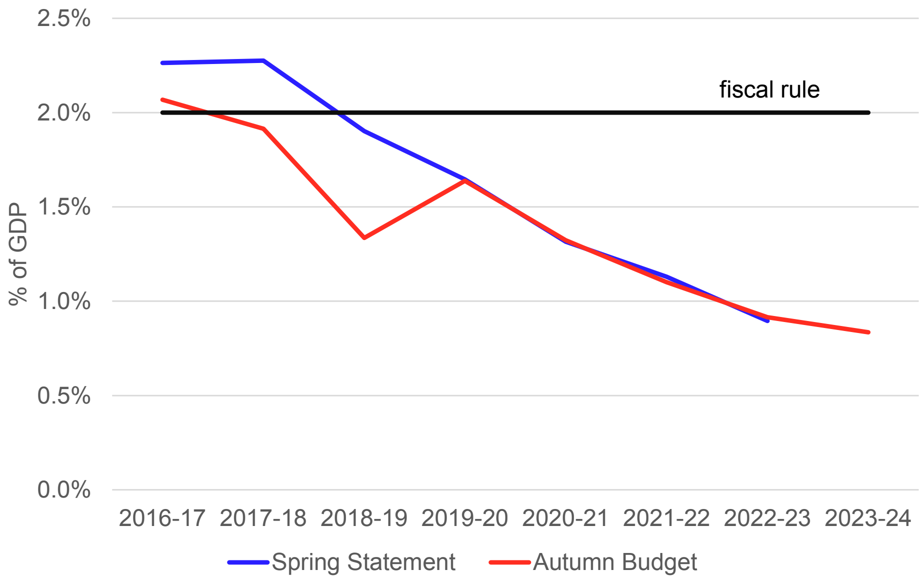


Figure 1: UK public sector structural deficit as % of GDP, 2016/17 to 2023/24, Spring Statement and Budget 2018

Source: OBR data and GLA Economics calculations

This has been funded by lower than expected departmental spending, and revisions to forecasts of tax receipts, and not by increased taxation. The OBR has revised upwards its forecasts across:

- Income tax and national insurance contributions
- VAT
- Corporation taxes
- Other taxes

Altogether the changes reduced the forecast budget deficit by £12 billion in 2018-19. Still, Paul Johnson, the Director of the Institute for Fiscal Studies, described the Budget as "a bit of a gamble", with improvement in public finances being due to changes in the OBR forecast with him noting that "what the OBR gives the OBR can take away". Thus, although the revisions to tax receipts are substantial sums of money they are a relatively small percentage of the overall tax take. Small fluctuations in percentage tax takes could therefore quickly change the Government's overall fiscal position.

Still for the Chancellor the spending increases indicated that "austerity is coming to an end", implying that spending constraints will ease and there will not be tax increases. However, this creates risks for the management of public finances. As Paul Johnson put it, "when the fiscal forecasts got worse in 2016 and 2017 he [the Chancellor] didn't cut spending or increase taxes in response, he accepted more borrowing. But now they have improved he has increased planned spending and maintained expected borrowing. Keep doing that and the deficit can only go one way".

UK growth improves a touch in Q3 2018 but risks to growth remain on the downside

Data published by the Office for National Statistics (ONS) in November showed that UK GDP grew by a moderate 0.6% in Q3 2018, an improvement on the 0.4% growth seen in Q2 2018 and the weak 0.1% growth seen in Q1 2018. However, looking at the prospects for growth the ONS commented that "longer term economic growth remains subdued".

Although GDP growth in Q3 2018 did pick up UK growth has been generally weak since the referendum result in addition to the slowdown in growth seen since the 2008 recession (Figure 2). Thus the OBR observed in a recent report that "studies based on synthetic 'doppelgangers' for the UK economy suggest that output in mid-2018 is around 2 to 2½ per cent lower than it would have been in the absence of the referendum".

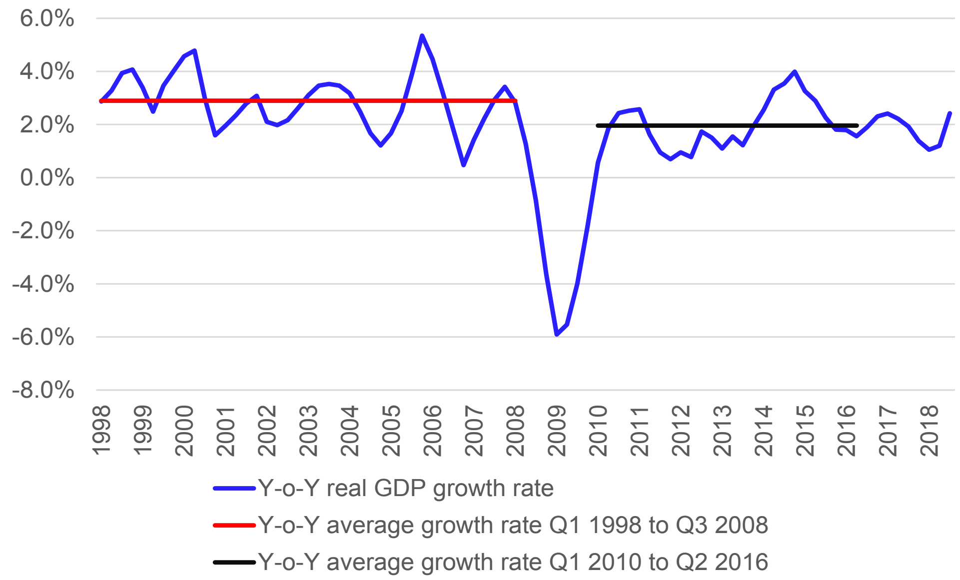


Figure 2: UK year-on-year real terms GDP growth rates, Q1 1998 to Q3 2018, averages for Q1 1998 to Q1 2008 and Q1 2010 to Q2 2016

Source: ONS and GLA Economics calculations

Looking forward the OBR forecast which accompanied the Budget expects continued low growth in the UK economy - 1.3% in 2018, 1.6% in 2019 and 1.4% in both 2020 and 2021. Forecast growth is thus slower than that seen prior to 2008 or 2016. These forecasts are generally in line with those produced by other organisations. For instance, the OECD in their latest forecast published in November expects the UK to grow by 1.3% in 2018, 1.4% in 2019 and 1.1% in 2020. The OECD noted that these forecasts are made "on the assumption that there is a smooth exit from the European Union. Some Brexit-related uncertainties will remain until there is clarity about future trading arrangements".

Uncertainty around Brexit withdrawal process brings volatility in financial markets

Whether these forecasts turn out to be correct is very dependent on what form Brexit takes. Although a bit further information came to light in November with the UK and EU announcing that they had approved a Withdrawal Agreement and high-level outline for future relations. This includes a transition period from the 29 March 2019 until 31 December 2020, which can be extended by mutual agreement and during which the UK will abide by EU rules. Also included is an agreement to calculate the UK's financial settlement with the EU, and a Northern Ireland backstop where "a single customs territory between the [EU] and the United Kingdom" will come into effect if no solution to the boarder issue is agreed by the end of 2020.

However, this Withdrawal Agreement still needs to pass Parliament. Even if passed uncertainty for business remains as the UK Government and EU have yet to agree their future trading arrangements, and yet again agreement may not be reached. However, in November a non- binding political declaration was released which stated the UK and EU aim to set out an "ambitious, broad, deep and flexible partnership across trade and economic co-operation".

Having noted the concerns for the passing of this agreement, a number of pieces of analysis looking at the impact of Brexit on the UK economy have been published since it was released. Thus, the UK Government published estimates of a wide variety of Brexit scenarios although not of the proposed deal. However, the scenario closest to the proposed deal would leave UK GDP 3.9% lower in 15 years than the baseline of staying in the EU. The Government also estimated that a no deal scenario would see UK GDP 9.3% lower in 15 years than the baseline of staying in the EU. Other studies were downbeat around the impact of the agreement and proposals in the political declaration on the UK economy. Thus, research from the National Institute of Economic and Social Research found that the proposals would leave UK GDP 3.9% lower by 2030 than staying in the EU. With an 'orderly no deal' leaving GDP 5.5% lower than the baseline. While a group of academics and think-tanks from King's College London, the Centre for Economic Performance and the Institute for Fiscal Studies found that by 2030 UK GDP per capita would be between 1.9% and 5.5% lower than a baseline of staying in the EU. No deal was forecast to leave GDP per capita 3.5% to 8.7% lower than the baseline.

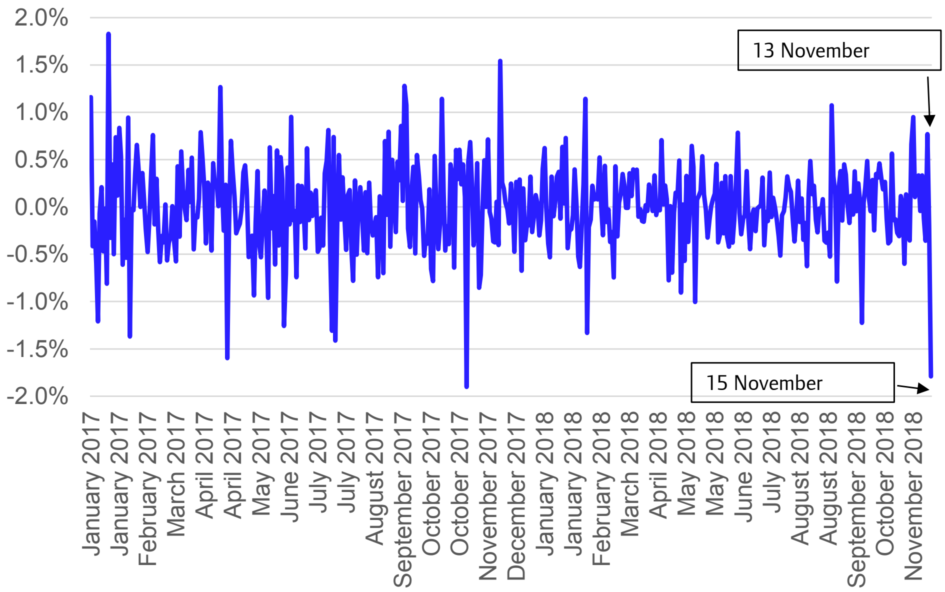


Figure 3: Percentage daily change in sterling-euro exchange rate, January 2017-November 2018

Source: Bank of England

Concerns about progress in reaching a Withdrawal Agreement, and what it would mean for the UK economy, have been reflected in developments in the foreign exchange markets. Recent daily movements have been significant relative to what has happened over the last two years (Figure 3). The pound rose, for example, against the euro with the news that there was a draft EU Withdrawal Agreement. It then fell two days later once its prospects for being accepted by the UK Parliament declined due to opposition to the deal surfacing within the Government.

The number of EU migrants working in the UK continues to fall

Although the UK is still a member of the EU, the number of EU migrants working in the UK has been falling over the course of this year. In the year to Q3 2018 there was the largest fall since records began in 1997 in the numbers of employed EU nationals, a fall of 132,000. There is a similar trend for both London and the UK (Figure 4), and the numbers of EU workers for both areas remain high by historical standards.

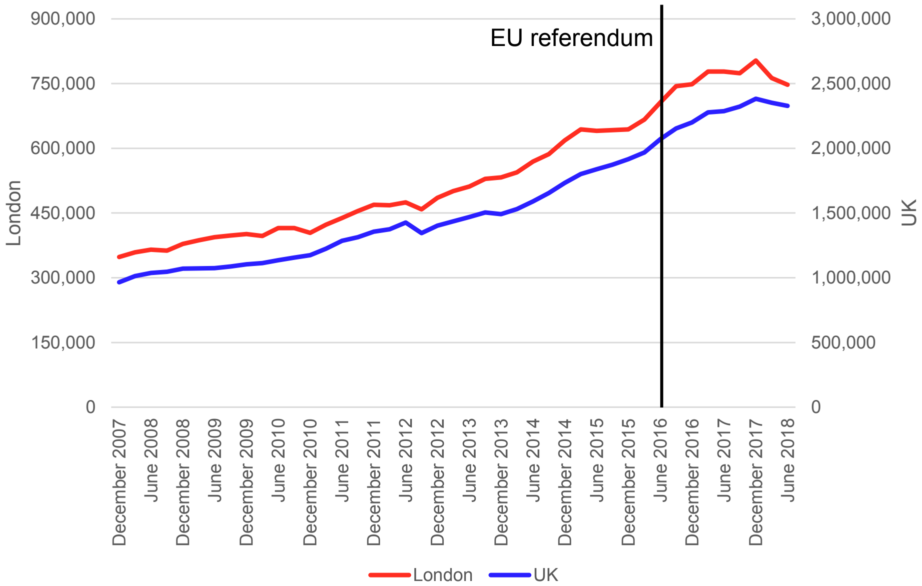


Figure 4: Annual change in the number of EU migrants in employment, London and the UK

Source: ONS Labour Force Survey

OECD warns on the impact of rising protectionism

Although there is a degree of uncertainty about the UK's future growth, most forecasts expect global growth to continue at respectable levels. However, there are concerns that the current strong world growth has peaked, with the OECD observing that "an accumulation of risks could create the conditions for a harder-than-expected landing". A significant risk highlighted by the OECD is that "further trade tensions would take a toll on trade and GDP growth, generating even more uncertainty for business plans and investment". Still the OECD expects the world economy to grow by 3.7% in 2018, 3.5% in 2019 and 3.5% in 2020. While of the UK's major trading partners it expects the Eurozone to see growth of 1.9% this year, 1.8% next year and 1.6% in 2020, and for the US growth of 2.9% in 2018, 2.7% in 2019 and 2.1% in 2020.

London's labour market continues to show strength

Despite the falls seen in the number of EU workers the total number of workers in London continues to rise. Thus in the three months to September 2018 London's employment rate (i.e. the proportion of London's residents aged 16-64 in employment) was 75.2%, up 0.6 percentage points on the quarter, and up 0.9 percentage points on the year. The UK's employment rate was 75.5%, up 0.5 percentage points on the year but unchanged since the previous quarter. London's ILO unemployment rate fell over this period with it standing at 4.7%, down 0.2 percentage points on the quarter and 0.3 percentage points on the year and is a record low. The UK's unemployment rate remained lower than London's at 4.1%, up 0.1 percentage points on the quarter but still down 0.2 percentage points on the year.

Looking at the office market in the capital Knight Frank's Central London Quarterly for Q3 2018, was published in November. This found that "some of the largest deals of the year-to-date took place in the third quarter, resulting in Central London take-up reaching 3.74 m sq ft, which was 12% up on the previous quarter and 17% ahead of the long-term average". Although they did also find that "the slowing in pace of flexible office take-up continued in Q3 with the sector taking just 357,000 sq ft. Total space taken by the sector so far this year now totals 1.16 m sq ft, down 6% y-o-y".

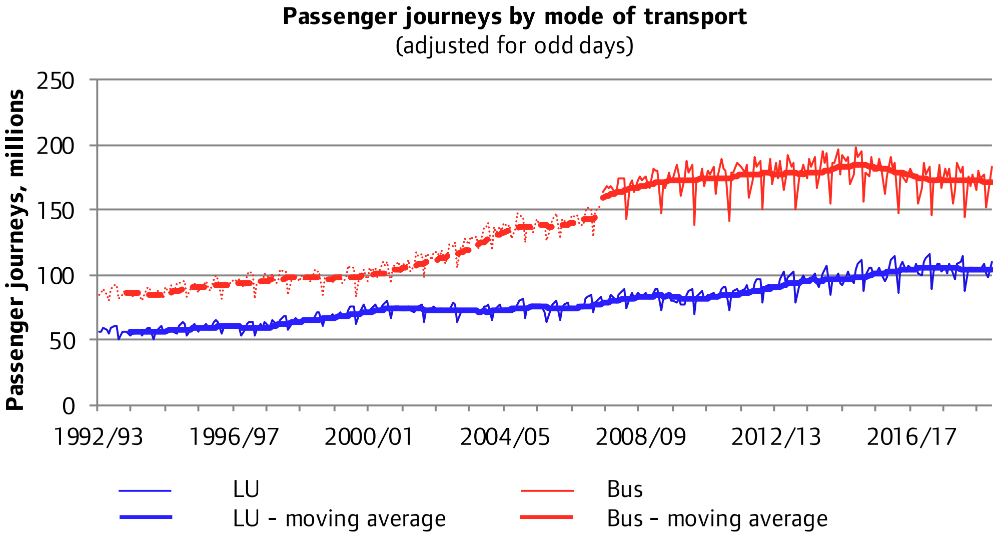
Still, with the EU Withdrawal Agreement yet to be passed a great deal of Brexit-related uncertainty is faced by London's economy. And even if the Withdrawal Agreement is agreed uncertainty around future trading relationships will persist. This uncertainty is likely to act as a drag on the economy as evidence suggests has been the case since the referendum. This is shown by a review of vintages of forecasts for the London economy both before and after the EU referendum, which will be published in the Autumn London's Economic Outlook. This found a marked slowdown in forecast and actual growth following the referendum than was expect prior to it. GLA Economics will continue to monitor the performance of the economy whatever Withdrawal Agreement is finalised and will report on this and other issues on our publications page.

Economic indicators

TfL passenger journeys increased by 33.1 million in the latest period

- A total of 292.7m passenger journeys were registered between 16 September and 13 October, 33.1m more than the previous period. This period included the school holidays. This rise is the result of a rise by 11.8m in Underground journeys and of 21.3m in bus journeys. 109.2m of the total journeys were Underground journeys and 183.5m were bus journeys.
- The 13-period-moving average in the total number of passenger journeys reduced from 275.7 million to 275.5m.
- The methodology used to calculate the number of bus passenger journeys was changed by TfL on 1 April 2007. For a detailed explanation, please see LET issue 58 (June 2007).

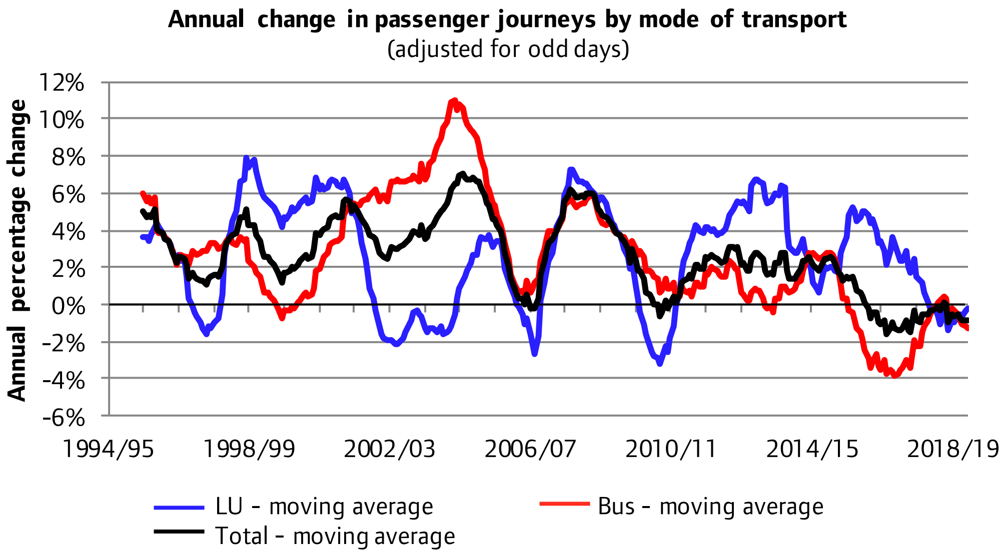
Source: Transport for London
Latest release: November 2018, Next release: December 2018



The annual change in passenger journeys remains negative

- The moving average annual growth rate in the total number of passenger journeys remained unchanged at -0.9%.
- The moving average annual growth rate of bus journeys fell to -1.3% down from -1.2% in the previous period.
- The moving average of Underground passenger journeys went up from -0.3% to -0.2%.

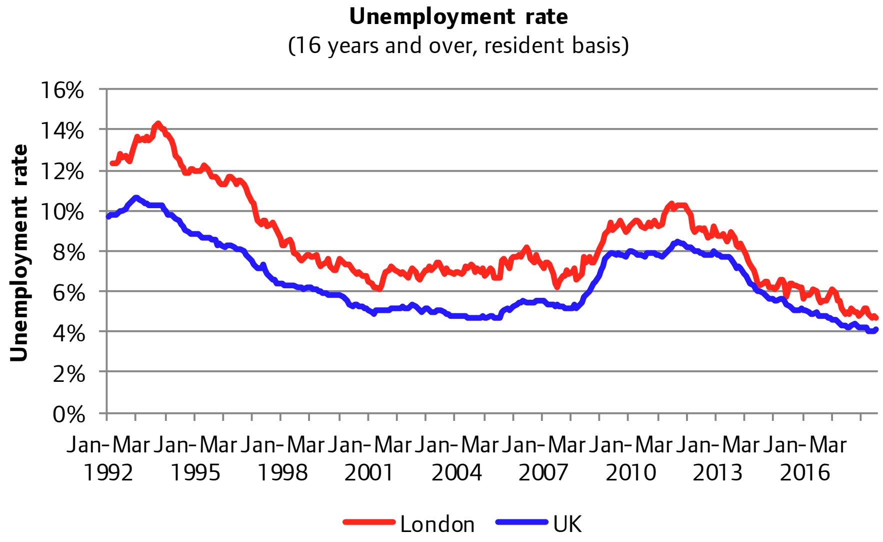
Source: Transport for London
Latest release: November 2018, Next release: December 2018



London and UK unemployment rates remains at low levels

- 234,000 residents 16 years and over were unemployed in London for the three-month period July-September 2018.
- The unemployment rate in London was 4.7% in that period, down from 4.9% in the previous period of April-June 2018.
- Meanwhile, the UK's unemployment rate remained at a low of 4.1% in the three months to September, but this was up slightly from the 4.0% seen in the three months to June.

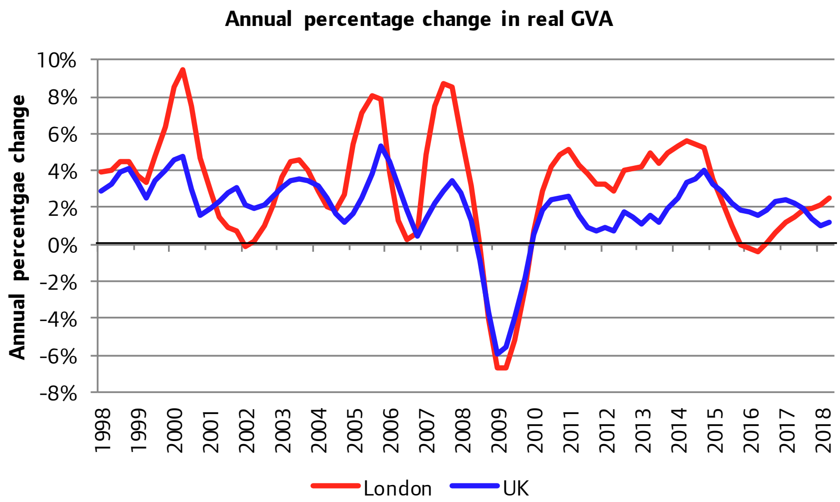
Source: ONS Labour Force Survey
Latest release: November 2018, Next release: December 2018



London's annual output growth reached 2.6% in Q2 2018, the highest rate in three years

- London's annual GVA growth increased to 2.6% during the second quarter of 2018, the highest rate since Q1 2015 and the eighth consecutive increase of the rate.
- In the UK, the downward trend from Q1 2017 stopped. Output growth was 1.2% annually in Q2 2018, 0.1 percentage points higher than the previous quarter but still representing one of the weakest rates of annual growth in the last five years.
- From LET Issue 165 (May 2016), GLA Economics now reports our own GVA estimates for London and ONS data for the UK.

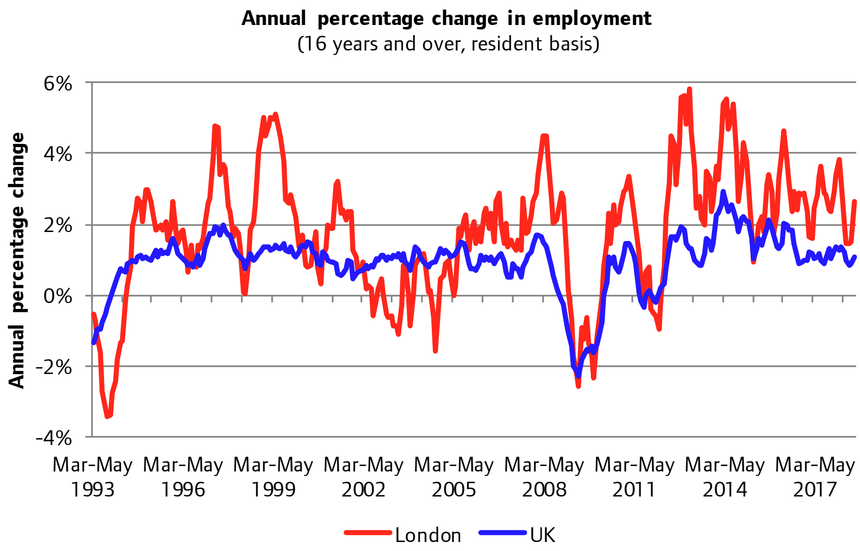
Source: ONS and GLA Economics
Latest release: October 2018, Next release: January 2019



Annual growth in employment in London continues

- Around 4.78 million residents over 16 years old were employed in London during the three-month period July-September 2018.
- The rate of annual employment growth for the capital increased by 1.1 percentage points from 1.5% in April-June 2018 to 2.6% in July-September 2018.
- For the period, the UK employment rate grew annually at a rate of 1.1%, 0.1 percentage points higher than the previous quarter.

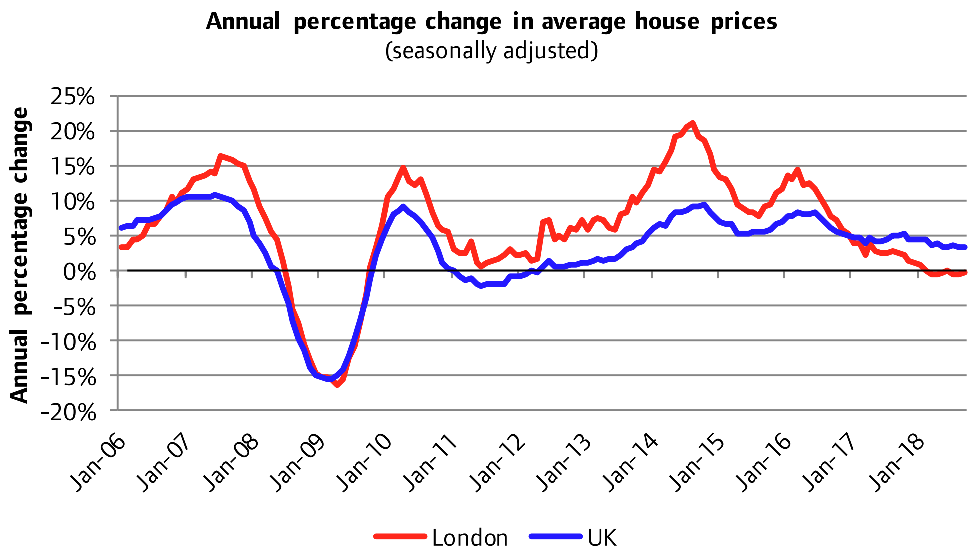
Source: ONS Labour Force Survey
Latest release: November 2018, Next release: December 2018



Average house prices in London remain stagnant

- In September 2018, the average house price in London fell to £477,734, while for the UK the average increased to £229,103.
- The annual growth rate in average house prices in London was -0.3% in the year to September, compared with -0.6% in the year to August.
- By contrast, average house prices in the UK grew by 3.5% on an annual basis in the year to September 2018, 0.2 percentage points faster than in August.

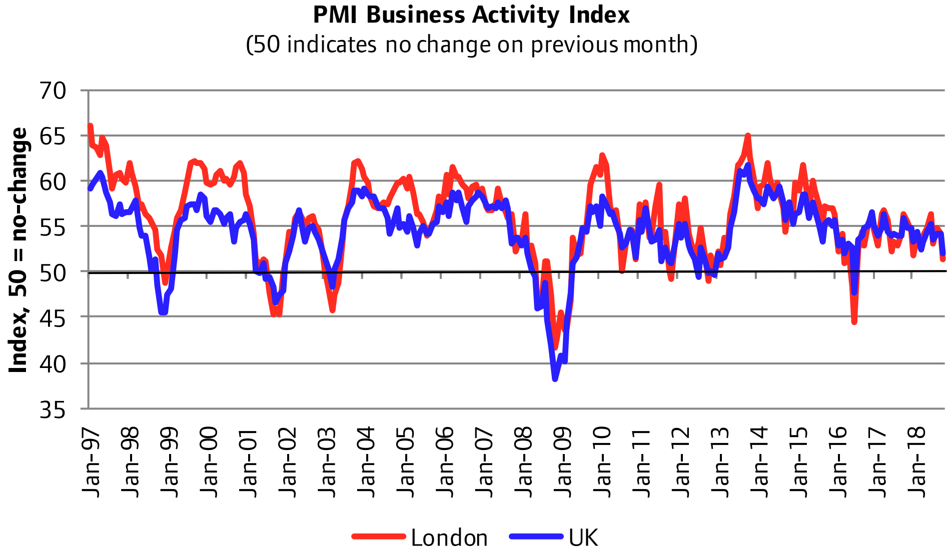
Source: Land Registry and ONS
Latest release: November 2018, Next release: December 2018



London business activity weakens in October

- The Purchasing Managers' Index (PMI) survey shows the monthly business trends at private sector firms. Index readings above 50.0 suggest a month-on-month increase in activity on average across firms, while readings below indicate a decrease.
- Business activity growth at London private firms was 51.5 in October, down from 54.3 in September.
- The UK index also decreased from 54.1 in September to 52.1 in October.

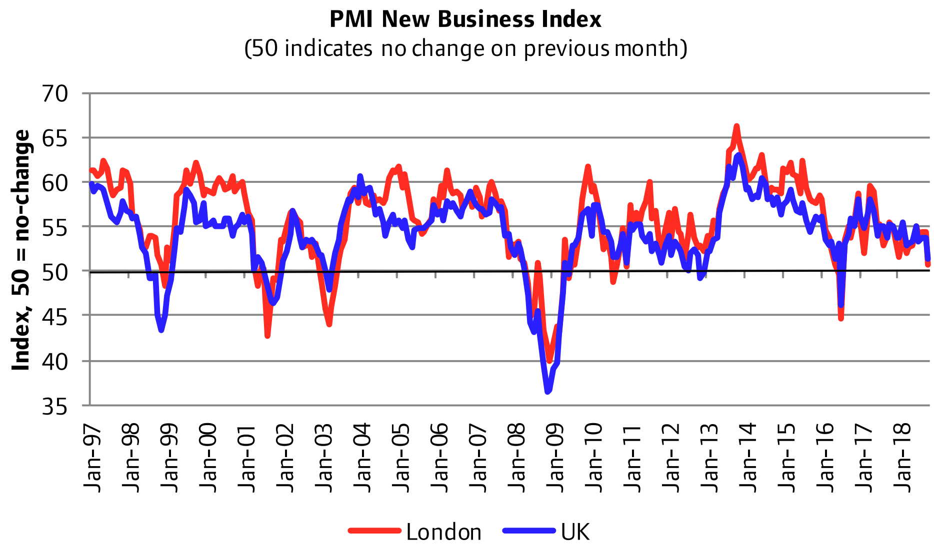
Source: IHS Markit
Latest release: November 2018, Next release: December 2018



Continued but slow growth in new business in London

- The PMI New Business Index was 50.7 in London in October, down from 54.3 in September.
- For the UK it stood at 51.4 in October, down from 53.6 in September.
- An index reading above 50.0 indicates an increase in new orders from the previous month.

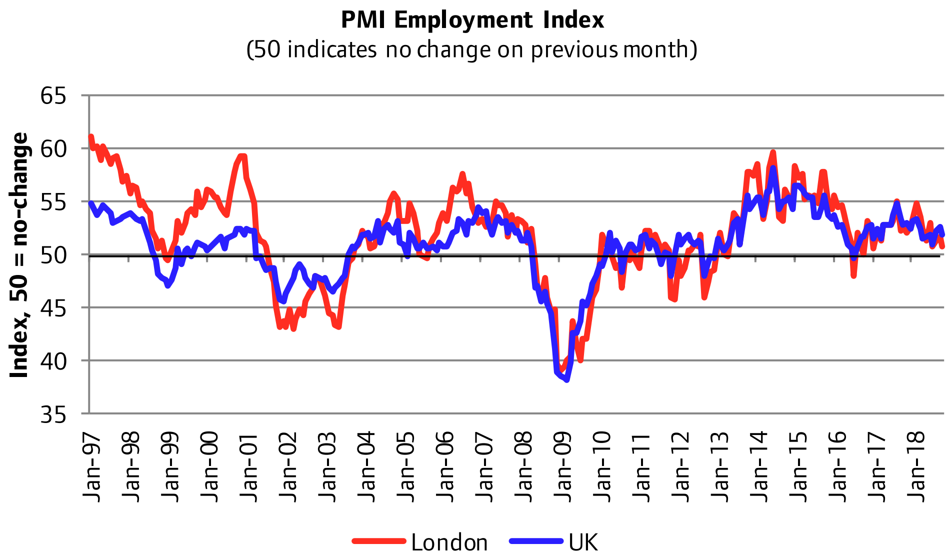
Source: IHS Markit
Latest release: November 2018, Next release: December 2018



Slowing growth in employment for private sector firms in London

- The PMI Employment Index shows the net balance of private sector firms of the monthly change in employment. Readings above 50.0 suggests an increase, whereas a reading below indicates a decrease in employment from the previous month.
- The Employment Index for London was 50.8 in October, down from 51.6 in September.
- The index also increased for the UK in October at 51.8 but down from 52.6 in the previous month.

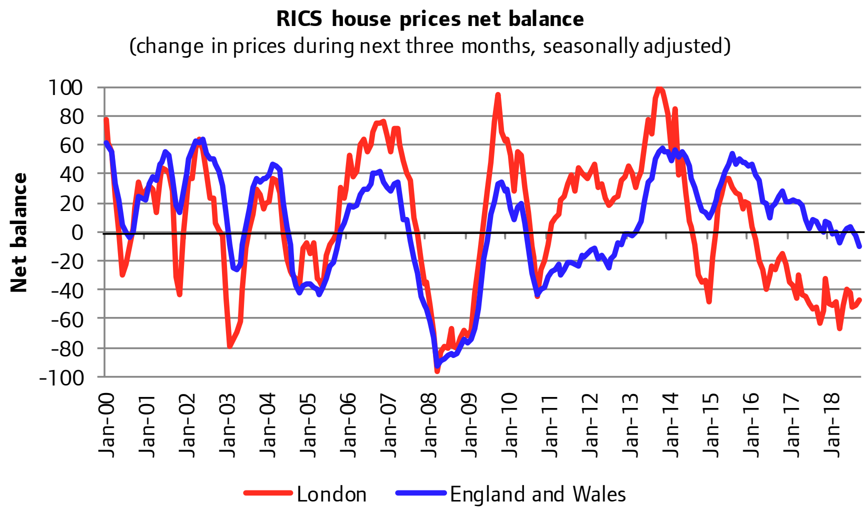
Source: IHS Markit
Latest release: November 2018, Next release: December 2018



Continuing falls in London house prices according to property surveyors

- In the three months to October 2018, the net balance of property surveyors reporting house price increases rose slightly from -51 in September to -47. This is equivalent to just over a quarter of property surveyors reporting price rises, and three quarters reporting declines. The index has now been negative since the three-month period to February 2016.
- For England and Wales, the RICS house prices net balance index reduced from -2 in September to -10 for the three months to October 2018.
- The net balance index measures the proportion of respondents reporting a rise in prices minus those reporting a decline.

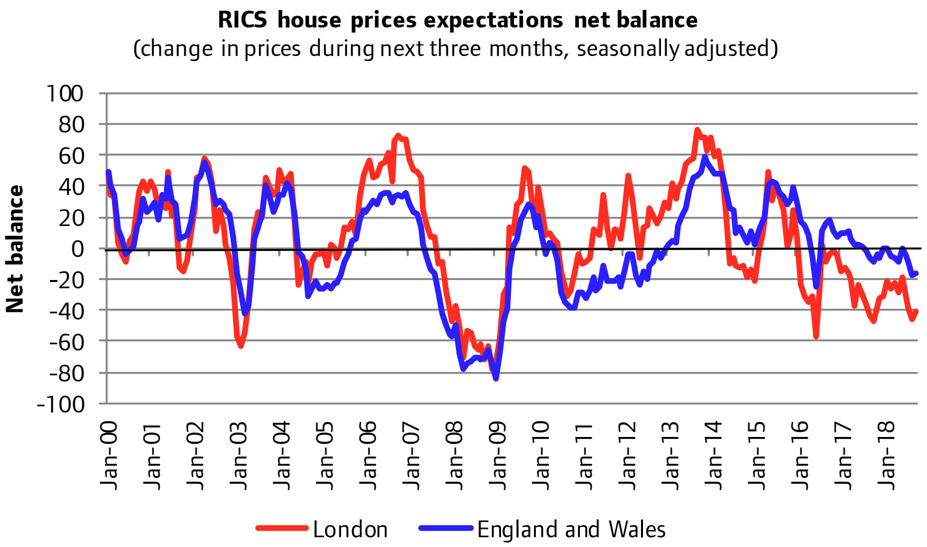
Source: Royal Institution of Chartered Surveyors, Latest release: November 2018, Next release: December 2018



House prices expectations continue on balance to be negative

- In October, most surveyors continued to have negative expectations for the next three months for house prices in London. The RICS index was -41 for this month, up from -46 in September.
- London remains the region with the most negative expectations for house prices.
- Sentiment in England and Wales was also negative in October (-16) up slightly from -17 in September.

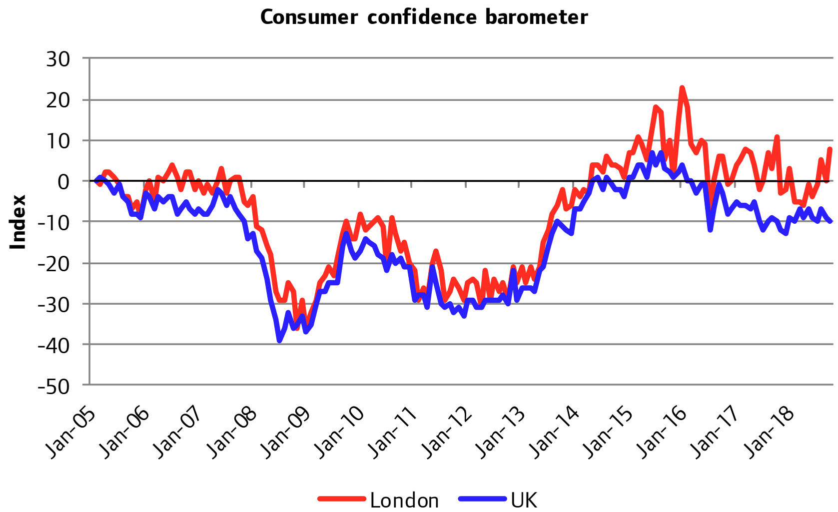
Source: Royal Institution of Chartered Surveyors
Latest release: November 2018, Next release: December 2018



Consumer confidence in London was positive in October

- The GfK index of consumer confidence reflects people's views on their financial position and the general economy over the past year and in the next 12 months. A score above zero suggests positive opinions; a score below zero indicates negative sentiment.
- The consumer confidence index in London was 8 in October, up from 0 in September.
- Sentiment was negative for the UK in October (-10) a slight decline from September (-9). The UK has not shown a positive index score since January 2016.

Source: GfK NOP on behalf of the European Commission
Latest release: October 2018, Next release: November 2018



London at night: an evidence base for a 24-hour city

By **Mike Hope**, Economist

Overview

This month GLA Economics published an analysis of London at Night as an Executive Report with an accompanying, more detailed Main Report.

These reports bring together a range of research and data on London at night. The analysis reveals that, between 6pm and 6am, the city is buzzing with social, cultural and economic activity. London is a leading global city. Visitors come from around the world to experience the culture on offer in London. Yet we can still do more to make London at night an even better place for people to work, rest or play.

Highlights

1. A third of everyone working in London works at night – that is 1.6 million people.
2. Of this group, 191,000 work in Health and 178,000 in Professional services. There are 168,000 in Culture and leisure, representing 50 per cent of all workers in the sector.
3. But night work does not pay well for everyone. Over half – 53 per cent – of night time employee jobs in Culture and leisure pay less than the London Living Wage hourly rate.
4. And almost twice as many employee jobs in night time occupations earn below the London Living Wage – 531,000 – compared to employee jobs across all other occupations – 275,000.
5. Employee jobs in night time industries are growing faster than employee jobs in London's wider economy. Between 2001 and 2017, the sector grew by 2.2 per cent a year compared to 2 per cent overall.
6. Two thirds - 65 per cent - of Londoners are regularly active at night. People do lots of different things, like personal errands, socialising, and enjoying cultural facilities.
7. Cost is the main barrier to enjoying culture and leisure activities at night. This is the case across all income groups of Londoners. Over a third of Londoners say it is too expensive to go out at night.
8. Londoners are drinking alcohol less regularly too. The number of people who drank alcohol in the last week in England has dropped from 67 per cent in 1998 to 58 per cent in 2016. Proportionately fewer Londoners consume alcohol than people across Britain.
9. Alcohol-related offences fell by 51% between 2010/11 and 2017/18, and now makes up just 4.3 per cent of all crime at night.
10. This means there is relatively little health service activity due to things happening at night. For instance, there are fewer hospital A&E attendances for assault than there are for road traffic accidents or sports injuries.

Night time industries and occupations are parts of an economic category with a higher than average representation of night workers. GLA Economics has developed the definition for this research, and a sub-category is Culture and leisure.

Main results

London is a diverse and dynamic city at night. It can rightly claim to be a city that never sleeps. Workers in offices, hospitals, depots and venues, keep the city running 24/7. Londoners and visitors revel in the city's food, culture and public spaces at night. And millions of people are busy with household errands, attending classes and community groups and socialising well after dark.

The demand for night time activities in London looks set to increase over the next 20 years. London is a growing city, with the population expected to reach 10.8 million by 2041 - up from 8.8 million in 2017. At the same time London remains one of the most visited cities in the world. Demand for visitor accommodation in London is projected to reach 196.4 million nights by 2041, up from 138.5 million nights in 2015. The number of people who enjoy London's nightlife is increasing and London's jobs market is growing as fast at night as during the day[1].

London is not a city that follows a single rhythm. People work, rest and play whatever time it is. As some go to sleep, others are starting work. As those coming off a shift look for somewhere to get a hot meal, others are going to a cinema, museum late or club.

There are 1.6 million night time workers in London. That is a third of all who work in the city. This includes 191,000 workers in Health, and 178,000 in Professional services. Cultural and leisure activities has 168,000 night workers, representing 50 per cent of all in the sector.

Over half – 53 per cent - of employee jobs in Cultural and leisure industries pay less than the London Living Wage hourly rate. These industries are a sub-category of night time industries, and are industries with an above average number of night time workers.

Almost twice as many employee jobs in night time occupations earn below the London Living Wage – 531,000 – compared to jobs across all other occupations – 275,000. Night time occupations are those with an above average representation of night time workers and have been defined for this report.

The night time category, of night time industries and occupations, has more shift working, and part-time work. Alongside low pay, these are risk factors for individual wellbeing, health and lifestyle.

There has been higher growth in employee jobs throughout the city in night time industries. Between 2001 and 2017, the sector grew by 2.2 per cent a year compared to 2 per cent overall.

1 This is based on the trend in the numbers of workers and night workers. Growth in employee jobs in night time industries has been faster than for London as a whole, but the classification of these industries also includes day workers.

Outside of work, 65 per cent of Londoners are regularly active at night. Of these, 42 per cent are shopping or doing personal errands. The same proportion are taking part in social or wellbeing activities. Londoners are more likely to be night owls than the rest of the UK population. Over half - 54 per cent - of Londoners say they usually go to bed after 11pm (the UK figure is 48 per cent). A quarter often go to bed after midnight. Younger people tend to be most active at night too. Almost half of all night time trips in London, whether by foot, in a car, or by public transport, are made by people aged 25-44.

Londoners' changing lifestyles brings more demand for London's economy and infrastructure to work 24/7 and diversify. Londoners like how the city's night time offer has developed. There are more things to do at night, with, for example, more places offering food. Across all groups, most Londoners are active at night. Only 27 per cent say they are not particularly interested in going out then. Demand for night time activities looks set to increase over the next 20 years. Current trends suggest there will be a further drop in alcohol bought in pubs and restaurants, and further demand for a wide range of amenities at night.

However, relative to its large population, there are fewer cultural facilities in London than many other European cities. Some town centre areas may have little in terms of certain types of venues, such as cinemas or theatres. There has also been a big drop in LGBT+ venues, grassroots music venues (GMVs), night clubs and pubs over the last ten years.

- In 2017 there were 53 LGBTQ+ venues, down from 125 in 2006
- In 2016 there were 94 GMVs, down from 144 in 2007
- In 2017 there were 570 clubs, down from 880 in 2001
- In 2017 there were 3,530 pubs, down from 4,835 in 2001

Numbers are however starting to stabilise for LGBT+ and grassroots music venues. At the same time, the number of pubs continues to decline. However employment in pubs is growing. This may be because they are diversifying their offer to include food and other activities.

Four out of five visitors to London say culture and heritage is the main reason for their trip. London is the third most visited city in the world for international visitors. Most visitors remain in the centre of London where most hotels are found, and there is a concentration of cultural and leisure venues. Visitors mainly experience nightlife in places like the West End and London Bridge. Only 9 per cent have been to areas such as Clapham, Brixton and Peckham. London's main competitor is New York. Other international cities that rate highly with visitors include Hong Kong, Paris, Berlin and Sydney.

Alcohol is becoming less important. There has been a long-term fall in alcohol consumption when out at night, and a long-term move towards less frequent drinking. For all adults in England, the number of people who drank alcohol in the last week dropped from 67 per cent in 1998 to 58 per cent in 2016. For those aged 16-24, the drop has been even bigger - from 65 to 46 per cent.

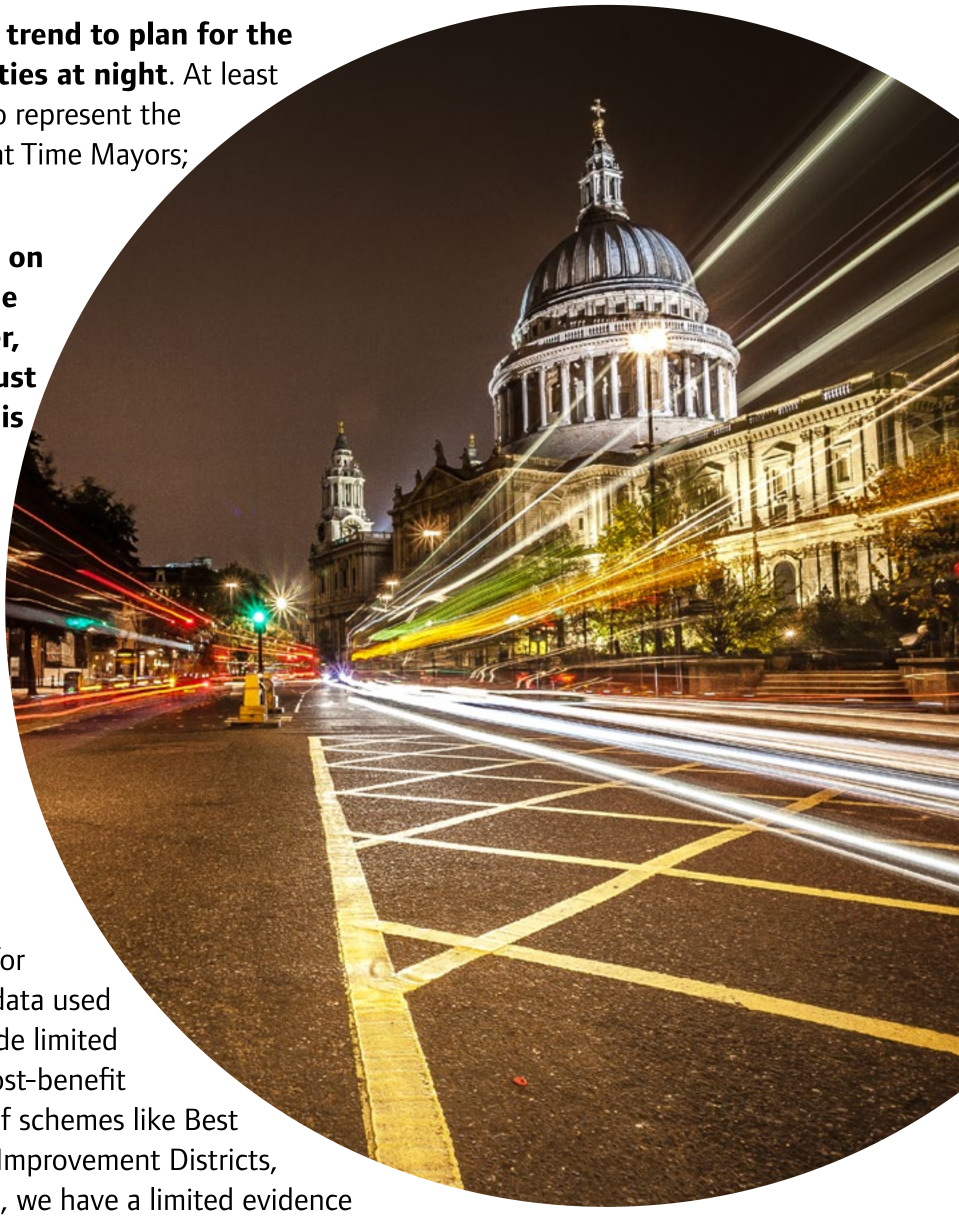
Police figures also show a falling role for alcohol at night. Across London, the number of alcohol-related recorded offences at night fell by 51 per cent between 2010/11 and 2017/18. Alcohol-related reports make up only 4.3 per cent of all recorded offences at night. Likewise, only a small proportion of health service activity is due to things happening at night. For example, there are fewer hospital A&E attendances for assault than there are for road traffic accidents or sports injuries.

Over a third of Londoners say it is too expensive to take part in activities at night. This is the top issue for all Londoners, regardless of how much they earn. The cost of some night time activities, like visiting a restaurant or attending a cultural activity, has been rising faster than inflation. Visitors' experience shows that London can do better in terms of value for money and inclusivity. 51 per cent agree that London's nightlife is good value. Under half - 45 per cent - believe it is easy to find free evening and night time events in the city.

Improvements in night travel are a key priority for those Londoners who go out most at night. Around a quarter of journeys on public transport take place during the night. Tube and bus services are seeing large growth at night for both work and leisure travel. Across the week, the use of public transport after 10pm and from 4-7am has grown. The launch of the Night Tube on Friday and Saturday nights in late 2016 has boosted public transport provision. However, 47 per cent of visitors were unaware of the Night Tube service when surveyed in September 2017.

Recorded crime is concentrated in similar areas of London whatever the time of day. This is because people gather in these areas, like central London and town centres throughout the day. However, we cannot say if the prevalence of crime is more likely at night. This is because we lack footfall data to tell us how many people are in an area at any one time.

Alongside the big drop in alcohol-related offences at night, there is less violent crime at night in London than during the day. However, despite the overall safety of London at night, some groups feel that London is less safe than it is. Around one in five – 19 per cent - of Londoners say they feel unsafe in London at night. This figure jumps to 23 per cent for women and people in households on less than £20,000 a year, and to 27 per cent for disabled people.



Around the world, there is a growing trend to plan for the economy, culture and liveability of cities at night. At least 19 cities now have independent bodies to represent the night time industries; Night Czars or Night Time Mayors; or night time offices within government.

There is also more academic research on cities at night, particularly around the culture and leisure economy. However, there are big gaps in the data - not just in London - but around the globe. This is a challenge for researchers. Some cities have started to address this. For example, Berlin is mapping and auditing its nightlife venues, while San Francisco has set up a Late-Night Transportation Working Group.

London boroughs[2], including Hackney and Westminster, have commissioned cost-benefit analyses of their night time economies. However, there are major limitations in data specific to night time hours, and a very limited evidence base on what works. Boroughs have not had, for example, available to them the range of data used in this report. So, studies currently provide limited insights. In particular, there is a lack of cost-benefit evidence to compare the relative merits of schemes like Best Bar None, the Late Night Levy, Business Improvement Districts, and Cumulative Impact Zones. At present, we have a limited evidence base on how best to reduce alcohol-related harm and maintain the night time offer.

Indeed, at present there are limited examples of monitoring and evaluating night time policies worldwide. A further example of a major data gap is a lack of a robust measure of night time economic output. As the study of cities at night develops, we expect more data will be gathered and analysed, and policies developed. For example, the use of anonymised 'big data' such as card payment data, could enable a much deeper understanding of the night time population. This includes demographic information, what people are doing, and where they're travelling to and from.

The Office for National Statistics (ONS) has set up a Data Science Campus to analyse new data sources in fresh ways. A joint workshop with the Greater Manchester Combined Authority looked at a range of non-traditional data sources to better understand the night time economy. A joint team from ONS and Barclays will carry out analysis to see if we can come up with new economic indicators using a range of Barclays' data[3]. If successful, there might be an opportunity to develop the analysis of card payment data in ways to make it more relevant to studying cities at night.

2 This supplement uses the term borough to include the City of London, which is a local authority
3 See The month that was – May 2018 | Data Science Campus

Another opportunity might be to conduct and publish an evaluation of the Night Tube to understand better night time travel patterns.

Finally, we lack evidence on how well different groups feel able to contribute to London's nightlife, and take part in it. For example, there are media stories about how gigs by BAME (black and ethnic minority) artists have been cancelled without due reason. Also, that some BAME groups have been denied entry to certain night clubs because of their skin colour.

In summary, further research into London at night will benefit London's vision to become a 24 hour, leading global capital.

Conclusion

If this brief summary has been of interest you can find more about London at Night in the paper. Other analysis on London's economy can be found on our publications page.

Our latest publications

We publish regularly on the state of London's economy, providing the latest economic data for London and interpret how this may affect policy. This includes analysis of recent developments in London's economy and forecasts for the next couple of years.

We provide analysis on sectors of the economy including tourism, retail, housing, health, science, technology and more.

We analyse recent developments in London's labour market, by sector and borough.

View all the GLA Economics publications on our website.

London's Economic Outlook

Our latest London forecast published in November 2018 suggests that:

- London's Gross Value Added (GVA) growth rate is forecast to be 1.9% in 2018. The growth rate is expected to slow slightly to 1.6% in 2019, before reaching 1.9% in 2020.
- London is forecast to see increases in the number of workforce jobs in 2018, 2019 and 2020.
- London's household income and spending are both forecast to increase over the next three years, albeit at a relatively slow rate.

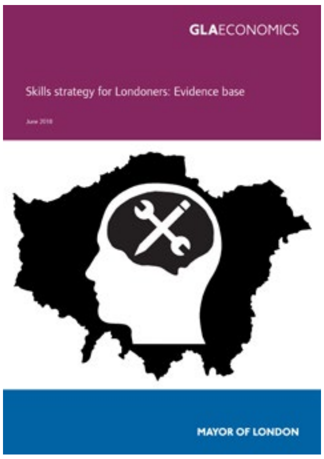
Download the full publication.

London at night: An evidence base for a 24-hour city

This report brings together a range of research and data on London at night. It reveals that, between 6pm and 6am, the city is buzzing with social, cultural and economic activity.

- A third of everyone working in London works at night – that is 1.6 million people.
- Cost is the main barrier to enjoying culture and leisure activities at night. This is the case across all income groups of Londoners. Over a third of Londoners say it is too expensive to go out at night.

Download the full publication.



Skills strategy for Londoners, Evidence base

This skills strategy evidence base supports the Mayor's skills strategy, 'Skills for Londoners'. It covers the demand for and supply of skills, inequalities in skills, employer training, and the training and education system.

- Nationally, spending on adult education has fallen since 2010 which is reflected in lower participation. Between 2012/13 and 2016/17 the number of adult Londoners (age 19+) participating in classroom-based further education fell 41%, although the number of adult apprenticeships increased by 9% in this period.

Download the full publication.

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London's Economy Today is published towards the end of every month. It provides an overview of the current state of the London economy, and a selection of the most up-to-date data available. It tracks cyclical economic conditions to ensure they are not moving outside the parameters of the underlying assumptions of the GLA group.

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About GLA Economics
GLA Economics provides expert advice and analysis on London's economy and the economic issues facing the capital. Data and analysis from GLA Economics provide a sound basis for the policy and investment decisions facing the Mayor of London and the GLA group. The unit was set up in May 2002.

MAYOR OF LONDON