



Regional Report London

2010

Research
Centre

Fact Sheet

- London is the second largest region in the UK in terms of population.
- Only 57% of households are owner occupied, which is the lowest percentage of any region in the UK.
- London produced exports worth £21.9bn in 2009, which is equivalent to nearly 10% of all UK exports.
- Regional output per head was 65% higher than the UK average, at £33,694. This ranks London first in terms of economic output.

The London region covers an area of 1,572 sq km, stretching from Hillingdon in the east to Havering in the west, and from Croydon in the south to Enfield in the North.

Population trends

London's population has increased 3.5% since 2003, whereas the UK's population has increased 3.1% over the same period. In mid-2008, London had a population of approximately 7.6 million, which is equivalent to 12% of the total population of the UK. London ranks second out of all the regions in terms of population.

Within London, Camden and Westminster experienced the largest population growth between 2003 and 2008, 12% and 9% respectively, in stark contrast to Newham which experienced a decline of 2%. The City of London's population increased 8% over the same period.

The region has a population density of 4,847 people per sq km which is by far the largest in the UK and compares to a UK average of 253 people per sq km. Kensington and Chelsea is the most densely populated area in the region, with almost 15,000 people per sq km, closely followed by Islington with nearly 13,000.

Age profiles

In 2008, almost 14% of London's population was of pensionable age, which is the smallest percentage in

the UK and compares to a UK average of 19%. The region's proportion of under 5s is 7% which is the largest percentage in the UK. Havering has the 'oldest' population, with almost 21% of pensionable age, while Newham has the largest percentage of under 5s at nearly 10%. Over 19% of residents in London are under 16, slightly higher than the UK average. Across the region, 67% of the population is of working age which is greater than the UK average of 62%.

Households

There are just under 3.2 million households in London, and there has been an increase of almost 14% since the early 1990s. Of these households, only 57% are owner occupied, which is the lowest percentage of any region in the UK, while a greater than average 14% are rented from the local authority. Average weekly earnings were £599 in the period up to April 2009, which is the highest in the UK and compares to a UK average of £489. Average weekly household spending amounted to £545 in London which was also the most of any region, and compared to a UK average of £460. The Department for Communities and Local Government estimates that the average house price in the region was £316,695 at the end of 2009, implying that London is the most expensive region in the UK. The average house price for the UK as a whole was £200,307.

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Regional Income

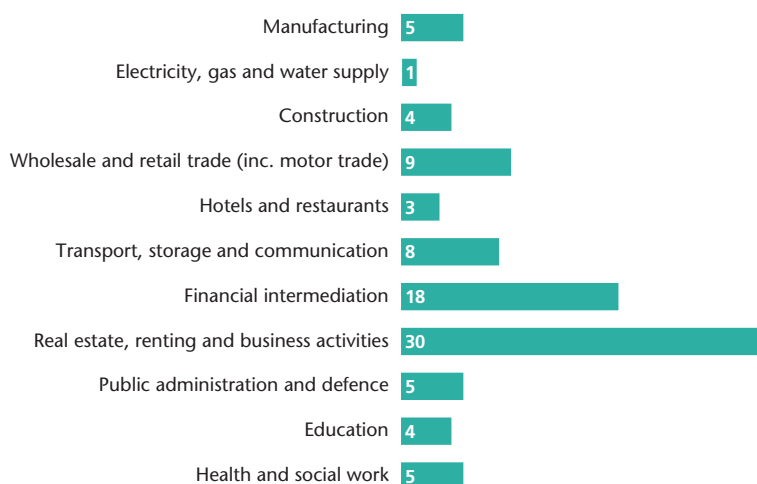
Regional output is commonly measured in terms of gross value added (GVA). Total GVA for the UK increased almost 6% in 2007 to £1,246bn. London produced output worth £254.6bn, which is equivalent to over 20% of national output, ranking it first out of the 12 UK regions. London has achieved the fastest level of growth since 1997, with output increasing by 87%. Within the region, Inner London-East has grown fastest, by 104%, while Outer London-East and North East reported the smallest gain, of only 55%. Inner London is responsible for 67% of the region's total output.

Regional output can also be compared on a per head basis by dividing GVA by the region's population. In 2007, the national average for GVA per head was £20,430 while for London this was £33,694 which is 65% above the UK average. The region's GVA per head has increased by 73% since 1997, which is faster than the UK's average growth in GVA per head of 61%. Across the region, GVA per head ranges from just £13,841 in Outer London-East and North East to £101,182 in Inner London-West. From 1997 to 2007 the largest increase in GVA per head was recorded in Inner London-East, at 88%, but Outer London-East and North East has achieved the slowest growth, at just 48%.

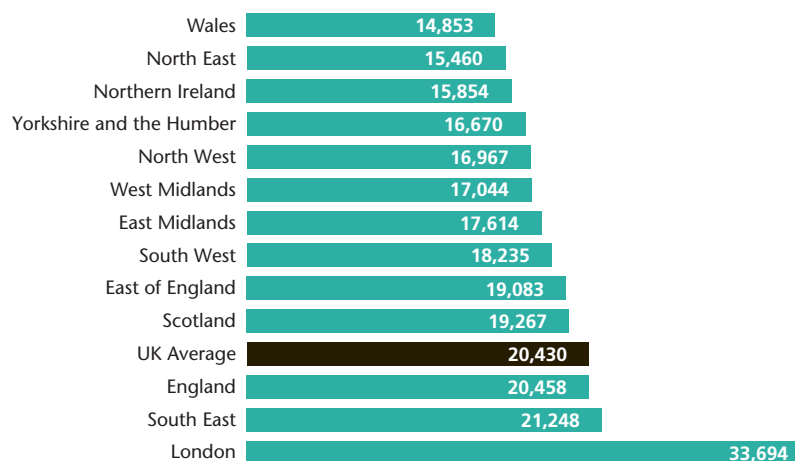
Major Industries

The largest contributor to the area's output is real estate, renting and business activities, which produces 30% of output. This is followed by financial

Major Regional Industries (% of output)



Regional output per head in 2007 (£)



intermediation, which accounts for 18%, and wholesale & retail, which accounts for a further 9% of output. These three industries produce 57% of regional output. London's importance as a global financial centre explains the relative bias towards finance intermediation in its regional output. Manufacturing is less important to the region, contributing just 5% to total output compared to a national average of 13%. Hotels and restaurants contribute 3% of total output, due to the tourism sector.

Exports

Exports from London amounted to £21.9bn in 2009, which is equivalent to almost 10% of all UK exports. Manufactured goods and miscellaneous manufactured goods account for 23% and 35% respectively, of the region's total foreign sales. The other main export

sector is machinery and transport. At present, 57% of London's exports go to Europe, 13% to North America and 16% to Asia.

Workforce

London's population ranks ninth in terms of economic activity in the UK. Economic activity measures the proportion of the population either in work or actively seeking work. Current levels show that economic activity, at almost 76%, is lower than the UK average of 79%.

In 2009, almost 4 million people were employed within London. Of these people over 92% were employed within the service sector, with the majority, 62%, in distribution, transport, finance and business services. A further 30% worked within public administration, education, and health. Manufacturing jobs account for just 4% of the workforce, which is less than the UK average while construction jobs also account for a lower proportion than the national average, at just 4%.

At the end of 2009, London had an unemployment rate of 9.1% compared to the UK average of 7.8%. In London, only 3.2% of people in employment have a second job which is the lowest percentage in the UK. Just over 4% of women have a second job compared to 3% of men.

Sources: ONS Regional Trends 2010 Edition, ONS Labour Market Statistics, Department for Communities and Local Government (DCLG)