

The impact of churn and migration on population estimates for Central London

A report prepared for Central London Forward

Ian Gordon, Tony Travers and Christine Whitehead



**The impact of churn and migration on
population estimates for Central London**

Ian Gordon, Tony Travers and Christine Whitehead

**LSE London
London School of Economics**

The impact of churn and migration on population estimates for Central London is published by the City of London on behalf of Central London Forward. The authors are the London School of Economics.

The report is intended as a basis for discussion only. Whilst every effort has been made to ensure the accuracy and completeness of the material in the report, the authors, the London School of Economics, and the City of London on behalf of Central London Forward, give no warranty in that regard and accept no liability for any loss or damage incurred through the use of, or reliance upon, this report or the information contained herein.

December 2007

© **City of London on behalf of Central London Forward**

c/o Economic Development Office

PO Box 270, Guildhall

London

EC2P 2EJ

Contents

Executive Summary	5
Chapter 1: The Areas and the Issues	9
Chapter 2: Counting population numbers in Central London	15
Chapter 3: Population change and resource distribution	25
Chapter 4: The Extent of Potential Cost Differences in the Central Boroughs	32
Chapter 5: Conclusions	39
Bibliography	42

Executive Summary

Key Findings

- Central London's unique position has led to a disproportionate concentration of the latest wave of international migrants within it. Although this migration has produced substantial economic gains at the national scale, locally the major impacts have included increased service costs which have not been matched by additions to local tax revenues.
- The area is subject to particularly high population turnover as a result of migration, local mobility and the impacts of visitors/short-term migrants. This mobility creates a floating population which is both much larger and more rapidly growing than in any other urban area within the UK. It also generates additional costs and management problems, again not systematically recompensed by any additional resourcing.
- Three major adjustments to population estimates (one up and two down), within 5 years has led to unacceptable uncertainty about how much funding central London boroughs can expect to get from Whitehall.

Context

- The Central Activities Zone (CAZ) represents the business core of the capital. As such there is a concentration of jobs in the area. A small spatial resident population means that labour is strongly commuting based. By contrast, in the central boroughs (CBs) area which includes the CAZ there are ten times the residents but only 160% of the jobs.

Population changes and uncertainties in the central areas

- Residents in the CBs are characterised as being highly mobile – with high rates of in- and out-migration; local moves; cross-border commuters; and short term and day visits both from the rest of the country and from abroad.
- The estimated resident population of the CBs in 2006 was 2.1 million. It is also estimated that the CBs have taken the majority of the growth (over 60%) in population in London since 2001. The impact of migration however is broadly neutral, with outflows to the rest of the country balancing inflows from abroad.
- Population turnover rates are high in the CAZ (18.7% for the year to April 2001) and the CBs (17.4%) as compared to 13.7% in London and 11.6% in England and Wales. Moves from outside the boroughs were also significantly higher in the CB than elsewhere.
- Borough populations remain somewhat uncertain. They are estimated by updating the Census counts with figures on births, deaths and migration. Migration is estimated by NHS registrations and there is a concern that this is an inadequate basis for measuring short term moves; in addition, the survey

based estimates of international flows are considered most subject to uncertainty. It is significant that borough estimates have been subject to three major reviews over the last five years.

- The 2001 Census is considered to have suffered from high rates of non-response and from many inadequacies in the address frame (eg because of change of use). Efforts to correct for these shortcomings have only added to uncertainties about the adequacies of the population base measure.
- There is an important issue relating to the measurement of illegal migrants in the CBs. The numbers missed by the 2001 Census could be of the order of 25,000 with an additional 5,000 per annum since then. The scale of possible current undercounting is therefore of the order of 50,000 people.
- People visiting from overseas for periods of less than a year are omitted from the measure of resident population. London accounts for 40 per cent of these in the UK, representing the equivalent of an additional 30,000 permanent residents, of whom approaching half are likely to be in the central boroughs. The offsetting number of Londoners making short term visits (of one to 12 months) abroad is even larger, but the gross number of staying visitors to central London is still a significant source of net increase in public services demands.
- Among day-time population in the area, commuters into the CAZ are especially important. These currently number one million, but with rather large cyclical fluctuations. Commuters impact on different services to the resident population – but still make significant demands on the boroughs, for instance in terms of cleaning, waste and policing.

The implications of population change for public resources

- England's system of public finance is centralised and subject to distributed formulae based partly on population. This generates major problems for boroughs with the atypical population characteristics of the CBs.
- The majority of public services are resourced on a basis that at least partly relates to official population figures. This is usually done by identifying the relevant client group for the service and providing grant in proportion to an area's representation of that population. Often the figures will then be weighted to take account of identified differences in cost.
- The population figures used for grant allocations are relatively consistent at the national level but are not at local level. Westminster and Kensington & Chelsea are particular outliers but the CB overall is subject to unusual population adjustments. New figures likely to be used for the Rate Support Grant settlement in 2008/09 are again subject to wide variation as compared to those previously in use.
- Large changes in the settlement are damped in an attempt to smooth grant distribution. However this has the effect of making it difficult to increase

grant if and where new needs are identified in central London (assuming the population could be properly measured).

- Specific grants, which are increasingly used to address particular problems, are not formula driven and are often time limited and unpredictable.
- Central London has relatively rapidly changing expenditure need. The scale of short term change is such that central London boroughs, with capped council tax and damped grant are unlikely to have the resources necessary to meet required spending standards. This would not be a problem in many cities across the world which have significant local tax raising powers.

Potential cost differences

- There are differences in public sector costs that directly relate to the special characteristics of the central London population, particularly to providing for those who speak little English. These include administrative costs such as registration services and translation and language assistance which have grown sharply in the last decade in central London.
- The majority of migrants use fewer services than the indigenous population – but as they become more settled that use increases. Moreover to the extent that there is undercounting any services they use are not funded.
- Those who remain in the country are more likely to be from poorer countries and to have lower incomes than the shorter term migrants from richer countries. This group will use services in the same way as their equivalents in the indigenous population – but being younger will tend to use child-related services more.
- There are subgroups within all types of mobile households - day visitors, short term visitors, illegal and legal migrants who require additional specialist services because of additional problems. The most immediate problems are associated with rough sleeping, hostels and Houses in Multiple Occupation – but health, education, policing and social services may also be significantly affected.
- The concentration of business activity generates not only traffic-related costs and waste management but also policing and security. The ‘nationalisation’ of business rates has had a particularly negative impact on central London boroughs which have by far the largest concentration of non-domestic property in the country – implying very heavy servicing requirements.
- Finally the costs of running public services are higher in the CBs than even elsewhere in London because of higher turnover and greater complexity of service provision. Some of these costs are reflected in lower service quality as well as in higher costs per unit of service delivered.
- Costs to the private sector are generally higher in central London than in other parts of the country. This inevitably means that the costs of infrastructure and

services are higher than elsewhere which adversely affects the competitiveness of the London economy.

Recommendations

- Recognition that standard procedures for counting the local population are inadequate to deal with the unique circumstances of Central London, requiring both
 - i. specific provision to ensure that the 2011 Census achieves full coverage of addresses and acceptable levels of response in Central London.
 - ii. provision for mid-term local population counts to keep residence estimates more nearly on track.
- Recognition of the scale of illegal immigration to Central London, over and above the numbers included in resident population estimates.
- Improved, systematic and officially-sanctioned techniques for measuring the impacts of population turnover on public services.
- Explicit recognition by central government in the general grant formulae, and/or through specific grants of
 - i. the particular costs associated with high rates of turnover in resident and visitor populations.
 - ii. the costs of settlement of large numbers of long-term migrants.
 - iii. the specific requirements of high need migrants.

Chapter 1 The Areas and the Issues

1.1. Introduction

Central London, like the central business districts of most large cities, is subject to swift and unpredictable changes in the make-up of its population and employment base. Data about gross domestic product show London's economy changing at a more rapid rate than that of the United Kingdom as a whole: when GDP rises in the UK, it generally increases faster in London; when UK GDP slows, London's economy often contracts more than the national average. Central London, notably the City of London, expands and contracts rapidly in response to international economic and trading conditions.

There are many advantages to being the central part of a major international city. In recent years, central London's economy appears to have grown faster than the rest of the country and the rest of London, the national average. Although there are pockets of poverty and economic inactivity, the area appears successful compared to many other areas of the country. However, there is a major limitation on the central London boroughs' propensity to take advantage of the growth in their economy. Because virtually all taxation in the UK is paid to the Exchequer, any above-trend economic growth in an area such as central London will not produce additional tax income to the councils concerned. Even local taxation (which accounts for about five per cent of the total) is capped.

Recent growth in international migration and in mobility more generally has visibly altered the population make-up of central London. It has also increased the costs of ensuring adequate services for that population and for business alike. Moreover much of the funding available is allocated on the basis of the official population figures.

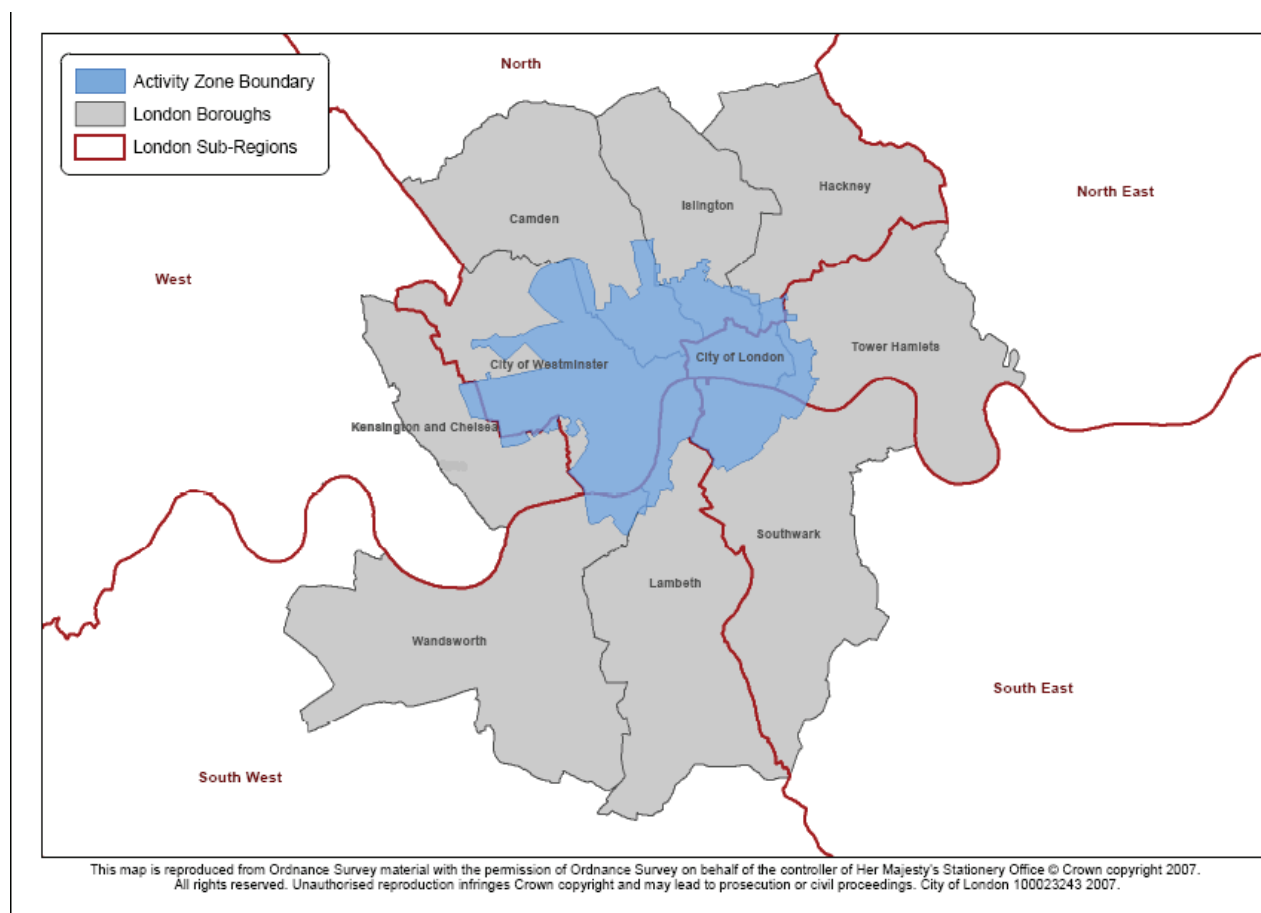
This report is concerned with both the resident and floating populations of central London, in relation to:

- their estimated numbers and changes in these numbers;
- their impact (and that of associated population churning) on demands for, and funding of, public services in the area; and
- the problems of securing reliable estimates of their numbers for resourcing and planning these services.

The 'central' areas on which we focus are:

1. The Central Activities Zone (CAZ) defined for the Mayor's *London Plan*, is shown in figure 1. It represents the business core of the city (a slightly extended version of the traditional definition of Central London, as the area within the ring of mainline termini). This is an area with a very large concentration of jobs (some 1.2 million in 2001) but many fewer residents (about 190 thousand at that time); and
2. The central boroughs (CBs), i.e. the whole of the territory of those boroughs which have part of their area within the CAZ (also shown in figure 1). These have about 10 times as many residents as the CAZ itself (some 1.9 million in 2001), though only some 60% more jobs (also some 1.9 million according to the 2001 Census). The total number of residents in employment across the CBs (some 875 thousand in 2001) is less than half the number of jobs in the area, indicating that a majority of the jobs are filled by commuters from further out.

Figure 1: The Central Activity Zone and the Central Boroughs



Source: edited version of map supplied by GLA Economics

As well as their very high concentration of employment and openness to inward commuting, other distinctive characteristics of these central areas which are of key relevance to this study are the high rates of in and out movement, of residents, staying visitors, and day visitors – both from other parts of the UK and (notably) from overseas. These are associated, on the one hand, with its high status service functions, the international orientation and reputation of many of its key activities/facilities, and on the other, with a concentration of accommodation types – notably in the private rented sector and in hotels or other communal establishments – which are particularly attractive for a floating population, including a high proportion of younger people living outside conventional couple-based households.

These characteristics together distinguish central London from all other parts of the UK. Many are long established and reflect the area's unique economic, political and cultural role within the country. But their significance has been heightened by a general turnaround in economic and demographic trends across London, during the last 20-25 years. One key element within this change has been the arrival of new waves of international migrants of various kinds and from many places, but with a disproportionate share of each coming to live in central London – like other and earlier migrants from both the British provinces and overseas.

The special characteristics of central London and its residents have significant implications for public service provision, and also make identification and enumeration of the relevant populations especially problematic. This is true even in

Census years, which is why all the numbers quoted so far have been presented in rounded terms and qualified by the word ‘some’. Uncertainty and dispute about how many residents there are who require servicing present special problems for local authorities, who – under the British system – only receive minimal additions to their tax base from those who come to live in, or pass through their area, but are dependent on the extra demands being recognised in central government grant formulae.

1.2 The Distinctive Characteristics of Central London

In relation to the concerns of this report, key characteristics of the demographic and housing structures of central London are those which encourage population mobility of all kinds, place unusual demands on public services and militate against reliable measurement of population levels and growth.

Table 1.1
Distinctive Housing and Demographic Characteristics of Central London 2001

	Private Renting (of all households)	Flats (of all h'hld spaces)	Living in Communal Establishments	Over-crowding	Living in Couple-based Households (population 16+)	Population Aged 20-34
Central Activities Zone (CAZ)	32%	63%	8%	30%	38%	34%
Central Boroughs (CBs)	23%	78%	2%	26%	41%	33%
Camden	28%	86%	5%	25%	40%	34%
City of London	29%	98%	5%	30%	39%	32%
Hackney	17%	76%	1%	34%	40%	29%
Islington	19%	80%	2%	28%	39%	32%
Kensington and Chelsea	30%	83%	2%	25%	40%	29%
Lambeth	21%	71%	1%	29%	39%	35%
Southwark	15%	74%	2%	22%	42%	31%
Tower Hamlets	19%	84%	1%	25%	43%	34%
Wandsworth	25%	64%	2%	29%	44%	38%
Westminster	36%	89%	3%	16%	40%	34%
Greater London	17%	49%	1%	17%	50%	27%
England and Wales	12%	19%	2%	7%	61%	20%

Source: 2001 Population Census from ONS, Neighbourhood Statistics website

Notes: The overcrowding index represents the proportion of residents living in households with fewer rooms than normally ‘required’, given their composition.

Comparative measures of six of the most significant from this perspective are presented in Table 1.1. These show firstly, that in physical terms the housing stock of these areas of dense development and high land values is dominated by flats, rather than houses, reversing the normal pattern elsewhere in the country. Associated with this is a much greater tendency for dwellings to be rented, with the most distinctive feature being a high proportion of private renting. This is still a minority tenure across the central areas, but it is two or three times as important as in other parts of the country. A much smaller group is that living in communal establishments (such as hotels, student halls and hospitals). Numbers are modest even in the CAZ where they are much more strongly represented than elsewhere, but these are types of accommodation where many people stay for periods that are too short for them to qualify as residents, and their distribution is indicative of some of these elements in central London's floating population. A rather more straightforward feature of housing in these areas is its relatively high degree of overcrowding. On the one hand this indicates what people with limited means are prepared to accept in order to live close to London's major concentrations of economic/social life. On the other hand, it reflects the untypical mix of population groups living in these areas, with a substantial degree of self-selection of those for whom accessibility is a higher priority than (internal or external) space. Two distinctive attributes associated with this priority are being in the young working-age ranges, and not living in a couple-based household, which (as the Table shows) are much more characteristic of population in the central areas than elsewhere in London, or (especially) in the provinces.

1.3 The Impacts of New Immigrant Flows

After an era from the late 1960s of limited immigration, a new sets of flows emerged internationally from the mid-1980s, characterised by much more diverse types of movement – including many highly skilled groups as well as asylum seekers, and speculative economic migrants (sometimes clandestine) and from a much greater variety of origins – than with the Commonwealth migration of the 1950s/60s. A common feature has been a particularly strong attraction to economically successful major cities, and London has absorbed a quite disproportionate share of those coming to the UK (averaging about 40% of the gross inflow, but with around three quarters of the net influx until quite recently).

Within London, the central areas have received relatively more migrants in proportion to their population than the rest of the city. In the pre-Census year 2000-1, for instance, the share of new migrants in their population was about half as large again as the Greater London average – though the really striking difference was with the country as a whole, with four times as many relative to its population (Table 1.2). Between 1986 and 2006, the foreign-born population of Inner London as a whole has actually grown from 0.6 to 1.1 million (according to the Labour Force Survey (LFS)), and in the process enormously increased the cosmopolitan character of the central areas, with a much greater spread of national origins and languages among the additions to its population.

There are great differences among migrants in terms of how long they actually stay in London (or the country as a whole), with substantial numbers moving back or onward within a few years. This is an important point, since the impact of these relatively short term movers is on the flexibility of the labour force and the churn of local populations, rather than on longer term population growth in the city. The latter

depends essentially on those who stay more or less permanently – and have children in the city.

Among migrants to the UK in the last decade or so, there has been a contrast in this respect between migrants from relatively poor countries (in the developing world or eastern Europe), the great majority of whom do seem to stay, while those coming from richer countries (in Western Europe, North America or the Far East) mostly tend to move on after a few years (Gordon et al., 2007). One effect is that, the latter group represent a substantially smaller proportion of the foreign- born population in London than they do of the recent flow of immigrants into the city. Taking Inner London as the nearest available approximation to the CBs (though including four extra boroughs), LFS data for 2006 indicates that the influx into the central areas includes a significantly larger share of the shorter term migrants from relatively rich countries (with two thirds of this group coming to inner rather than outer London). This group (including the highest proportion of graduates) is even more disproportionately represented in Central London jobs.

Table 1.2
Migrants and Foreign Born Residents in Central London

	Migrants from Outside UK 2000-1	Population Born Abroad: Rich countries	Population Born Abroad: Poor countries	Children 5-15 Born Abroad	School Pupils with English as an Additional Language
Central Activities Zone (CAZ)	3.6%	9%	25%	18%	(58%)
Central Boroughs (CBs)	2.5%	9%	25%	16%	52%
Camden	3.0%	12%	25%	18%	51%
City of London	4.2%	12%	16%	6%	65%
Hackney	1.1%	5%	30%	16%	53%
Islington	1.8%	8%	22%	13%	44%
Kensington and Chelsea	5.6%	21%	24%	26%	50%
Lambeth	1.6%	7%	24%	14%	45%
Southwark	1.5%	5%	25%	13%	43%
Tower Hamlets	1.9%	5%	30%	12%	73%
Wandsworth	2.4%	8%	19%	12%	39%
Westminster	5.2%	17%	27%	26%	62%
Greater London	1.6%	5%	22%	12%	38%
England and Wales	0.6%	2%	7%	4%	(12%)

Source: 1. Columns 2-5 from 2001 Census of Population, via ONS Neighbourhood Statistics website; 2. column 6, from DfES, *Schools and Pupils in England 2007* (national average relates to

England only: CAZ figure estimated from comparisons with small area Census data on children from households with language needs)

The Census-based summary indicators presented in Table 1.2 show that the high migration rates into Camden, the City, Kensington/Chelsea and Westminster particularly reflect their attraction to people coming from the richer countries. They are strongly represented in their accumulated stocks of foreign-born residents, but must also be contributing strongly to population turnover. In Kensington and Westminster in particular, an evident consequence of strong inward migration rates is a rather high proportion of foreign-born children, adding to demands for schooling in these boroughs (though less so than might have been expected from the proportion of foreign born adults). A more dramatic contrast is in relation to the proportion of children in local schools with English as their second language, which is very much greater than the proportions of foreign born – most conspicuously so in Tower Hamlets – and 4 or 5 times the national average across central London.

1.4 Structure of the Report

In the rest of this report, we examine the implications of these great demographic changes - and other forms of population mobility associated with the dynamism of the core business areas – for public service provision.

We start (in chapter 2) by addressing questions about numbers, looking at the available evidence: on levels and trends in the resident population, central London's other floating populations, and population churn; and the reasons for substantial uncertainty and instability in these estimates. In chapter 3 we look at the relationship between population and government funding, asking where population formulae are used and how and then clarifying the implications of this for local finances. In chapter 4 we review the evidence on the costs of service provision and examine whether the nature of the population and mobility in the central boroughs will lead to higher costs per unit of service. Finally, chapter 5 sets out conclusions about population figures, finance and costs of their relation to one another.

Chapter 2 Counting population numbers in Central London

2.1 Relevant Dimensions of Population and Population Change for Public Service Providers

The aims of this chapter are: to identify the various population groups that public authorities in the central area have to service; to document the evidence on their numbers; and to explain why official assessment of these numbers has proved so problematic in recent years.

2.2 The Resident Population

Official concepts of 'residence' on which the mid-year estimates (and thus grant allocations) are based, involve: first, the exclusion of those whose current stay in the UK will not extend for a year or more; and, then, the assignment of all UK residents to a single area of 'usual' residence. In practice, the procedures to apply these concepts are quite complex,¹ but even at a conceptual level it is clear that by no means everyone present in an area with the peculiar characteristics of central London will count as a resident. Getting a reliable count of such residents is, however, a fundamental starting point for managing (and funding) provision of public services to the various populations living, working and/or playing in the central areas.

2.2.1 Numbers and Trends

Current central government (Office of National Statistics) estimates put the 2006 population of the central boroughs (CBs) at 2.1 million. For reasons that we discuss below these mid-year estimates are somewhat problematic. They have built-in uncertainties, they have proved very unstable in recent years, and are strongly contested by some of the boroughs who believe their resident population numbers to be significantly under-estimated. They do, however, provide the best available guide to how the areas' population has been changing since the 2001 Census.

Overall, they point to an increase in the total CB population of 107 thousand (5.5%) over the 5 year period. The average annual increase (of some 21 thousand) was actually rather slower than in the previous 5 years, but close to that between the 1991 and 2001 Censuses. Elsewhere in London, growth has slowed more markedly, and the 10 CBs have accommodated half of the city's overall growth since 2001. For the CAZ on its own, for which population estimates for 2001-2005 (only) are available from an ONS 'experimental' series², growth seems to have been even more rapid, with the addition of some 20 thousand residents representing a growth of 2% p.a.

The published estimates from ONS of the 'components' contributing to local population change show the large increase in the CBs since 2001 as the outcome of a

¹ One reason, following directly from the definition, is that those not all those involved in stays of a year or over can be reliably identified until that year has been completed. In practice, estimates of resident numbers start by including those entrants to the country who state an intention of staying for at least a year, and retrospectively correcting these, on the basis of observed 'switches' between longer and shorter intended/actual durations of stay in the UK.

² Estimates consistent with the revised international migration figures, from the ONS web-site: <http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=14357>.

great excess of births over deaths³, with migratory flows in and out of the area being more or less in balance (Table 2.1). In fact, between 2001 and 2005 only three London boroughs are shown to have significant net gains by migration, namely the 3 most central residential boroughs, Camden, Westminster and Kensington/Chelsea.

Over the CBs as a whole, the current balance of population change through migration appears to be more or less neutral, with the historic pattern of net outflows to the rest of the UK presently balancing the net gains from overseas immigration. Elsewhere in London, the domestic outflow now seems to outweigh the international gains. The general contrast between the two sets of flows reflects several factors. One is that international migrants coming to the UK are particularly attracted by the employment and social opportunities of London (plus its existing international communities) whereas domestic migrants into/out of London are much more influenced by housing opportunities/costs. Indeed some international immigrants to London may in time become domestic emigrants. Another, related, factor is the aggregate balance between housing supply/demand across the city. With an inevitably rather inelastic housing supply within London (and general rising aspirations for space) additional in-migrants mean both some displacement of other residents to areas within commuting range, and more intensive occupation of existing dwellings (notably by migrants who initially accept lower space standards).

Table 2.1 Components of Population Change 2001-5 (000s)

	Natural Change (Births – Deaths)	Net Migration from rest of the UK	Net International Migration (and other changes)	Total Change in Resident Population
Central Boroughs	75.7	-137.5	142.8	81.6
Camden	6.1	-9.2	23.2	20.3
City of London	0.0	0.2	0.1	0.3
Hackney	12.0	-22.3	10.2	0.0
Islington	5.5	-10.7	9.9	4.8
Kensington and Chelsea	4.9	-9.2	17.8	13.6
Lambeth	11.5	-27.1	12.5	-3.1
Southwark	10.3	-24.1	21.1	7.4
Tower Hamlets	10.7	-14.6	12.3	8.4
Wandsworth	9.3	-15.9	11.2	4.6
Westminster	5.4	-4.6	24.5	25.3
Rest of Greater London	137.9	-276.6	191.5	52.0
Rest of UK	156.0	414.1	420.9	991.2
UK	369.6	0.0	755.2	1124.8

Sources: All figures relate to the ONS 2007 revision of the mid-year population estimate series.

Note: The estimates of international (and other) flows here are derived as the difference between published estimates of total migration (and other changes) and of domestic migration: 'other changes' include shifts of prisoners, armed forces and school boarders.

³ The fact that London's birth rate has not fallen as in the rest of the country since the early 1990s, while the death rate has fallen even faster here, has itself been strongly affected by the younger population which earlier waves of immigration have brought to the city.

At a regional scale it has been estimated that two international migrants effectively lead to displacement of one existing resident (Hatton and Tani, 2005). Locally, the proportions (and thus the net effect) are likely to vary according both to the particular migrant/resident groups involved and the flexibility of the local housing stock.

2.2.2 Estimating Borough Populations

There are basically two routes to estimating local populations:

- (a) through attempts at a direct counting of the numbers present in the area, whether by full census, population survey, or administrative statistics relating to particular demographic groups, such as the school-age populations, registered electors etc.;
- (b) updating estimates from decennial Census counts by measures of four 'components of change': births, deaths, net migration to other parts of the UK, and net overseas migration.

The first of these methods was used for British local authorities until computerisation of the NHS Central Register of GP registrations from 1991 provided direct estimates of domestic migration, allowing the second approach to be adopted.

Currently, mid-year estimates, are based on the last available Census figures, updated with:

- local counts of registered births and deaths;
- the NHSCR internal migration estimates; and
- estimates of international flows, which (until summer 2007) were based on the International Passenger Survey (IPS), but are now being derived from the Labour Force Survey (LFS).

These components vary greatly in reliability:

- local birth and death statistics are generally accepted as accurate;
- NHSCR records are liable both to miss some short-term moves and only to pick up some other moves (notably of healthy, young, single people) with a significant lag - but without much risk of bias in estimates net flows;
- survey-based estimates of international migrants are, however, subject to significant sampling errors, potential omissions (notably of some illegal/unsettled groups), and uncertainties about reports of stay length/destination.

Such uncertainties will always be a cause of drifts in mid-year estimate figures in post-Census years, requiring post-hoc adjustments when the next Census provides a new benchmark. Since 1991, however, incompleteness in Census coverage has become a cause for concern, raising issues both then and – more seriously - in 2001 about undercounting and methods used to correct for this – particularly in inner city areas such as central London.

2.2.3 Instability in borough-level resident population estimates.

Local population estimates have been subject to multiple revisions since 2000, giving the impression of a marked instability in trends. The initial cause of revisions was the 2001 Population Census, whose original counts produced estimates for the CB populations which were more than usually at variance with the mid-year estimates rolled forward from the 1991 Census. In fact, across the 10 boroughs the original Census figures for 2001 were 106 thousand (5%) below the published mid-year

estimates for 2000. Updating the latter on the basis of the ONS' subsequent estimates of population growth in the boroughs over the year 2000-1, it can be seen that the original ('one number') published Census figures were 144 thousand below what would have been expected from the mid-year estimate series. The bulk of the discrepancy was in Westminster and Kensington & Chelsea, in each of which it represented more than a 20% shortfall in the expected population numbers (with major financial implications that are discussed in chapter 3 Z below). There were also shortfalls of around 5% in Camden, Lambeth and Wandsworth.

ONS initially attributed the discrepancy to a continuing over-estimate in the mid-year estimation process since 1991 in the share of international migration attributed to areas in Inner London (on the basis of the IPS). Boroughs (notably Westminster) on the other hand argued strongly that large scale under-enumeration in the Census was responsible. After a detailed set of local studies, ONS accepted that there had been substantial under-enumeration in Southwark, Wandsworth and Westminster (together with 10 urban authorities elsewhere) and added some 27 thousand to the published Census population estimates for these areas (representing 26% of the overall national adjustment).

These revisions still left the overall population of the CBs in 2001 some 117 thousand below the level implied by the mid-year estimate series, a gap ascribed by ONS principally to an upward bias in IPS-based estimates of the areas' share of inward international migration in the years since the 1991 Census. If this were wholly responsible, it would imply that the true rate of net inward migration from overseas into the CBs had been running at about 12 thousand p.a. below that previously estimated throughout this decade.

Subsequently this judgement has been followed through with a wholesale reconsideration of the basis on which estimates of international flows are allocated to areas (including use of actual residence data from the LFS in place of intended residence data from the IPS). In the four years to which this has been applied retrospectively, the impact has been to reduce estimated net international migration into the CBs by some 41 thousand (i.e. about 10 thousand p.a.)⁴. Not all central boroughs actually lose, however, and the effect is heavily concentrated in Kensington & Chelsea (down by 20 thousand) and Westminster (down by 16 thousand) – with a large effect also in the neighbouring borough of Hammersmith (down by 10 thousand). This represents a reduction of about one third in earlier estimates of the net inflow into the CBs.

We accept the ONS view that this shift in methodology should bring the figures closer to the truth. But the immediate impact has been that for a third time in five years, the boroughs involved have been faced with substantial shifts in the official estimates of their current population, on which their planning and (in particular) their grant finance are based.

2.2.4 Problems in Counting Central London Residents

Areas within central London (both at CAZ scale and across the CBs) display the most unfavourable combination of characteristics for survey-based estimation of their characteristics (as LGF (2007) have documented for Westminster).

⁴ Nationally, the main gainers from this new basis of estimation are West Yorkshire, the East Midlands and other parts of southern England.

The 2001 Census experience indicates this in two ways. First, response rates to this survey were at their worst in these areas. All of the CBs apart from Wandsworth figured (along with Hammersmith) among the ten districts with recorded response rates (from identified addresses) below 80%. Kensington & Chelsea was an outlier nationally with a response rate of just 64%. These are remarkably low figures for a legally compulsory enquiry where the average in non-metropolitan areas was 96%⁵. Worryingly, whereas areas outside London showed falls in response rates of around 2% since the 1991 Census, for Inner London as a whole the reduction was 10% (from the worst starting point: Outer London had a fall of 6%, but starting from a position at the national average). Even if there is no continuation of this trend, it appears to be a major problem, since with even higher rates of non-response in the most difficult areas it must be hard to estimate how many individuals are actually missing from identified addresses.

But, secondly, there is also the problem of addresses missing from the list used by the Census, which was highlighted by the post-Census address-matching, and which is the prime reason for the upward revisions to Census population estimates for three of the central boroughs (discussed above). As with the non-response problem, it is an issue which is liable to affect all surveys (including the Labour Force Survey) undertaken in the hard-to count types of area – notably those with many multi-household addresses, high unemployment, much private rented accommodation and many people liable to have language difficulty⁶ - which are much more heavily represented in the CAZ and across the CBs as a group.

2.2.5 *The Issue of Illegals*

Illegality (and quasi-legality) have several different aspects as far as people living within the UK are concerned, including (for example) those who secured formal admission through the usual channels but on the basis of documents which are in some respect false or misleading. For our purposes (and in common usage by the Home Office), however, the crucial issue is whether the people concerned are or are not covered by official migration statistics. This is primarily a question of whether or not they came through passport control at one of the main ports of entry monitored by the IPS and/or whether they registered a formal claim for asylum.

Home Office estimates of the numbers of such illegal migrants present in the country are based on ONS advice that, despite their status, between 80% and 100% of illegal migrants will actually get covered by the Census and such address-based sample surveys as the LFS. The numbers of them actually responding to the LFS is estimated from a comparison of the foreign born population reporting arrival in the UK since 1970 with calculations of the numbers who should be present given recorded flows into and out of the country through legal channels. The implied number of resident illegal migrants covered by the LFS has then been grossed up to produce a range of estimates of the total number of such illegals on the basis of the judgement about the proportion likely to respond to such (anonymous) surveys (Woodbridge, 2005).

⁵ Office of National Statistics (2006) Census 2001: methods and quality, Annex B: national and local response rates. <http://www.statistics.gov.uk/census2001/annexb.asp#agesex>

⁶ Office of National Statistics (2006) Census 2001: methods and quality: Areas covered by the Census Coverage Survey, and hard to count information. http://www.statistics.gov.uk/census2001/ccs_area_info.asp

Overall, the Home Office estimate for 2001 is of between 310 and 570 thousand illegal residents, representing between 9 and 15% of the total foreign-born population in the UK – or 440 thousand and 12% as mid-point (best-guess) estimates. In terms of the numbers likely to be omitted from Census-based local population estimates for that year, the implication is that there are likely to have been of the order of 44 thousand of these⁷ across the UK as a whole, representing some 1.2% of the foreign born population in a typical area. Applied to the Census counts for the CB estimates that would imply something like 13 thousand uncounted illegal migrants at that time. Though some correction is required for the omitted addresses, while given the characteristics of the areas involved, the top end of the Home Office / ONS range (i.e. about 25 thousand) would seem to represent a better guess.

For years since the Census, migrant counts at the national scale make no allowance for illegals, and the use made of the Labour Force Survey (under the revised 2007 methodology) is limited to distributing them between areas. On a direct application of the Home Office methodology we might thus expect actual net international migration⁸ into central London to have been understated by between 9 and 15% - or perhaps more if (conceivably) the share of unrecorded flows has been rather higher in recent years than in the base period (1970-2001) on which the Home Office estimate is based. Applying the top end (15%) Home Office estimate to the migration figures for 2001-5 (as in Table 2.1) would add a further 21 thousand to the number of residents in the CBs. This figure is large, relative to that for 2001, because (as we understand it) most illegals should be included in the 2001-based estimates, while none will be in the roll-forwards for subsequent years. This is fundamentally a national issue, but one which has a very disproportionate impact in the CBs, which have less than 4% of the national population, but currently absorb about 20% of net immigration.

2.3 The Floating Population

Because of its distinctive roles, Central London has a very wide variety of people passing through it and spending time there without qualifying as residents. These include both commuters, shoppers/theatre-goers, businessmen, or residents' friends who come without staying overnight, and others who (for all sorts of different reasons) stay for at least one night, but less than the year formally required for them to be counted as 'migrants' on the UK definition.

2.3.1 Staying Visitors

When local estimates of the non-residents present overnight within an area were last published, from the 1991 Census, central London was distinguished by having disproportionate numbers of *both* visitors from elsewhere and absent residents. The two were almost in balance in Camden, the City and Westminster, but elsewhere absentees clearly exceeded visitors (see Table 2.2).

⁷ Plus or minus 44 thousand (i.e. between zero and 88 thousand).

⁸ Strictly it should be net immigration of foreigners on which we focus, assuming there is no systematic under-counting of emigration by Britons. There is no readily available basis for estimating this from published sources for the CBs, though it is likely to be significantly larger than the overall net balance of international flows.

Table 2.2
Enumerated Visitors and Absent Residents, Central London 1991.

	Enumerated Visitors From Rest of UK		Enumerated Visitors From Overseas		Absent Residents	
	000s	% of pop.	000s	% of pop.	000s	% of pop.
Camden	11	7%	7	4%	22	15%
City of London	1	24%	0	5%	1	26%
Hackney	4	2%	1	1%	23	14%
Islington	5	4%	2	1%	17	12%
Kensington and Chelsea	7	6%	9	8%	28	25%
Lambeth	7	3%	2	1%	34	16%
Southwark	5	3%	1	1%	26	13%
Tower Hamlets	4	3%	1	1%	13	9%
Wandsworth	9	4%	2	1%	24	11%
Westminster	12	9%	19	13%	29	20%
CBs Average	..	4%	..	3%	..	15%
GL Average	..	3%	..	2%	..	10%
GB Average	..	3%	..	0%	..	5%

Source: 1991 Census of Population

The situation is likely to have changed greatly since 1991, however, because of an influx of what are effectively (and on UN definitions) short-term migrants into UK as a whole, but especially (it appears) into these central areas. As noted earlier, the technical definition of those ‘migrants’ who get to be counted in the resident population involves a minimum stay of a year in the destination country. Other people coming from abroad are, however, by no means all tourists or very short term business/family visitors, but include a substantial minority with stays of several months, many of whom may take temporary jobs, be involved in the mainstream housing market. They may also make demands on public services going beyond those of the very short term visitor – or (we imagine) of most of those recorded as absent from central London residences on Census night 1991, who may well have simply been out of London for a long weekend.

Though covered by the IPS, published data have been lacking on these categories of visitor. Particular interest in short-term migration has, however, been aroused by the fact most of the ‘A8 migrants’ from East European countries, who acquired rights (from May 2004) to come freely to the UK and receive permits under the Worker Registration Scheme appeared to fall into this category⁹. For this report we have thus worked from the IPS reports and data-files, as have the ONS themselves who have

⁹ Though not restricted in their length of stay, a majority of those arriving under the scheme reported an intention of staying less than 3 months (Home Office et al., 2007).

just produced an experimental sets of visitor and short-term migrant¹⁰ estimate for London as well as England and Wales, covering the years 2003-4 and 2004-5 (Sharfman & Smith, 2007; ONS, 2007) – to which we have also made reference.

The published tables from the IPS (ONS, 2006) indicate that visitors to the UK spent some 90 million nights in London during 2005 (equivalent to about 250 thousand additional residents). These are split, in terms of main purpose for the visit, in the proportions: holiday 34%; visiting family 25%; business/conference/exhibition 15%; visiting friends 8%; study 8%; looking for work/au pair 4%; and miscellaneous 5%¹¹. This pattern is actually very similar to that in the rest of the country, and is not related in a simple way to duration of stay, since a minority of visits in each category can be months in length. Overall, visits lasting more than 3 months accounted for about 15 million visitor nights. Most of these would not be counted as ‘short term migrants’ given their stated purposes. Indeed the ONS estimates only count those coming primarily for employment or study reasons. Others of those coming for over 3 months, as well as a lot of those staying between 1 and 3 months (totalling a further 15 million nights) might also be seen as making more significant demands on some kinds of public services than would be expected from typical holiday or business visitors. This is particularly so, since few are staying in hotels, but typically either with friends/family, in a rented dwelling or in student hostels. Together these represent the equivalent of some 80 thousand residents, as compared with just 16 thousand qualifying as short-term migrants on the ONS definition (or 25 thousand if the minimum stay is lowered to 1 month).

This issue of whether all longer term visitors should be counted or just those coming for employment or study reasons is a particularly significant one for London. This is not because it is more attractive to one of these groups than another. Rather it accommodates, and services, a large share (about 40%) of the national flow for all (table 2.3), only a small minority of whom would get counted as short-term migrants. The other side of the coin is, however, that large numbers of London residents appear among the longer term visitors to overseas areas, especially among those travelling for other than employment or study reasons. The ONS (2007) analysis indicates that (as elsewhere in the country), while there was a net inflow of employment/work motivated short-term migrants, there was an even larger net outflow of people spending a period of some months abroad on extended visits for other reasons. If it makes sense to simply net out inflows and outflows to assess the equivalent population impacts of visitors, the figures suggest that London has a positive net balance among those travelling for employment/study reasons (equivalent to about 19 thousand residents), but a negative balance (equivalent to about 52 thousand residents) among those travelling for other reasons. This is principally among those spending just 1-3 months away. Among all those spending 3-12 months away, for whatever reason, the balance is mildly positive (by the equivalent of 7 thousand residents in 2004-5. What is striking about London’s position then is the scale of the gross inflow, not the net balance.

¹⁰ On the UN definition, which includes all who stay between 3 months and a year, apart from those travelling for purposes of recreation, business, visits to friends, treatment or pilgrimage.

¹¹ Calculations from unpublished microdata.

Table 2.3
Full-Time Population Equivalent of International Visitors and Short Term Migrants 2004-5: London's share

Type of Visitor	From Overseas		To Overseas	
	Numbers (000s)	% of England and Wales total	Numbers (000s)	% of England and Wales total
Employment or Study				
1-3 months	9	38%	2	29%
3-12 months	16	37%	4	29%
Other Reasons				
1-3 months	32	40%	79	32%
3-12 months	24	41%	29	20%
All 1-12 months	81	39%	114	27%

Source: ONS (2007) Table 6

Unfortunately the IPS provides no spatial disaggregation of where visitors actually stay within London. The fact that so many overseas visitors are staying with families - most of whom may be assumed to be foreign born except in the case of those coming from countries of British emigration - suggests that these are likely to stay in the areas with large populations from these origins. Similarly the fact that those staying with friends, coming as students and/or staying in rented accommodation tend to be young, suggests that their spatial distribution may be broadly similar to that of the shorter term migrants from rich countries. Overall, as a first approximation we would suggest that the CBs may attract a similar share of these 1 month-1 year visitors to London as they do of London immigrants, i.e. about 40%, which would imply a set of 1-12 month visitors equivalent on a full-time basis to some 30 thousand residents in the CBs.

2.3.2 Commuters

Counting the numbers commuting into central London is a less contentious business than counting residents, but also involves some uncertainties, both about what counts as a workplace and about how often people travel to these. The Census provides benchmark figures matching people's normal workplaces with their usual residences, while the Labour Force Survey allows changes in the flows between broad areas to be monitored. For central London (as traditionally defined) another kind of information is provided by Transport for London (TfL) with counts of numbers entering the area during the morning peak (7-10 am) on an average weekday. These naturally include some other travellers (notably business people visiting each other's workplaces) but exclude all those (probably growing in numbers) who don't come to their central workplace every weekday. Net daily inflow of commuters is a factor built into government grant calculations.

There is substantial agreement between these sources on the broad scale of commuting into the centre. The 2001 Census (which has the most geographic detail) recorded 1195 thousand people with workplaces in the CAZ, as compared with just 89

thousand workers resident in the area – representing a net inflow of 1.1 million. The TfL counts recorded a number of arrivals in central London on an average weekday about 100 thousand less than the number of jobs. For the much wider area of the central boroughs, the Census records a net commuting figure which is marginally less, since the parts outside the CAZ provided workplaces for 678 thousand workers and residences for 785 thousand.

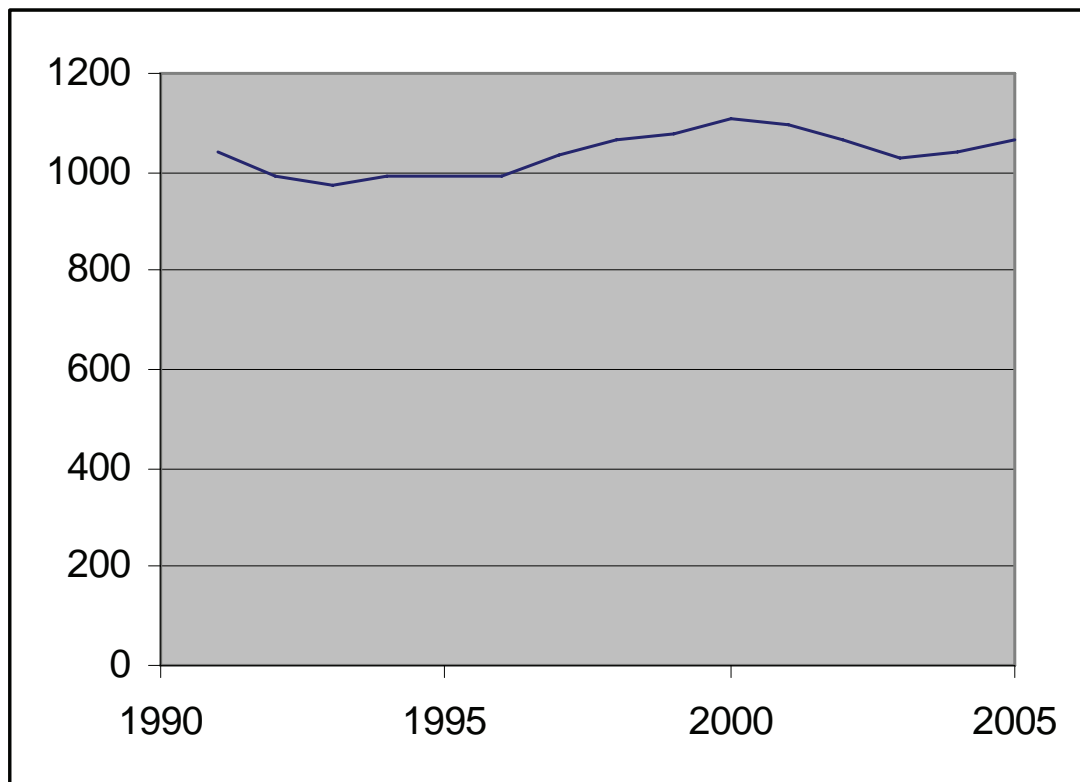
The number of central London commuters has shown some cyclical volatility (figure 2.1). For example, since peaking in 2000, numbers have first fallen by just 7% and then recovered by just 3%. There has been no clear sign of any trend, either up or down, in the number of arrivals over the past 15 years (or indeed since the start of the 1980s).

2.4 Population Turnover

Rates of population turnover in the central areas are consistently well above average, whether measured in terms of all moves of house, which is probably the most relevant criterion, or those across administrative borders.

The 2001 Census recorded an overall turnover rate in the preceding year of 18.7% in the CAZ and 17.4% across the CBs, compared with 13.7% for London as a whole and 11.6% across England and Wales. In terms of moves from outside the borough in question, the rate was 12.8% across the CBs as compared with 8.8% across London. These are proportionately large, if not dramatic, differences.

Figure 2.1
People Entering Central London in the Morning Peak 1991-2005 (000s)



Source: TfL (2006) *London Travel Report 2006*

<http://www.tfl.gov.uk/assets/downloads/corporate/2006-data.xls>

Chapter 3 Population change and resource distribution

The earlier sections of this report consider the methodological issues surrounding the measurement of population within central London boroughs. This part considers the importance of population figures in the allocation of government resources to local authorities. One of the key reasons why councils are likely to be concerned with the accuracy of their population estimates is that a number of major elements of Whitehall support for public services are determined by reference to such figures. Other things being equal, the higher a local or health authority's population, the more money it will receive.

England has a highly centralised system of public finance, with separate arrangements in Scotland, Wales and Northern Ireland. All taxes other than council tax are paid to central government which then allocates resources for service provision on the basis of formulae or as one-off payments based on ministerial judgement. Local government is funded from council tax and from Exchequer support. Some income is also derived from fees and charges, such as public transport fares and council house rents. Since 2006-07, when schools' funding became subject of a ring-fenced grant, broadly half of council income for services is derived from council tax and half from government subventions.

Major public provision such as the National Health Service and the police receive resources from central government on the basis of formulae that are at least partly influenced by official population figures. Local authorities receive three-quarters of their income from Exchequer sources, again on the basis of grants that use official population or school pupil numbers as a key determinant of distribution. Regional development agencies also receive a part of their income in proportion to resident population. Any failure to account for the whole of an area's population will risk leaving an authority with insufficient resources to provide effective public services.

Typically, the formulae used to distribute resources take either the total resident population or part of it (e.g. young people or the very old) and base the distribution of central support to an area on the numbers of people concerned. Thus, for example, resources for some council provision such as libraries or democratic services will fall within a spending need block whose total is heavily driven by total residential population. Others, for example personal social services for the elderly, rely on population numbers for people over 60 or over 85.

Often, the allocations based on population numbers will then be weighted to take account of other drivers of the need to spend such as the deprivation of the people concerned, or the sparsity of an area or the costs of operating in places with high labour costs. There may be separate formulae, separately generated, to measure these weightings. However, in all the formulae discussed below, official residential population is a key driver of the basic formula to allocate resources.

The use of residential population within the formulae used for a number of public services is summarised below:

Local government

The formula grant used to allocate external resources to local authorities uses resident population (and age-based components of population) in several parts of the allocation

formula (House of Commons, 2007). Thus, for example, for ‘Environmental, Protective and Cultural’ services, the bulk of resources are allocated on the basis of residential population, with extra weightings to take account of factors such as sparsity, density and commuter numbers. However, in other service areas, e.g. social services for young adults, a proportion of the whole population is used within the formula. Overall, population is a major driver of resource allocation within the Revenue Support Grant, though some parts of the needs formulae and the final results of the distribution of grant are both subject to damping mechanisms.

National Health Service

The allocation of £70 billion to Primary Care Trusts in 2007-08 was based on an NHS resource allocation formula which distributes money on the basis of a ‘capitation target’ in relation to an existing baseline of resources (Department of Health, 2007). The capitation target is significantly dependent on a measure of resident population which takes into account both GP registrations and official ONS population totals. ONS population figures play a major part in the allocation of money from PCT to PCT, though as in local government, the use of a ‘baseline’ starting-point each year has the effect of smoothing year-on-year allocations.

Regional Development Agencies

A formula has been used to allocate RDA resources in the years of the 2005-06 to 2007-08 spending settlement (Department of Business, Enterprise & Regulatory Reform, unpublished). This formula is significantly distributed taking account of measures of deprivation and worklessness, though there is a small amount of money – equivalent to about £90 million, or 3.8 per cent of the total, in England as a whole – allocated on the basis of resident population

Schools

Since 2006-07, resources to fund schools have been subject to a Dedicated Schools Grant which allocates funds from central government to each council on the basis of the previous year’s expenditure on schools. It is, in effect, a ‘core-and-margin’ system which works in such a way that an authority’s schools receive resources on the basis of what they received – across the whole authority – in 2005-06, plus an additional percentage per pupil for each subsequent year. The annual add-on is based upon pupil numbers taken from an annual survey of schools. Although there can be problems for schools in central London with a rapid turnover of pupils, the pupil number figures are reasonably accurate. However, the 2005-06 starting-point for the subsequent distribution of resources is less obviously well-based, as it relied to a significant extent on historic expenditure patterns that only randomly reflect today’s needs. This issue is separate from, but linked to, the quality of population numbers used within resource allocation formulae.

Other services

Police grant is allocated to police authorities on the basis of a formula that reflects population and other factors such as the propensity of an area to generate crime (House of Commons, 2007a). As a result, police funding is affected by the accuracy (or otherwise) of official resident population figures, though ‘damping’ is applied to the level of grant received by each police authority. Because of the interaction of the allocation mechanism and the damping rules, virtually all of the additional resources made available from year to year are allocated as the result of the damping over-ride. This means that police funding in any particular year now heavily reflects past

spending allocations and has relatively little capacity to adapt to social or demographic change.

If the official estimates of population used in calculating funding are erratic, with adjustments made from time to time, this would also have a negative impact on an authority's capacity to deliver services. Indeed, if there are significant changes to authorities' grant allocations, there is likely to be pressure to 'smooth' them. Such damping, which is used in both local government and NHS funding formulae, will then impede the capacity of the formula concerned to target resources where they are needed. This will be a particular issue where service needs change rapidly.

Central London, in common with all densely populated areas, is particularly dependent on public services. The compactness of the residential and commuting population within the boroughs that deliver services in the city centre will generate relatively greater demands for provision within a small geographical area than might be the case in thinly-populated suburban or rural areas. Indeed, some allowance is made within the local government formula grant for 'area costs' within higher cost authorities. The mobility of the capital's population, with a continuous 'churn' of new residents, is likely to further increase the need to spend within such places.

Funding formulae for different services are expected to measure relative spending needs and then compensate localities for differences in such needs from place to place. If population figures are inaccurate or erratic, there is a serious risk that allocations will be inappropriate. Some areas will receive more and others less than they require to provide a broadly consistent level of service.

Table 3.1 shows the official population totals used for Westminster, London and England in the Revenue Support Grant Settlements for each year from 1998-99 to 2007-08. The figures for England rise by 200,000 to 300,000 in most years, equivalent to about half of one per cent per annum. The London figures are, as might be expected, rising slightly faster. However, the numbers fall by just under one per cent in 2003-04 at the point new population estimates were introduced.

The figures in Table 3.1 show a borough population total that appears to be rapidly changing. Although Westminster's numbers are the most prone to rapid adjustment, the authority is a reasonable example of the of the London picture in central and inner London. There was a 20 per cent increase in the authority's population between 1998-99 and 2002-03 then a sharp, 20 per cent, fall in 2003-04. Thereafter, the population has grown by 26 per cent in the four years up to 2007-08. Such rapid changes, with a sudden reversal in the middle of the nine-year period suggest there may be methodological problems within ONS's population estimates that impact on the council's grant allocation.

Table 3.1
Population used in RSG settlements, 1998-99 to 2007-08

Settlement Year	Population used in the Settlement		
	Westminster	London Total	England
1998/99	204,063	7,074,265	49,089,085
1999/2000	212,300	7,122,171	49,284,242
2000/01	220,846	7,187,272	49,494,582
2001/02	231,601	7,285,045	49,752,864
2002/03	244,597	7,375,065	49,997,089
Amended 2003/04	203,329	7,322,403	49,449,746
Amended 2004/05	214,387	7,371,239	49,646,853
Amended 2005/06	222,018	7,387,868	49,855,740
2006/07	248,498	7,520,860	50,483,106
2007/08	256,193	7,566,950	50,703,001

Source: House of Commons, 2007

Westminster is an outlier in terms of the speed and magnitude of change to its population. However, Kensington & Chelsea has also suffered unusual population adjustments. The central London boroughs, because of their position in the middle of a global metropolis and with an unusual demographic make-up, would appear particularly susceptible to any failures to measure population – or its components – accurately or consistently.

In the years since the earliest results of the 2001 Census were published, a number of councils have challenged their population figures. Not all of these councils were in London. Manchester and Forest Heath also discovered their population figures were to be adjusted downwards as a result of the Census figures. After vigorous campaigning and the publication of research, the ONS made adjustments that in part replaced the ‘missing’ population. But disagreement and uncertainty has continued to surround the population figures.

Looking ahead, it is likely that another new set of ONS estimates will be used for RSG purposes for 2008-09 and beyond – or at least until further new estimates are produced. For Westminster, the new number is broadly unchanged for 2008-09 as compared to 2007-08, though even this represents a change from the fast growth implied by the earlier set of figures in use. But for other boroughs in central London, there will be significant changes in their populations. Camden, for example, will experience a 7.0 per cent uplift in 2008-09 and Southwark a 5.5 per cent increase. Kensington & Chelsea, by contrast, will experience a 1.5 per cent fall.

Table 3.2
Populations used in RSG settlements for 2007-8 and 2008-09

	Projection used in 2007/08 Settlement	Data expected to be used in 2008/09 Settlement		
			Change vs 2007/08	
	000s	000s	000s	%
Camden	224.0	239.6	15.6	7.0%
Greenwich	231.5	228.0	-3.5	-1.5%
Hackney	212.6	208.7	-3.9	-1.8%
Hammersmith and Fulham	177.2	175.8	-1.4	-0.8%
Islington	185.5	185.6	0.1	0.1%
Kensington and Chelsea	199.1	196.8	-2.3	-1.2%
Lambeth	265.4	270.8	5.4	2.0%
Lewisham	245.0	251.5	6.5	2.7%
Southwark	252.6	266.4	13.8	5.5%
Tower Hamlets	215.6	219.8	4.2	1.9%
Wandsworth	279.2	281.7	2.5	0.9%
Westminster	256.2	256.3	0.1	0.0%

Source: House of Commons, 2007

It is clear the population numbers used in RSG calculations for central London boroughs are sufficiently erratic to beg questions about their accuracy. The problems caused by rapidly changing population numbers include the risk that grant allocations will move around unpredictably from year to year. This difficulty is particularly acute at a time when inflation is low and where council tax is capped. A sudden reduction in grant would, other things being equal, require a sudden cut in expenditure.

As explained above, in an attempt to avoid such a lack of predictability, the Department for Communities & Local Government ‘damps’ elements within the needs formula and the allocation of grant so that no major authority finds itself with sudden losses of central support. ‘Floors’ have been introduced to ensure that all councils will receive a minimum grant uplift from one year to the next. However, the difficulty with grant ‘floors’ is that they impede any possibility of redistributing grant to councils with rising needs – on the assumption that accurate population figures are driving a formula that measures spending need effectively. As it is, the formula used to measure relative expenditure need includes no explicit allowance for many of the cutting edge issues faced by central London boroughs. International in-migration, in particular, is not recognised explicitly in the ‘needs’ part of the formula.

Specific purpose grants

In recent years, the government has relied increasingly on the use of specific-purpose grants. These allocations to local government (and similar allocations to other bodies) are not based on formulae, but result from one-off determinations within Whitehall. A key example of this kind of grant is the complex array of regeneration funding initiatives or the bulk of housing grants to councils. Policing is partly funded by specific grants and partly by general local authority funding. Indeed, population numbers affect both kinds of police funding.

Specific grants allow ministers to distribute resources at their discretion. It is now difficult, because of damping arrangements, for the government to use formula-based mechanisms to respond to sudden changes in spending needs. As year-to-year NHS funding increases diminish in the years ahead, this problem is likely to become more of an issue in health provision. Access to one-off grants or time-limited discretionary funding streams provides a way for Whitehall to offer additional funding for areas with new or rapidly increasing expenditure needs.

The government has allocated specific grant funding to authorities with the kind of expenditure needs that are likely to have increased in central London in recent years. From time to time, resources have been made available in this way for translation services, to fund the costs of asylum seekers and to provide skills training for migrants. Additional resources have been made available to London boroughs for a number of other purposes, including emergency planning.

Councils have been able to receive funds through the Local Authority Business Growth Incentive (LABGI) scheme, which has encouraged authorities to increase their non-domestic rate base. But such payments are unpredictable and cannot be built into regular planning. Specific grants are often paid for only a short period of time. The government announced in October 2007 that LABGI is to be substantially reformed, with no payments made in 2008-09. If formula-based funding is not sensitive enough to meet complex new expenditure needs, central London authorities will continue to be forced to bid for specific and other one-off grants whose distribution cannot be forecast with certainty.

Conclusions

Central London authorities might expect to have relatively rapidly changing expenditure needs. In many comparable cities, this would not be a problem. In New York, for example, the Mayor recently published *PlanYC* (Mayor of New York, 2007), which provides a long-term programme for the city to grow and develop its infrastructure. As the city's population is forecast to grow, the Mayor's plan shows City Hall's tax revenue increasing sharply. This projected income increase will, according to the plan, be used allow the city government to borrow money to invest in new subways, affordable housing and environmental improvements. The municipality is not, as it would be in London, in a position where its residents pay virtually all their tax to upper levels of government and, thus, the city would have to bid for additional resources for revenue and capital spending as its population and economy grew. Even in European cities it is generally possible for growing cities to keep part of any increase in their tax base. The arrangements in England make it almost impossible for the central London authorities or the GLA to derive an increase in their resources from a growth in residential or business tax bases.

In addition to the difficulty faced by authorities in benefiting from any growth in their tax base, the paragraphs above have shown how the public sector resource distribution formulae currently in use are generally impeded from recognising rapidly changing needs. Difficulties faced by ONS in providing consistent and agreed population figures have led to changes in the grant allocation rules that now impede the sensitivity of the allocation of Exchequer support to councils. However much effort ONS may have put into ensuring that their population figures are the best possible, the erratic changes that have been made to such numbers since the publication of the 2001 Census results imply potential difficulties for authorities that rely on these data for

resource allocation. Recent, well-intentioned, efforts to improve the counting of international migrants will further undermine the consistency of the figures. It is almost certain that further significant revisions will be made in future.

The onus is now on central government to find a way of fairly reflecting the expenditure needs of central and inner London, recognising that an area of this kind with such a massive concentration of often-transient economic activity and people is likely to provide official statisticians with insoluble problems. It is not ONS's fault that so much public money is distributed on the basis of their population figures. Nor is it ONS's responsibility that changes in factors such as population have contributed to the need to 'damp' grant allocations.

There are other one-off or exceptional demands on public services in central London and the surrounding area, such as the payments made to the Metropolitan Police to cover the costs of protecting the Royal Family and diplomats, or the government's massive recent investment of resources in the capital's transport. The needs of the central London authorities probably need special treatment to ensure they and their residents are provided with services no worse than those provided elsewhere in the country. In a system as centralised as Britain/England's only Whitehall can evolve arrangements of this kind.

Chapter 4: The Extent of Potential Cost Differences in the Central Boroughs

4.1 Introduction; sources of higher costs

There are a number of distinct reasons why the costs of providing public services may be higher in central boroughs than elsewhere. These include:

- The costs associated with those who are not included in the population count for the purposes of relevant grants;
- The costs directly associated with the higher levels of mobility in the central boroughs – i.e. those which are proportionate to the extent of mobility and churn;
- The disproportionate costs of providing services to certain groups of households, including the disproportionate costs imposed by certain groups on others;
- The costs to local services associated with higher levels of turnover and business activity as compared to the population base for funding allocation; and
- The higher costs of producing given levels of service in central boroughs arising from the greater complexity of the services, higher wages and higher staff turnover.

Much of the evidence put forward by boroughs shows that there are significant numbers of short term migrants, some of whom will be illegal (see chapter 2 for the discussion of numbers involved). Such groups are disproportionately concentrated in the CBs. What it also shows is that many of these will live within another household – often with members of their home communities and will be invisible from the point of view of services. Others will however live in hostels and will require services to enable them to settle – indeed the EU sponsored URBACT review of the costs of migration and mobility on services suggested that there were significant costs in terms of services to help people, such as asylum seekers or homeless households, move from specialist support services to mainstream provision and self reliance (URBACT, 2005). Thus although many of those who are not included in the population count may use relatively few services even these are not included in grant allocation. Equally, there are small proportions who will impose disproportional costs.

With respect to more mainstream migrant and mobile households, who are included in the population count, on average such people will be younger and better educated than indigenous population and initially at least will come with few dependents. As such they will use fewer services, notably with respect to education and social services. Even in the context of housing they will usually make fewer demands than their indigenous comparators – forming fewer households from a given population and disproportionately living in the private rented sector at higher densities. However there will be a small proportion of such households who will need additional services mainly because they have special needs (Gordon et al, 2007).

After the initial phase however it is helpful to distinguish between migrants from richer countries in relatively well paid employment – who will continue to make few demands on local services and who will normally stay in London for relatively short periods and those from poorer and asylum seeking countries. The impact of the first group is mainly on the housing market in terms of pressures to increase prices and costs of living. As they are replaced by similar migrants after a relatively short period, there are costs relating to turnover – but these are relatively minor as compared to the impact of those remaining for long periods or for life.

The second group tend to remain for much longer and continue in relatively low paid employment. The longer they remain in the country the more they use local services as they settle and have families; require social services; and look for better accommodation. It is this group who are in competition for scarce local services with established households and in particular may need social housing into the longer term. It is also this group who may impact of social cohesion.

The position of those from the A8 countries is not clear at the moment. Many do come for short periods or almost commute. However there is also evidence that significant proportions bring their families quite early on and intend to stay for much longer. These households can be expected to use health, education housing and social services at least to the same extent as the indigenous population.

Disproportionate costs are associated with a small sub-group of such households who for one reason or another face problems and require additional services or generate additional costs related particularly to translation, language educational and social services – as well as housing and housing management and in certain circumstances police services.

Overall therefore we can identify different types of costs associated with different groups of mainly mobile households who are particularly concentrated in the CBs. Many will have lower costs because they do not access services; others will incur additional costs – e.g. in Accident and Emergency – because they have not bothered to register; still others will tend to the average for the borough; while a small proportion will need additional services both as they settle in and possibly once they are fully part of the community.

Private sector costs, such as the costs of laying a metre of sewage pipe or running the bus services, will generally be higher in the CBs both because of the concentration of activity and the higher costs of labour and other factors of production. These costs impact on the costs of living, working and business and therefore on London's competitiveness. Many of these costs are not directly related to population estimates and churn. Others will be similar to those faced by the public sector.

It is not easy to evaluate the picture with respect to relative costs in part because evidence, e.g. from regulators, normally looks at firms and their efficiency rather than undertaking spatially specific analysis. The evidence from OFWAT in their regular returns for instance shows that operating costs are well above average and points to the very large investments required to upgrade both water and sewerage¹².

¹² Water Service Regulation Authority website <http://www.ofwat.gov.uk/>

On transport, a report by the Commission of Integrated Transport (2007) showed massively higher revenue expenditure per person on bus services in London as compared to anywhere else in the country. This in part reflects the very much greater reliance on buses in London. A comparison published by the same organisation (2007a) of European cities showed that the costs per bus and per person was both far higher than the average in part because of congestion and in part because journeys are longer.

4.2 Examples of increased costs

In this section we look at evidence on costs for a number of different services. In the main however cost information is very limited – and estimates relating these costs to any relevant element in formulae or to special grants almost non-existent (Travers et al, 2007: Institute of Community Cohesion/Local Government Association, 2007). The paper by Travers et al provides references and more detailed analysis of many of the examples discussed here. That by the Institute of Community Cohesion additionally identifies child protection and migrant safety as being of particular concern.

Administrative costs of mobility

Administrative costs include electoral and council tax registration, which are likely to be proportional to the extent of mobility in the borough. Other administrative costs such as translation, administering housing benefit and council tax benefit; and ensuring access to social services relate far more to levels of deprivation and to mobility of low income households and to international migration.

Estimates of costs for the electoral register suggest at least £30,000 per 500 additional registrations – which is directly related to mobility in the borough. Turnover of council tax registration may be 35-40 % per annum in some of the boroughs included in the CBs, especially those with large proportions of private renting.

Estimates of language and translation costs are very limited but suggest perhaps £50 million across the capital which is disproportionately concentrated in CBs (ECOTEC, 2004). Some estimates suggest that language training might cost around £1,000 per trainee.

Housing

Among both new migrants and those who have settled in London there are a significant proportion who require assistance with housing in either the short term or in longer term secure social housing. Housing administration, management and enforcement costs all increase while the pressures on housing services add additional costs. Temporarily housed households will often move on generating further administrative costs.

Accommodation that is vacated will often need refurbishment. Equally increased demand for housing especially from migrants will increase the demand for Houses in Multiple Occupation – which impose higher regulatory costs and sometimes increase the costs of social services. This is almost certainly one of the major areas of concern – in relation to the safety of the households and the quality of the accommodation provided. It is an area where local authorities now have additional monitoring and enforcement responsibilities which are expected to add considerably to their costs. In

addition there is evidence of increased planning enforcement costs arising from the use made of dwellings and land owned used by migrants.

The direct costs of services associated with asylum seekers and refugees are now borne by central government. However large numbers of such households do not go through the national system but rather go to family, friends or support agencies – most of who are located in London. A proportion of these households are likely to put additional pressure on homelessness, housing and social services.

Boroughs are, by law, responsible for support to persons from abroad with no recourse to public funds. One borough provided evidence of their need to spend some £1.2 million in 2005/06 for such support. This is probably on the high side for central boroughs – but in all cases the expenditures are likely to be significant – and only partially covered by government grant.

The most important elements of housing costs are associated with homelessness and households in temporary accommodation. Some 65,000 households in London are officially categorised as homeless. These are categorised by ethnicity and household type but not migration status – except to the extent that they come from A8 or A11 countries. The numbers of Eastern European households presenting as homeless is still very small but is growing rapidly – in part because they are more likely to have families who have rights of entry. The costs relate not only to the provision of temporary and ultimately secure accommodation but also to the well documented costs to education, health and social services of those in temporary and insecure accommodation.

At the limit are the issues related to rough sleeping. Large numbers of mobile people sleep rough for a few nights at some time during their time in London. Many of these impose few costs on others and do not make use of local services. Others however require very significant assistance to find accommodation and to deal with the problems associated with sleeping rough and associated problems of drink and drugs. Again the numbers are relatively small, although thought to be increasing – and the costs are mainly borne by central boroughs especially those with transport links to other parts of the country and to Europe.

Education

In the context of education, undercounting is unlikely to be a major issue. However there are costs both proportional and disproportional associated with migration and mobility.

Initially migrant costs here are lower than average because there are fewer children. However over the next few years the majority of children in London will be born to migrant mothers and it is clear that a younger population generated by immigration increases the demands for education services. There are also studies showing the problems of turnover in staff and the positive and negative impacts of using large proportions of foreign born teachers and other education staff.

There has been considerable study of the impact of mobility and churn on the quality and costs of education provision (Association of Local Government, 2005). The comparative study by URBACT found that pupil turnover has a detrimental impact on a student's academic achievement as well as cost implications for schools (URBACT,

2005). Inner London averages conceal in-year mobility rates as high as 60 per cent within particular schools. Pupil mobility also links with housing circumstances and is worsened by use of temporary accommodation.

The study for the former ALG (now London Councils) found that the impact of pupil mobility was twofold:

First, mobility caused additional administrative costs for registering new children at non-standard times and for building links with parents. These administration costs were quantified by the study at £400 per new enrolment for primary schools and £800 for secondary schools. In addition pupil mobility also required unquantifiable work involving teachers and others such as extra learning and teaching support staff, which has been estimated to fall within a range of zero to 62 hours per child. Maintaining a record of the educational progress of a child and co-ordination between services of different boroughs, notably where people live and work in different parts of the city, were also identified as increasing costs.

Second, mobility created disruption within the class, often as the result of a lack of language skills among newcomers or difficulties for disadvantaged children facing the National Curriculum. Children who had recently moved or move frequently were more likely to be truant. Some of the children who changed school were also likely to be pupils who were at risk of exclusion from their previous school and may have moved to avoid such a penalty. These young people were disproportionately likely to cause disruption in classes.

Other studies, notably of key workers, have shown that higher staff turnover and the limited experience of many teachers working in central London add significantly both to the costs of education and to the capacity to maintain effective links with parents.

Policing

There are many different aspects of policing which suggest that the costs of providing the service will be higher in central boroughs than elsewhere in London let alone the rest of the country. Some of these are relatively well documented; others are more a matter of qualitative understanding (Stockdale et al, 2002; Gordon et al, 2004 chapter 6). Some of these are included in the formulae but in most cases the differential costs are probably not fully taken into account. Many may result in lower real service levels rather than higher direct costs.

Reasons for higher costs include:

1. The numbers of police in the capital are about 25% more per head of population than in the rest of the country.
2. London and particularly central areas provide large numbers of services unrelated to population or levels of crime in the area. These include policing official activities and dealing with terrorism. Existing funding mechanisms are designed to compensate for this – but it is clear that many costs, notable those of disruption to local police services associated with the lumpiness of these requirements are not fully taken into account.

3. Crime is particularly concentrated in deprived areas both absolutely and to a lesser extent proportionately. To the extent that deprivation is concentrated in part of the central areas this imposes additional costs on policing services, only partly compensated for within the formulae.
4. Certain types of crime are particularly concentrated in the central areas – including crimes of violence and crimes against the person by strangers. Violence by strangers is particularly high in the City of London, Westminster, Tower Hamlets and Wandsworth. To a great extent this reflects the extent of commuting and non-resident activity in these areas – of particular relevance to the CAZ. Car crime and car dumping are also concentrated in central areas. To a significant extent these are ‘higher cost’ crimes both in terms of police inputs and in terms of the negative impact of the population’s perceptions of safety and security.

Linked to this is the fact that detection rates are particularly low in the capital suggesting that the cost per effective control of crime is higher in London and particularly in central areas. The costs of recruitment and turnover, together with higher salary related payments per officer, points to significantly higher costs to achieve a standard service.

Moreover, while the proportion of Londoners who feel that crime and perceived threats to personal safety have fallen in London over the last few years a majority feel that fear of crime is adversely affecting their quality of life.

A final issue relates to business crime. In a survey across the country some 50% of businesses had been the victims of crime including especially vehicle crime and burglary. Many businesses saw this as associated with the neighbourhood in which they operated – especially in non residential areas. These factors are not included in funding allocations and data are generally poor. Serious fraud is of particular importance to the City. Concern about organised large scale crime is more widespread but also concentrated in London and big cities. Both of these are now dealt with separately from general policing – but still impact on the costs of that policing.

4.3 Overview

Central boroughs clearly have more mobile and varied populations than either the rest of London or the country as a whole. To the extent that this population generates costs of mobility and requires additional services these are likely to be reflected in high costs for both private and public sectors. They are unlikely to be fully reflected in the revenues provided by central government.

Additional costs – either because of higher mobility and therefore larger numbers or because of disproportional needs – have been identified in the literature in relation to a range of local services from housing to policing as well as simply in terms of administration. However in the main the extent of additional costs is difficult to measure effectively.

Equally there is evidence that the costs per unit of service provided will tend to be higher in central boroughs because of the high costs of living, higher turnover levels and the complexity of the job for service providers. Some of this is reflected in poorer services as much as higher costs – impacting negatively on the quality of life and on

social cohesion. It may be difficult to put an exact figure on these costs but commentators generally agree that they are large scale and concentrated in the central boroughs.

Finally the non residential costs, from providing for waste disposal, cleaning the streets, ensuring adequate transport and improving safety and security for businesses are all likely to be higher than average. Yet council funding is based on a weighted population-based formula which does not take account of turnover or other requirement measures. Both the government grant formula and official population figures are imprecise and often insensitive to the kind of rapid changes witnessed in central London.

5. Conclusions

The local authorities within the centre of the capital face all the economic, social and public service pressures that are an inevitable consequence of operating in the middle of a very large metropolis.

In the context of booming international migration into the United Kingdom, central London authorities face strong growth in demands for services. Resident population numbers within central London have been increasing at a rate above the London average. The area also attracts both groups who are not formally residents and others who may not even be counted.

The Census, which should be the most reliable basis for public service planning and resource distribution is at its weakest in central London. High rates of non-response together with significant gaps in address registers have led both to great uncertainty about numbers (overall and in particular groups) and to a series of adjustments, up and down at different points over the last five years.

Population figures for several of the major boroughs are still contested. In our judgement, although there are many sources of uncertainty about local population, there are two specific instances where there may be significant under-counting of relevant local population numbers (as distinct from the wider issue of uncertainty about numbers). These relate, first, to illegal migration and, second, to the floating population of international visitors who do not count as residents.

The case in relation to illegal migrants is more straightforward. Irrespective of their status these residents like any others generate demands for services which providers of local public services have to meet. They are not totally excluded from local population estimates, since most are at least in principle counted in decennial Censuses which provide the benchmarks for local population estimates. But a significant (substantial and unknowable) minority are recognised to be missed by the Census. Moreover, inter-Census updates make no provision for estimating further inflows. Applying the Home Office's national assumptions about numbers and Census coverage to the central London situation, we estimate that the omitted population in these boroughs is likely to be some 50,000 now, and growing annually.

The case in relation to visitors and/or short-term migrants is more complicated. Central London has a strong concentration of these groups, who make demands on local services but are explicitly omitted from resident population figures. Those in central London staying for between one and 12 months are estimated to represent the equivalent of something like 30 thousand additional full time residents. On the other hand, it is true that at any time at least as many local residents are liable to be abroad on extended trips.

The case that additional provision should be made in financing local services for short term visitors depends essentially, then, on a judgement that there are important costs associated with turnover in the international population, and/or that visitors make greater demands than would have been made by those Londoners who are currently absent.

‘Churn’ is a third, separate, issue. The movement of large numbers of residents in and out of central boroughs has serious consequences for the authorities involved. Some elements of ‘churn’ are very short term (e.g. commuting, tourism), while others have longer-term implications (e.g. permanent migrants, returning UK citizens). A residential population that regularly changes because of movement of this kind will present the boroughs concerned with a continuous challenge.

The combination of the costs associated with this churn with underestimates in certain categories, real volatility in numbers and the re-setting of population estimates used for resource allocation impact strongly on the capacity of local government and NHS resources to cope effectively. Councils find themselves with levels of resources moving out of step with their actual expenditure needs, while being increasingly challenged by the sheer scale of change and the changing mix of demands that they face.

The unique combination of high rates of turnover, international migration and household diversity in central London present challenges which mean that the ONS is unable to provide reliable estimates of population numbers using standard methods which function adequately in other parts of the UK. That is understandable, but the consequences are unacceptable when the distribution of huge amounts of public money depend on central government’s estimates of the relevant populations.

Unless reliance on these population-based formulae as the means of adjusting resource provision to changing demands can be greatly reduced – whether by a further shift toward specific grants (which are bad for local democracy) or by broadening the local tax base (which cannot be counted on) – estimates of population change for areas in central London have to be made much more reliable.

Some progress can be looked for from present ONS efforts to improve measurement of migrant flows. In the long run, we can hope that lessons learned from the last two Censuses will yield a more determined effort to account fully for the resident population of central boroughs when the next great benchmark is set in 2011. With even more demographic flux over the present decade than in the last, we can, however, still reliably predict that thereafter rolling-forward population estimates in the conventional way for another 10 years will again result in a sizeable discrepancy vis-à-vis the Census count at the end of the decade. Serious attention should now be given to finding other means of generating inter-Censal counts (or canvasses) as a check on the roll-forward process.

Central London is important to the wider economy of London and the UK. If public service provision is inadequate because of inadequate population – or indeed other – data, there will be an increasing threat both to social cohesion and economic competitiveness. Large, densely-populated, cities and their central areas rely heavily on publicly-provided (or regulated) infrastructure and services. Inaccurate population data and unresponsive funding mechanisms could pose a longer-term threat to central London’s capacity to deliver for the wider economy.

Population figures are subject to major uncertainties particularly about the numbers of illegal migrants and short term visitors both of which are concentrated in central London.

Changes in population estimates impact on funding because they result in regular resetting of the baselines against which resources are allocated.

Funding therefore tends to be inadequate both because of undercounting and because the volatility in the figures means that changes in funding allocations must be damped. Such damping then makes it impossible to take account of any migration-driven population increases.

Churn is important because it adds to the costs of providing services – even were the population to be constant. In highly mobile areas service provision is more complex than in stable communities and has to adjust to ever changing demands.

The central London boroughs have the greatest uncertainties about numbers; the largest differences between actual population and official estimates; the greatest costs to providing additional services; and are dependent on population based formulae for central funding.

Bibliography

- Association of Local Government (2005) *Breaking Point: Examining disruption caused by pupil mobility*, London, ALC
- Commission for Integrated Transport (2007) *Moving forward: better transport for city regions*, London, CfIT
- Commission for Integrated Transport (2007a) *Are we there yet? A comparison for transport in Europe*, London, CfIT
- ECOTEC (2004) *Providing interpretation and language seminars to job seekers*, London, Department of Work and Pensions
- Gordon I, Travers A, & Whitehead C (2004) *London's Place in the UK Economy*, Corporation of London
- Gordon, I.R., Travers, T. and Whitehead, C.M.E. (2007) *The Impact of Recent Immigration on the London Economy*, London: City of London Corporation.
- Hatton, T. and Tani, M. (2005) 'Immigration and Inter-Regional Mobility in the UK, 1982-2000', *Economic Journal*, 115, F342-F358
- Home Office, Department for Work and Pensions, HM Revenue & Customs and Department of Communities and Local Government (2007) *Accession Monitoring Report: May 2004 – December 2006*, online publication:
<http://www.ind.homeoffice.gov.uk/6353/aboutus/accessionmonitoringreport10.pdf>
- Institute of Community Cohesion (2007), *Estimating the scale and impacts of migration at the local level*, London, Local Government Association
- Office of National Statistics (2006) *Travel Trends: A report on the 2005 International Passenger Survey*, Basingstoke: Palgrave Macmillan. [available at:
http://www.statistics.gov.uk/downloads/theme_transport/traveltrends2005.pdf]
- Office of National Statistics (2007) *Research Report on Short-Term Migration*, available at:
http://www.statistics.gov.uk/about/data/methodology/specific/population/future/imps/updates/downloads/STM_Research_Report.pdf
- Sharfman A. & Smith J. (2007) "The feasibility of making short-term migration estimates" in *Population Trends*, no 127, Spring
- Stockdale, J, Whitehead, C. & Rennie, R. (2002) *Policing and Deprivation: A Review of the Evidence* London, LSE London
- Travers, A, Tunstall, R. & Whitehead, C with Pruvot, S. (2007), *Population, Mobility and Service Provision, A Report to London Councils*, London, London Councils
- URBACT (Integrated urban development transnational exchange) (2005) *Building Sustainable Urban Communities*, URBACT Study, Greater London Enterprise

Woodbridge, J. (2005) *Sizing the unauthorised (illegal) migrant population in the United Kingdom in 2001*, Home Office Online Report 29/05, <http://www.homeoffice.gov.uk/rds/pdfs05/rdsolr2905.pdf>

Central London Forward

Central London Forward (CLF) is a local authority-led group which draws upon existing partnerships and stakeholders to provide cross sector support and views on Central London issues.

CLF's purposes are:

- ▶▶ To influence policy on major issues affecting Central London, including making the case for additional resources.
- ▶▶ To promote the strategic importance and needs of Central London with a focus on sustainable economic development and the improvement of the quality of life of workers, residents and visitors.
- ▶▶ To identify and co-operate on areas of mutual interest to partners, including tourism, the Olympics and its legacy.

CLF pursues these purposes through the following activities:

- ▶▶ Engaging with and lobbying policy makers, including the Government and the Mayor
- ▶▶ Initiating and encouraging research on Central London issues
- ▶▶ Collating statistical and factual information on Central London as an entity
- ▶▶ Promoting and broadcasting the case for Central London
- ▶▶ Developing and co-ordinating shared programmes and funding bids for work that would further its purposes, including engagement with London's sub-regional partnerships.