

Central London Recovery Tracker – November 2021

Tens of thousands of central London residents were on furlough when the scheme ended - but most are likely to remain in employment

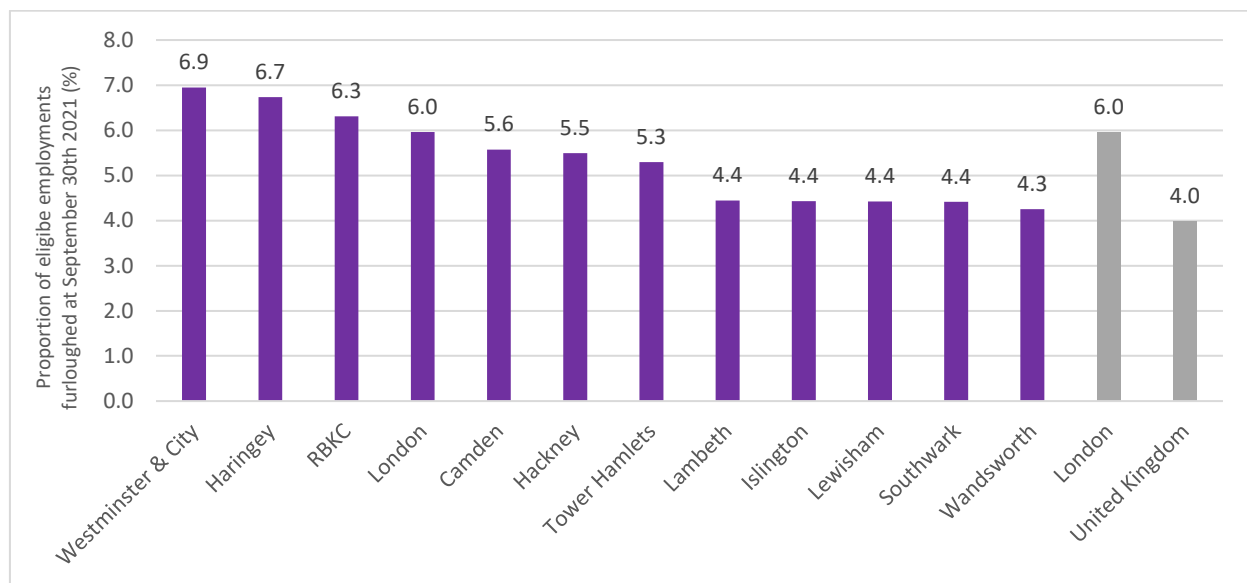
The Coronavirus Job Retention Scheme helped protect hundreds of thousands of jobs in central London during the pandemic.

Recent HMRC data show there were **68,100 furloughed jobs** on 30 September – the final day of the scheme. As figure 1 below shows, use of the scheme was higher in every part of central London than the national average, with rates of furlough being particularly high in Westminster and City of London (6.9%), Haringey (6.7%) and Kensington and Chelsea (6.3%).

A recent survey by [Resolution Foundation](#) and YouGov found that just 3.4% of adults who were furloughed at the end of September 2021 ahead of the end of the scheme were unemployed by mid-October, with a further 8.5% inactive. If these proportions were reflected in central London, unemployment would increase by 2,300, with inactivity increasing by 5,800.

Figure 1 – Use of furlough across central London was higher than the national average as the scheme came to an end

Proportion of eligible employments furloughed at September 30th 2021



Source: [HMRC](#)

Employment in London is almost back to pre-pandemic levels and vacancies continue to rise

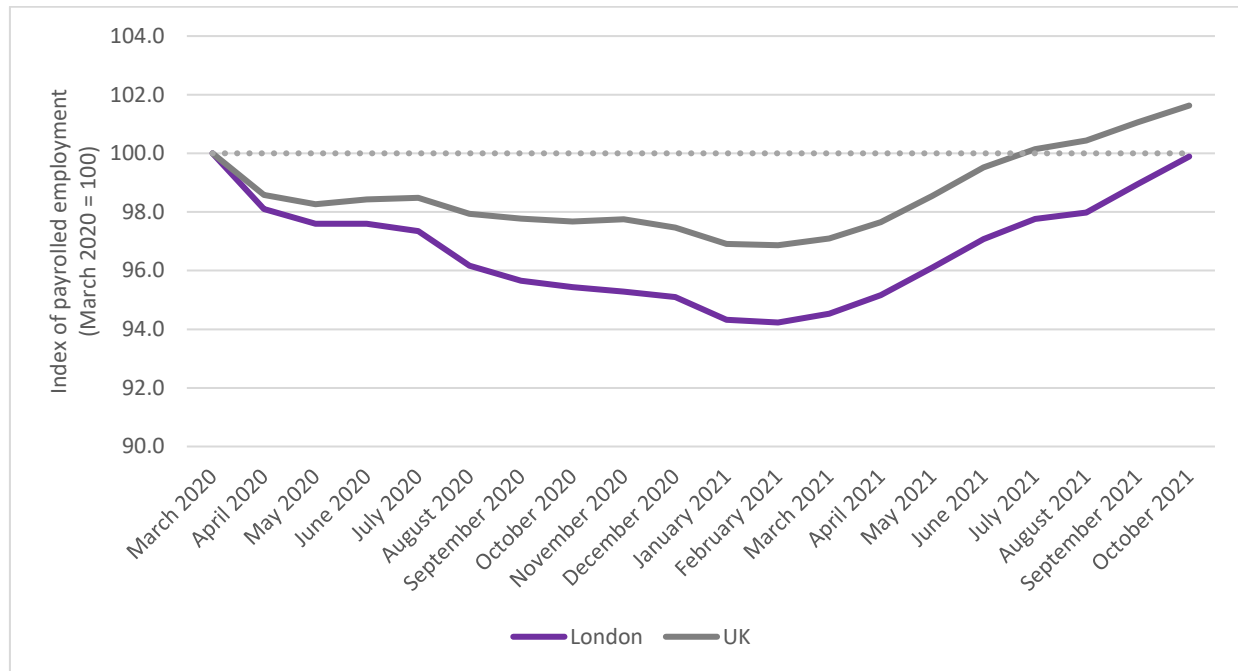
The number of people in payrolled employment in London continues to increase rapidly.

As figure 2 shows, real time information from HMRC Pay As You Earn records suggest that the number of payrolled employees in the capital had recovered to 99.9% of pre-pandemic levels by October, with just 4,600 fewer Londoners on payrolls compared to May 2020.

While payrolled employment is increasing rapidly, London is the only region or nation of the UK where it has yet to recover to pre-pandemic levels.

Figure 2 – Payrolled employment has almost recovered to pre-pandemic levels

Index of payrolled employment, March 2020 – Oct 2021 (March 2020 = 100)



Source: [ONS](#)

The number of job adverts in the capital continues to rise. Adzuna data provided to ONS show that by early November, the number of online job adverts was over a third (36.9%) higher than pre-pandemic levels. However, the level of job adverts relative to pre-pandemic remained lower in London than every other region.

Figure 3 – Online job adverts in London are a third higher than pre-pandemic

Index of online job adverts, (Feb 2020 = 100)



Source: [Adzuna for ONS](#)

Unemployment continues to fall in the capital but it remains far higher than nationally

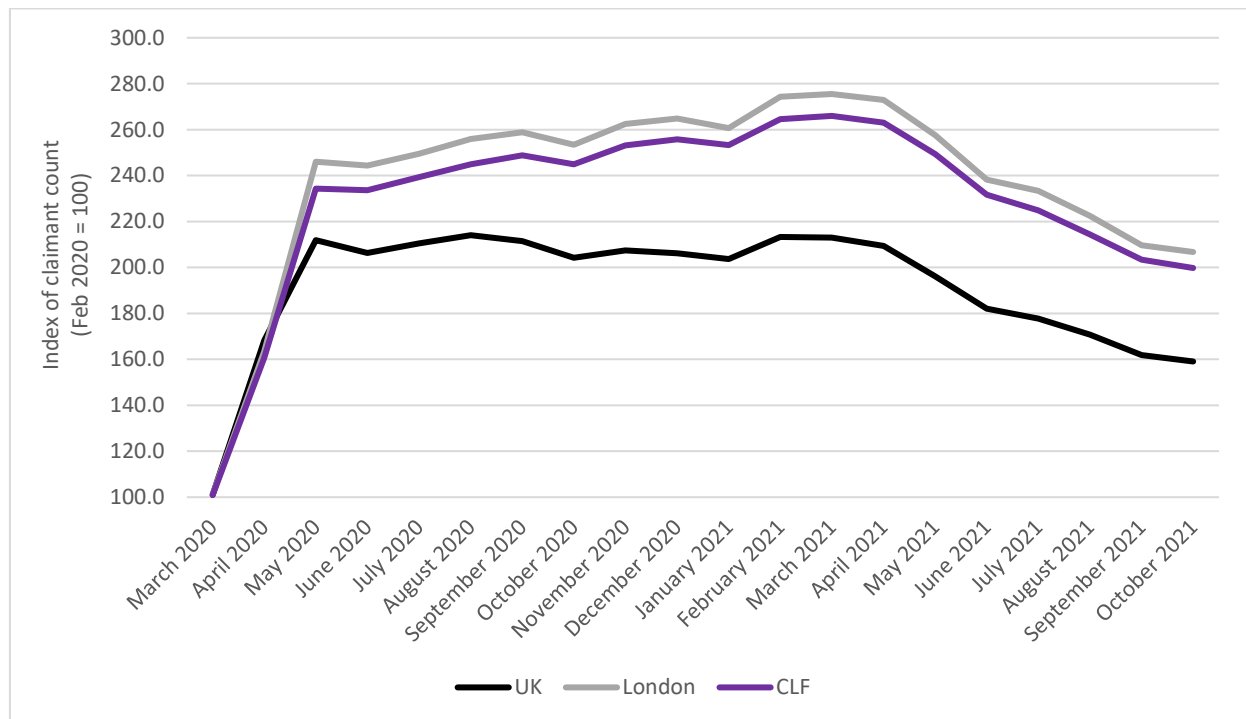
Across the capital as a whole, the unemployment rate fell to 5.6% in the quarter to September 2021, down 0.2 percentage points on the month before.

Figure 4 below shows that the number of people claiming unemployment related benefits continues to decline, but it remains nearly double the levels of February 2020.

The claimant count as a proportion of adults aged 16-64 is highest in Haringey (9.0%), Lewisham (7.5%), Hackney (7.2%), Lambeth (7.1%) and Tower Hamlets (7.0%).

Figure 4 – The claimant count in central London is twice as high as pre-pandemic but falling

Index of claimant count, March 2020 – October 2021 (Feb 2020 = 100)



Source: [ONS](#)

Mobility in central London continues to recover but remains well-below pre-pandemic

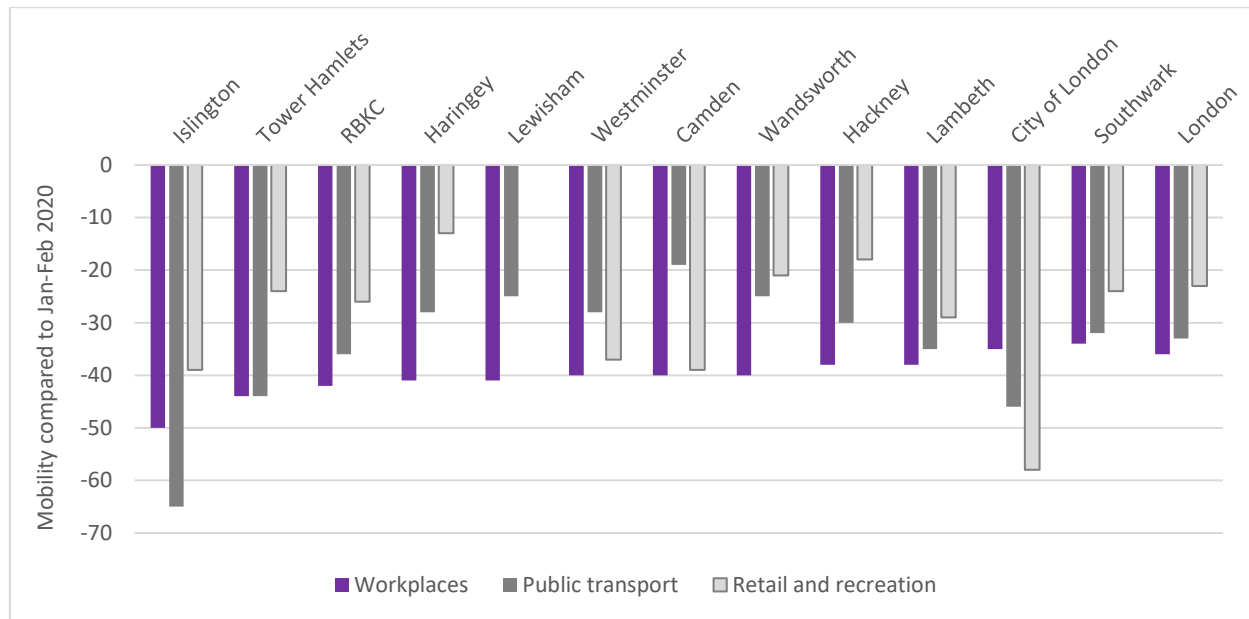
Figure 5 below highlights Google mobility data within central London.

Mobility relating to workplaces continues to recover, but it remains 40.3% below pre pandemic levels in central London. Similarly, mobility relating to public transport is continuing to increase, but it remains a third (34.4%) lower than pre-pandemic levels. Mobility relating to retail and recreation is stable at around a quarter (27.3%) below pre-pandemic levels.

In each of these three areas – retail and recreation, public transport and workplace – mobility relative to the pre-pandemic baseline is lower in central London compared to the capital as a whole and the UK.

Figure 5 – Mobility relating to workplaces, public transport and retail and recreation remain well below pre-pandemic levels

Mobility data in November 2021 compared to baseline of Jan-Feb 2020



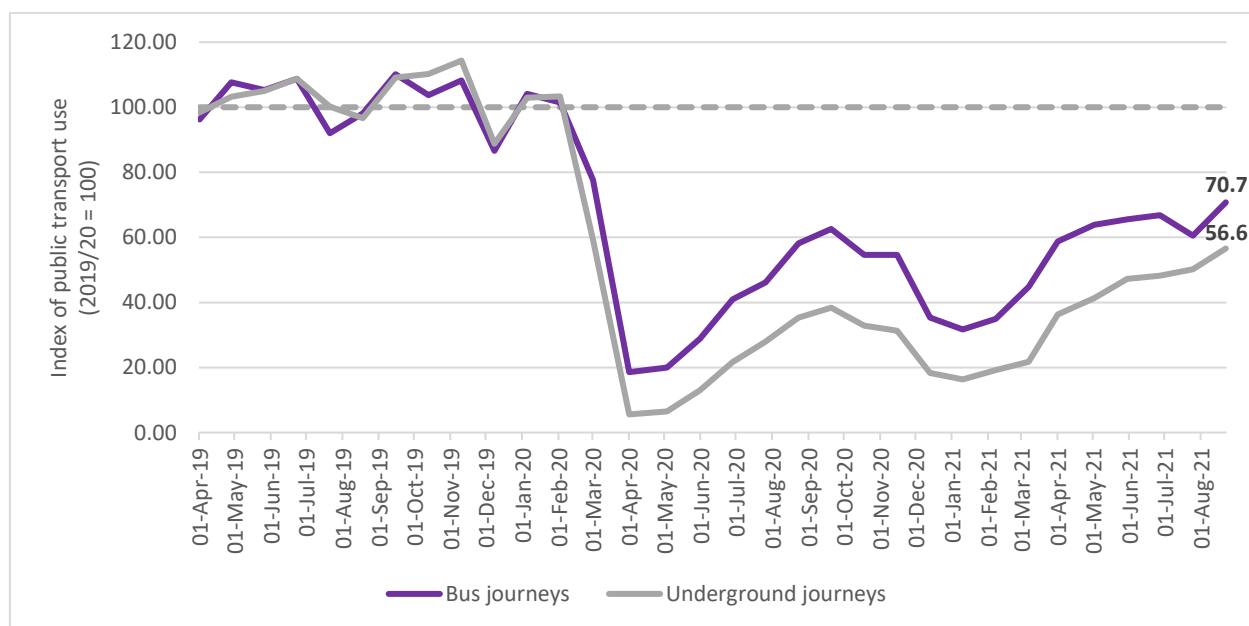
Source: [Google](#)

Transport for London (TfL) data show that by mid-September, bus use had recovered to 71% of pre pandemic levels, with use of the underground lagging behind at 57% of pre-pandemic levels.

The decline in transport use has had a significant impact on revenue for TfL. Government has provided a number of short-term funding settlements to support TfL through the pandemic, with the latest due to come to an end on 11th December.

Figure 6 – Use of public transport is well below pre-pandemic levels but increasing

Index of bus and underground journeys, Apr 2019 – Aug 2021 (2019/20 = 100)



Source: [London Datastore](#)