



# London Sustainable Development Commission (LSDC)

The Commission was established in 2002 to advise the Mayor of London on ways to make London a sustainable, world-class city. The Commission is an independent body challenging policy makers to promote a better quality of life for all Londoners, both now and in the future, whilst also considering London's wider global impacts.

The LSDC's vision is presented in 'A Sustainable Development Framework for London'<sup>1</sup>. In practice, achieving a better quality of life is about:

- Having access to quality education, jobs, services, housing and leisure;
- Living in an environment which is healthy, resilient and stable now and into the future;
- Living and working within a society which is democratic, just, engaged, diverse, responsible, supportive and vibrant;
- Being fulfilled, healthy and with sufficient personal resources to enjoy life.

Whether as individuals, communities, businesses or governments, our journey towards sustainability means we need to think about the social, economic and environmental impacts of everything we do. We must make the most out of available opportunities, designing out negative impacts and minimising them as a last resort.

The Commission is made up of individual experts from the economic, social, environmental and London governance sectors. Commissioners give their time voluntarily, promoting sustainable development, embedding sustainability into London wide strategies, and helping make sustainability a meaningful and understandable concept for all Londoners.

One of the ways the LSDC assists London is to identify priorities for improving sustainability and to provide an overview of how well London is progressing against a core set of key sustainability indicators. This report is part of that assistance.

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Founded in 1983, CAG Consultants is an independent, employee-owned co-operative. CAG provides support, policy advice and training in a wide range of fields relating to sustainable development and climate change, regeneration and stakeholder & community involvement. It focuses on delivering high quality, innovative and thoughtful work for its clients, who include government departments, local authorities, public agencies, the NHS and regeneration and community planning partnerships across the UK. CAG prides itself on its strong ethical approach and its commitment to social justice and improving and protecting the environment.

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GLA

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## **Part 2**

See Evidence Report

## Foreword

The Mayor has talked of making London the world's best big city. The London Sustainable Development Commission (LSDC) supports this aspiration and believes that as part of being 'best' we should work to make London the benchmark for sustainable cities by 2020.

To improve our chances of achieving this we need first to know what this would mean in economic, environmental and social terms, where we currently stand and lastly measure progress against resulting actions to achieve this.

How do you capture the dynamic, vibrant, culturally diverse, sometimes chaotic, kaleidoscopic place that is London?

The Quality of Life report that follows is an attempt to measure progress. It shows a snapshot of how things have changed since our last report three years ago. Our analysis of 33 indicators helps to reveal the story. Of course this is not the whole story. We would like to have gone wider and deeper, for example exploring issues of public health like obesity and diabetes, and drilling down further to borough level. Some figures conceal telling variations, which reflect London's remarkable diversity and rates of progress. We would also have liked to say more about how London compares with other big cities globally.

The challenge is to draw the right conclusions from the indicators. Many are best understood in the context of a combination of other indicators, whether they cover for example, social cohesion, climate adaptation or the green economy. Even if we could measure everything, immeasurables such as policy commitments, perceptions and expectations play a part.

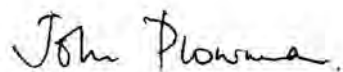
So the indicators provide pointers, not prescriptions for action.

Fortunately technology, whether electric vehicles, renewable energy or recycling is becoming more affordable by the day and the capacity to monitor and measure what is happening is becoming greater. We have the tools to make London a much better connected, more efficient, self regulating, fairer, more intelligent city: one that demands a lot less than the current equivalent of 2.5 planets to support it.

Moreover, the LSDC firmly believe that London's resilience and competitiveness depend crucially on its capacity to innovate and make the most efficient use of its resources. That will give it the edge it needs to retain jobs and support the growth needed in an expanding city.

This latest report is a contribution to the evidence. It reveals that progress has been made in some areas, which is something to be celebrated. The challenge, though, is how to lessen the evident gap in social equality which leads to a poorer quality of life for many Londoners. We believe the jobs and growth agenda is critical to tackling this, but it must be linked to stronger environmental performance and increased citizen engagement.

As a Commission we will look at how we can help the Mayor and others realise this in the coming years. Commissioners, who are drawn from a wide range of backgrounds, and who are all actively engaged in promoting sustainability in their companies, organisations or communities, look forward to playing their part in this.



**John Plowman**

Chair, London Sustainable Development Commission

# Introduction

In 2012, sustainable development matters more than ever in London. Recent events – such as the global economic downturn and the riots of 2011 – combined with longer-term issues – including climate change, increasing resource scarcity, over consumption and population growth – threaten to conspire to create a ‘perfect storm’ of quality of life challenges for the city.

Sustainable development offers an integrated economic, social and environmental framework for creating a London not only resilient to these challenges, but one that secures quality of life now and for its future citizens.

What’s more, as a global city, London is well positioned to act as a leader of sustainable urban living, demonstrating how a world city can succeed economically and socially in ways that enhance and protect the environment.

## **Purpose of the report**

The purpose of this report is to provide a snapshot of London’s quality of life and to identify the sustainability issues London faces. It provides baseline data that will inform the Commission’s future work programme and advice to the Mayor.

The LSDC produced the first Quality of Life (QoL) Indicators Report in 2004 and subsequent reports were produced in 2005 and 2009. The previous reports can be found at [www.londonsdc.org](http://www.londonsdc.org).

## **London since the last QoL Report in 2009**

London has evolved since the last QoL report was published in 2009. The results of the indicators reflect aspects of these changes but there are also a number of developments that provide a useful context when considering London’s progress in improving quality of life in 2012.

On a global scale, perhaps the most significant issue since 2009 has been the continuing **worldwide economic downturn**. As a global city, the impacts of the **financial crisis** and the subsequent economic recession have been wide-ranging, particularly given London’s position as a financial centre for the world.

The last few years have also seen an **increase in commodity prices**. In 2008 oil prices went beyond \$100 a barrel for the first time. Whilst prices have fallen since, they are expected to continue to remain high and volatile in the future<sup>2</sup>. Similarly, there was also a surge in food prices in 2008. Scarce natural resources in some regions, increasing energy prices and more frequent extreme weather events are likely to contribute to further price rises and unpredictability in the future<sup>3</sup>.

Closer to home, the **riots** in London in the summer of 2011 brought issues such as community cohesion, social exclusion, family breakdown, gang culture, unemployment and moral decay into sharp focus. The **London 2012 Olympics and Paralympics**, on the other hand, has resulted in significant regeneration for East London, as well as a range of economic, social and environmental impacts that have yet to be fully quantified. The legacy of the Games for London will be keenly scrutinised in the coming years.





Sean Creamer

# The 2012 quality of life indicator set

The LSDC's QoL indicator set is designed to capture the breadth of challenges facing London and to provide a means to gauge how London is performing against a number of measures that are considered to be key factors in delivering a sustainable city that supports and enhances quality of life. They can also help alert policy makers to unsustainable trends.

The 2012 QoL indicator set encompasses 33 headline indicators across the environmental, social and economic spheres:

This set of indicators builds on the set used in the 2008-09 QoL report. Six new indicators have been added for the 2012 Report to reflect better the evolving challenges that London faces, particularly in the context of continued economic uncertainty:

- Water consumption
- Happiness
- Gross value added
- Low carbon and environmental jobs
- Skills
- Innovation

A number of indicators have also been amended as the dataset previously used is either no longer collected or the methodology has changed.

These include:

- Ecological footprint
- Childcare
- Primary Education
- Secondary Education
- Volunteering
- Housing affordability.

The commentary on each of these indicators in the Evidence Report explains the changes that have been made.

One indicator has been removed from the set: the Green Procurement Code. The methodology for this indicator has changed to such an extent that the LSDC felt there was no longer any value in retaining it in the set.

The full definitions of the indicators are provided in the Evidence Report.

Environmental	Social	Economic
1 Air quality	12 Childcare	23 Employment rates
2 CO <sub>2</sub> emissions	13 Education: primary	24 Business survival
3 Travel to school	14 Education: secondary	25 Income inequality
4 Traffic volumes	15 Crime	26 Child poverty
5 Access to nature	16 Decent housing	27 Fuel poverty
6 Bird populations	17 Life expectancy	28 Housing affordability
7 Ecological footprint	18 Physical activity	29 Gross value added
8 Flooding	19 Happiness	30 Carbon efficiency
9 Household recycling	20 Satisfaction with London	31 Low carbon and environmental jobs
10 Waste	21 Voting	32 Skills
11 Water consumption	22 Volunteering	33 Innovation



# Results

The following section provides a summary of the key trends and messages coming out of the analysis of the indicator set. A fuller analysis for each indicator can be found in this report.

## Where is London doing well?

Overall, the direction of travel for the QoL indicator set is positive. London has improved on 17 of the 33 indicators since the 2008-09 QoL report.

## Hidden issues?

On the surface, the QoL indicator set appears to show that London's quality of life has improved. Dig a little deeper, however, and one discovers that the picture is not quite as positive as first appears.

## Where is London underperforming?

Where is London underperforming? Five of the 33 indicators show a clear deterioration: childcare, voting, business survival, fuel poverty and gross value added. A further eleven indicators show no improvement or little change since the last QoL report. Perhaps unsurprisingly, performance is worst amongst the economic indicators. Three of the eleven slightly deteriorated. Furthermore, as highlighted above, a number of those showing improvement still reveal cause for concern when looked at more closely, such as youth employment rates and housing affordability.

## Table of results

The table below provides a summary of the performance for each indicator. It shows the trend since the last QoL report was published and a brief commentary, which provides a more rounded understanding of performance. The trend for each indicator is shown by one of the following symbols.

	Clear improvement
	Little or no change
	Clear deterioration
	Insufficient or no comparable data

The Evidence Report contains a fuller explanation of how these symbols have been awarded.

# Summary of results

## Environmental

	Indicator	Trends*	Measure in 2009 report / Baseline	Measure in 2012 report	Movement / Progress	National average for 2012 report
1	Air Quality	✓	3,500 tonnes PM <sub>10</sub> (revised 2004 figure)	2,300 tonnes PM <sub>10</sub>	PM10 concentrations are broadly improving and the London Atmospheric Emissions Inventory suggests that there has been around a 30% decrease in particulate matter emissions since 2004. Despite improvements in NOx emissions, London continues to face problems meeting the EU Ambient Air Quality Directive on NO <sub>2</sub> emissions.	Not available
2	CO <sub>2</sub> Emissions	✓	46.1 MtCO <sub>2</sub>  6.2 tonnes per capita	41.6 MtCO <sub>2</sub>  5.4 tonnes per capita	Total CO <sub>2</sub> emissions in London were down nearly 11% since the previous QoL report. Per capita emissions fell by 13% over the same period. CO <sub>2</sub> emissions in 2009 were over 7% lower than 1990 levels, but will need to drop significantly further if London is to meet its CO <sub>2</sub> emissions reduction target of 60% on 1990 levels by 2025.	6.4 tonnes per capita (UK)
3	Travel to School	✓	44% walk, 23% bus, 26% car	40% walk, 30% bus, 23% car, 7% cycling	London is performing better than the UK in terms of the proportion of children travelling to school by means other than by car, and this proportion has increased since the previous QoL report. However there continues to be a decline in the number of children walking to school.	42% walk, 21% bus, 32% car, 4% cycling (GB)
4	Traffic Volumes	✓	31.5 billion vehicle km (revised figure)	30.0 billion vehicle km	There was an overall decline in road traffic volumes in London of 7% from 2003 to 2010. Use of public transport for passenger journeys in London has grown dramatically, increasing by 69% from 1993 to 2010, while walking and cycling levels have also increased.	Not available
5	Access to Nature <sup>5</sup>	≈	24,962 hectares (22%)	24,817 hectares (16%)	16% of London was identified as lying in an Area of Deficiency in access to nature in 2010. This is reportedly a fall from 22% in 2006, although most of this change is probably the result of improvements to the accuracy of mapping in GIS.	Not available
6	Bird Populations	≈	132 (bird index)	133 (bird index)	The London bird species index stood at 133 in 2008, compared with 132 in 2006. 26 of London's most common bird species were 33% more numerous in London in 2008 than they were in 1994.	Not available






## Environmental

	Indicator	Trends	Measure in 2009 report / Baseline	Measure in 2012 report	Movement / Progress	National average for 2012 report
7	Ecological Footprint <sup>6</sup>		4.90 global hectares per capita (revised figure)	4.64 global hectares per capita	In 2006, the Ecological Footprint of London residents was 4.64 global hectares per capita, which is below the UK average. Between 1992 and 2002 the footprint per capita rose, before stabilising between 2002 and 2006. However, the rate of consumption of resources is still well above sustainable levels. We would need 2.5 planets to enable everyone in the world to consume resources at London's rate.	4.76 gha (UK)
8	Flooding	  	460,000 properties at risk from flooding.	Although not comparable, 536,200 properties at risk of flooding	In 2012, there were over half a million properties in areas at risk from tidal and fluvial flooding within Greater London, with around 30,000 of those properties located in areas where there is a significant likelihood of flooding.  Approximately 24,000 properties were registered to receive flood warnings through the Flood Warning Service in 2007. This number had increased to over 40,000 by 2011. Regionally, London has the highest number of properties at risk from flooding but most are situated in areas with low likelihood of flooding.	Not available
9	Household Recycling		22.9% of household waste composted or recycled	32.5% of household waste composted or recycled	32.5% of household waste was recycled or composted in 2010-11, an increase of 9.6%. Whilst recycling and composting rates have improved, London still has a lower rate than England as a whole (41%). Furthermore, meeting the London Plan target to exceed 45% recycling and composting levels by 2015 will be a challenge.	41% (England)
10	Waste		3.39 million tonnes of household waste collected	3.03 million tonnes of household waste collected	London produces less waste per household than any other region in England. Household waste fell from 3.39 million tonnes in 2006-07 to 3.03 million tonnes in 2010-11 despite an increasing London population. The total amount of local authority collected waste has also fallen from 4.22 to 3.76 million tonnes.	Not available
11	Water Consumption <sup>7</sup>		161.7 litres per head per day  New Indicator	162 litres per head per day	Household water consumption changed little, rising just 0.3 litres per head per day. Londoners consume around 15 litres per day more than the average person in England and Wales.	146.7 l/h/d (England and Wales)

## Social






	Indicator	Trends <sup>8</sup>	Measure in 2009 report / Baseline	Measure in 2012 report	Movement / Progress	National average for 2012 report
12	Childcare <sup>9</sup>		22.4 places per 100 children (revised figure)	21.5 places per 100 children	Childcare places per 100 children for under 8s decreased by just over 4% from 2009 to 2011. Although the actual total number of childcare places has increased, this has not kept pace with the rise in the child population. Furthermore, London has the highest childcare costs of all regions in the UK and provision is lower than for England as a whole.	26.8 per 100 children (England)
13	Education: primary <sup>10</sup>		85% of pupils making expected progress (revised figure)	88% of pupils making expected progress	The proportion of pupils making expected progress from Key Stage 1 to Key Stage 2 in English and Maths rose from 2009 to 2011 for both subjects. Levels of progress were higher than for England as a whole.	84% (England)
14	Education: secondary <sup>11</sup>		59.4% of Key stage 4 pupils	82.0% of Key stage 4 pupils	The proportion of Key stage 4 pupils obtaining at least 5 GCSE passes at A*-C or equivalent has increased 29% since 2004. London continues to perform better than England as a whole on this measure. However, the performance of Inner London pupils is lower than the national average. Girls also out perform boys in London.	80.5% (England)
15	Crime		845,040 recorded offences (revised figure)	814,727 recorded offences	Total recorded crime levels have fallen by 3.6% since 2008-09 and are the lowest since comparable records began in 1998-99. Overall recorded crime is down but there are recent rises in burglary, street crime and sexual offences. The fear of crime is higher in London than for any other region in England and Wales.	Not available
16	Decent housing		64% of homes above decent homes standard	70% of homes above decent homes standard	In 2009-10, 70% of London's homes exceeded Decent Homes Standard, a similar rate as for England as a whole. This is an improvement on the 2003 levels reported in the 2008-09 QoL report.	70% (England)
17	Life expectancy <sup>12</sup>		82.0 women 77.4 men	83.3 women 79 men	In 2008-10, life expectancy in London for women was 83.3 years and for men 79 years. These values are an increase on 2004-06 figures and are also slightly higher than the national averages. There are, however, considerable variations in life expectancy within London, which can vary by up to 9 years between – and even within – boroughs.	82.3 women 78.2 men (UK)

## Social



	Indicator	Trends	Measure in 2009 report / Baseline	Measure in 2012 report	Movement / Progress	National average for 2012 report
18	Physical activity		20.2%	20.2%	Overall there has been no change in the percentage of Londoners participating in moderate intensity sport and active recreation since 2007-08. Participation in sport and recreation for London was lower than England as a whole (20.2% and 21.9% respectively). There is also significant variation in activity levels between boroughs.	21.9%
19	Happiness <sup>13</sup>		7.41 New indicator	7.65	This is a new indicator for the QoL indicator set. London's happiness score has remained broadly stable between 2006-07 and 2010-11. However Londoners subjectively rate themselves less happy than the rest of the UK.	7.87
20	Satisfaction with London		73%	77%	In 2011, 77% of Londoners were satisfied with the capital as a place to live. This is an improvement on satisfaction levels in 2007. Londoners' satisfaction with their neighbourhood, meanwhile, has remained fairly static over the last decade. People from higher or middle classes are more likely to be satisfied than people from lower classes.	Not available
21	Voting <sup>14</sup>		45% turnout	38% turnout	Turnout for the 2012 London Mayoral and London Assembly elections was lower than in 2008. However, this was still higher than the turnout for the 2004 and 2000 elections. Furthermore, turnout in London for the General Election and for Borough elections has risen since 2002, although General Election turnout in London is lower than the national average.	Not available
22	Volunteering <sup>15</sup>		23% New Indicator	24%	Levels of formal and informal volunteering in London have increased from 23% in 2008-09 to 24% in 2011-12, according to the Taking Part Survey. Levels in London are now higher than the average for England. The rise might in part be explained by the publicity in volunteering generated by the 2012 Olympic and Paralympic Games, which have involved large numbers of volunteers but have not been included in this data. The rise bucks a national downward trend. London is now performing better than the national average, although it is still behind levels in the South East, South West and East of England.	23% (England)



## Economic

	Indicator	Trends <sup>16</sup>	Measure in 2009 report / Baseline	Measure in 2012 report	Movement / Progress	National average for 2012 report
23	Employment rates		69% All 58% BAME	69.7% All (Jun/Aug – 2012)  58.9% BAME	Employment rates are lower in London than for the UK as a whole. There are variations in employment rates by gender and ethnicity. Rates are lower for Black, Asian & Minority Ethnic (BAME) Londoners. There is also evidence that the employment rate for London has been increasing since mid 2009. Employment rates have remained relatively stable in London, which is positive given the UK's economic performance but youth employment rates are down.	71.3% (Jun/Aug – 2012) (UK)
24	Business survival		64% of new businesses survive 3 years later (2006); 53,120 business start ups	60% of new businesses survive 3 years later; 52,755 business start ups	One-year and three-year business survival rates are down. 60% of London businesses started in 2007 were still trading three years later. However, London has more new business start-ups than the UK average, despite falling survival rates.	63% (UK)
25	Income inequality		16% in bottom 10% of national distribution; 18% in top 10%	15% in bottom 10% of national distribution; 18% in top 10%	There is a persistent income gap between those in the bottom 10% and those in the top 10% of household incomes in London. In 2006-07 to 2008-09, 15% of Londoners were living with disposable income in the bottom 10% of the national income distribution. 18% of Londoners were living with disposable income in the top 10% of national income distribution. London is less equal than the rest of the UK.	Not available
26	Child poverty		41%	37%	Nearly 37% of London children continue to live in poverty. There has been a recent improvement from 41% for the three-year period 2004-05 to 2006-07 to 37% for the period 2008-09 to 2010-11. Child poverty continues to remain higher in London than the UK average and is significantly worse in Inner London than Outer London.	29% (UK)
27	Fuel poverty		3.6% (2003)	13.3%	Fuel poverty is up from 3.6% in 2003 to 13.3% in 2009. However, this was lower than the 2009 national average of 18.4%. There are major variations in fuel poverty between London boroughs. In 2009, the highest levels of fuel poverty were in Barking and Dagenham (17%) and the lowest levels of fuel poverty were in the City of London (6%).	18.4% (UK)

## Economic

	Indicator	Trends	Measure in 2009 report / Baseline	Measure in 2012 report	Movement / Progress	National average for 2012 report
28	Housing affordability <sup>17, 18</sup>		3.92 ratio (1997)	8.96 ratio	In 2011, the ratio of lower quartile house prices to lower quartile earnings in London was 8.96. This was below its 2008 peak of 9.32 but historically high nonetheless; affordability has more than halved in London since 1997. London homes were also 37% less affordable than the national average.	6.53 ratio (England)
29	Gross value added <sup>19</sup>		£35,000 per capita (2008)  New Indicator	£33,550 per capita	London's Gross Value Added per capita (GVA per capita) rose by 35% from 1997 to 2010, but declined slightly from 2008 to 2010 owing to the economic downturn. The GVA per capita in London in 2010 was 68% above that for the UK as a whole.	£19,970 per capita (UK)
30	Carbon efficiency		231 tonnes of CO <sub>2</sub> per £million GVA	170 tonnes of CO <sub>2</sub> per £million GVA	London's economy became more carbon efficient between 2005 and 2008 and continues to be far more efficient than the UK as a whole. In 2008 carbon emissions per unit of Gross Value Added were 42% lower than 1997.	400 tonnes of CO <sub>2</sub> per £million GVA (UK)
31	Low carbon and environmental jobs <sup>20</sup>		157,000 (2008/09)  New Indicator	160,000	London has 19% market share in the sector in the UK and 0.66% of global market share. Jobs in the sector rose between 2008-09 and 2009-10 despite the economic downturn.	Not available
32	Skills <sup>21</sup>		33.8%  New Indicator	41.9%	41.9% of working age Londoners had Level 4+ qualifications in December 2010. This figure has risen steadily since December 2005 from 33.8%. London fares well compared to the UK as a whole: 31.2% of the UK's working population had Level 4+ qualifications at the end of 2010. There are also marked variations within London itself. The proportion of people with Level 4+ qualifications in Inner London was nearly 13 percentage points higher than in Outer London in 2010.	31.2% (UK)
33	Innovation <sup>22</sup>		20% – product innovations; 9% – process innovations  New Indicator	22.9% – product innovations; 13.2% – process innovations	In 2009, 22.9% of firms in London reported introducing product innovations, a rise from 20% in 2007. In the same year, 13.2% of London firms reported introducing process innovations, also a rise since 2007 when levels were at 9%. Firms in London are more likely to introduce process innovations that are new to industry as a whole (36.9%) compared to the UK (29.1%).	23.98% – product innovation; 12.6% – process innovation (UK)

# Results analysis and key issues

This section reports on the QoL indicators and explores the inter-connectivity between them. Economic, social and environmental issues are often viewed in isolation and traded-off against each other. However, the Commission supports a more holistic approach, considering them in an integrated way to better support the achievement of long-term sustainable development.

Based on the results from the QoL indicators, the Commission has identified four key cross-cutting issues:

- A. Stimulating sustainable economic growth
- B. Mitigating climate change
- C. Improving equal life opportunities; and
- D. Strengthening community cohesion.

The report considers each of these in turn, below.

## A. Stimulating sustainable economic growth Context

The economy has been the biggest single political issue in the UK in recent times. The UK economy fell into recession in 2008 and has struggled since then. In the first half of 2012, growth in the UK has once again declined. The Mayor's Economic Development Strategy sets out the following objectives for London: to be a world capital of business, to have the most competitive business environment in the world, to be one of the world's leading low carbon capitals, for all Londoners to share in London's economic success and for London to maximise the benefits of the 2012 Olympic and Paralympic Games<sup>23</sup>.

Key indicators	
7	Ecological footprint
23	Employment rates
24	Business survival
29	Gross value added
31	Low carbon and environmental jobs
32	Skills
33	Innovation

## Key findings

- **London is feeling the effects of the UK-wide economic downturn.** London's productivity (GVA per capita) declined slightly from 2008 to 2010, business survival rates fell from 2006 to 2009 and the proportion of Londoners in employment declined from 2008 to 2011.
- Whilst undoubtedly being adversely affected by the recession, **London outperforms the UK as a whole** on a number of indicators. These suggest that **the conditions for recovery in London are more favourable** than in other parts of the country. GVA in London was 68% above the UK average in 2010 despite the recent fall. In the same year, new business start-ups per 1000 working-age population were 9.8 in London, compared with 5.2 in the rest of the UK. And the innovation indicator shows that firms in London are more likely to introduce process innovations (36.9%) compared to the rest of the UK (29.1%).
- **London fares less well against the national average in terms of employment.** Employment rates in London are lower than for the UK as a whole, probably at least in part due to the high student numbers in the capital. Nevertheless, the differential between London and the rest of the UK has shrunk in recent years. The most recent data indicates cause for optimism: In June-August 2012 the employment rate rose to 69.7% – an increase which helped to close the gap between London and the national rate to 1.6 percentage points. Allied to robust private

sector jobs growth, the total number of jobs in London's economy has now recovered to pre-recessionary levels.

- Whilst London's economic performance looks favourable compared with the UK as a whole, **within the capital itself there are stark economic inequalities.** As issue C highlights, there are wide differentials on indicators such as employment, income, education and skills.
- Despite the economic difficulties, one of the good news stories in London has been the **performance of the low carbon and environmental sector.** The indicator shows that jobs in the sector rose slightly between 2008-09 and 2009-10, bucking the overall employment trend in the capital. Furthermore, the value of the sector in London is forecast to grow from £23 million in 2009-10 to £27 million in 2012-13. This is promising given the Mayor's ambition to turn London into a leading low carbon capital.
- There is a strong case for giving **further support and encouragement to the low carbon and environmental sector to help meet London's economic and climate change goals.**
- Tackling the causes and effects of climate change can generate jobs and investment in London. Strong leadership is needed if this change is to happen on a significant scale. The Mayor's RE:NEW and RE:FIT programmes are examples of initiatives that are stimulating the low carbon economy, while helping to reduce the city's carbon emissions. Energy efficiency and renewable energy initiatives can provide 'win-win' solutions that reduce energy use and fuel bills, while also generating local jobs.
- Action to reduce the risks of flooding and other climate change impacts can also bring economic benefit, by protecting homes and businesses

from potential damage. Planning requirements for new developments in London are beginning to put more emphasis on the importance of sustainable drainage, using green spaces and permeable surfaces to allow rain water to drain away slowly. Several boroughs, including the City of London, are encouraging use of green roofs because of their contribution to sustainable drainage, bio-diversity and summer cooling.

## B. Mitigating climate change

### Context

The global economic turbulence of the last few years has often diverted the attention of our political leaders to shorter-term priorities. Nevertheless, whilst climate change might not always be at the forefront of our minds, it remains one of the most pressing issues threatening London's future quality of life. Many parts of London are already at risk from river and tidal flooding and this risk is expected to increase with the future impacts of climate change. Londoners will need to work together to reduce their own contribution to the causes of climate change.

### Key indicators

2	CO <sub>2</sub> emissions
16	Decent housing
27	Fuel poverty
30	Carbon efficiency

### Key findings

- **London has made progress in reducing CO<sub>2</sub> emissions and becoming more carbon efficient.** The CO<sub>2</sub> emissions indicator only measures emissions generated within London and those associated with the capital's electricity consumption (known as scope 1 and scope 2 emissions). It does not measure London's indirect emissions, known as scope 3 emissions<sup>24</sup>. Scope 1 and 2 CO<sub>2</sub> emissions fell by 13% between 2005 and 2009, despite a slight rise in the city's population. In 2009 they were 7% lower than

1990 levels and London also has lower per capita emissions than the UK as a whole. Carbon efficiency has also improved. In 2008, carbon emissions per unit of GVA for London were 42% lower than in 1997.

- However, this progress is not as clear-cut as first appears. **The economic downturn may explain some of the more recent CO<sub>2</sub> emissions reductions.** A decline in productivity will normally mean that CO<sub>2</sub> emissions are reduced as a result. We know from the GVA indicator that productivity declined between 2008 and 2010 and the biggest reductions in emissions occurred between 2008 and 2009.
- **To what degree are London's CO<sub>2</sub> emissions being 'off-shored'?** The LSDC's 2009 Capital Consumption report found that almost half London's CO<sub>2</sub> emissions are Scope 3 emissions<sup>25</sup>. This presents double the challenge for London in terms of reducing emissions, and also raises the question of whether apparent reductions in direct CO<sub>2</sub> emissions are actually the result of emissions being 'off-shored' to other parts of the world. The LSDC/GLA project on measuring city-wide scope 3 emissions will be an important step forward in understanding and addressing this (see Box 1).

### **Box 1.**

#### **Measuring city-wide emissions**

An event convened by the LSDC, the GLA Group and the National Physical Laboratory at City Hall in June 2011 led to the commissioning of work to develop a robust methodology for measuring consumption-based greenhouse gas emissions in line with existing and emerging international standards and protocols. This includes the involvement of leading cities, academics, and industry representatives. The result will be a Publicly Available Specification (PAS2070) 'Specification for the assessment of greenhouse gas (GHG) emissions of a city by direct plus supply chain, and consumption-based approaches'.

The PAS will be available for use by cities globally from early 2013.

[www.londonsdc.org.uk](http://www.londonsdc.org.uk)

- **Meeting London's CO<sub>2</sub> emissions targets will be a major challenge.** The Mayor has set a target of reducing CO<sub>2</sub> emissions by 60% on 1990 levels by 2025. The GLA has shown leadership in terms of delivering on the targets, for example through the RE:NEW programme (see Box 2). The Mayor's Climate Change Mitigation and Energy Strategy sets out how these and other initiatives will help meet the 2025 targets. With CO<sub>2</sub> emissions standing at just 7% below 1990 levels in 2009 there will need to be a rapid acceleration in emissions reduction over the next few years to put London on the right path. This may prove particularly difficult as productivity begins to rise again.



**Box 2.**

**RE:NEW - making London's homes more energy efficient**

Homes are the biggest emitters of CO<sub>2</sub> in London, accounting for around 36% of total emissions. The GLA has developed the RE:NEW partnership programme with the Mayor of London, the Energy Saving Trust and 32 London boroughs. RE:NEW works in a number of target areas across London, and reaches out to every resident within these target areas. All residents are given energy efficiency advice and offered simple energy and water efficiency measures for free (such as energy display devices, efficient showerheads and draught proofing). More substantial measures such as loft and cavity wall insulation are offered free to those on benefits, and are subsidised for those who are able to pay. The model is easily replicable: each RE:NEW project is managed by the local London Borough, who appoint their own agents to run their project.

<http://www.london.gov.uk/priorities/environment/climate-change/energy-efficiency/homes-energy-efficiency-for-tomorrow>

- As with other issues, **London must consider the needs of disadvantaged and vulnerable people when developing its response to climate change.** Fuel poverty in the city has risen from 3.6% in 2003 to 13.3% in 2009 because of rising fuel prices and stagnating incomes. There is a real opportunity therefore to ensure that London builds on programmes like RE:NEW and takes advantage of the Government's forthcoming Green Deal and Energy Company Obligation to ensure that the homes of the fuel poor are brought up to the highest standards of energy efficiency. London's positive progress against the Decent Homes indicator will also need to continue.

**C. Improving equal life opportunities**

**Context**

London is a prosperous city, the centre of global finance and host to a rich, diverse and evolving population. It is a place of great opportunity for its citizens, but it is also divided by inequalities in income, employment and quality of life. The GLA recognises itself that *'much remains to be done to achieve real equality'* and in response the Mayor has developed an equality framework to create *'a London that excels among global cities – expanding opportunities for all its people and enterprises'*<sup>26</sup>.

In 2010 the LSDC commissioned a piece of research to debate the multifaceted and long-term issue of income inequalities<sup>27</sup> and the underlying issues affecting London's poor remain a concern for the LSDC.

**Key indicators**

13	Education: primary
14	Education: secondary
17	Life expectancy
18	Physical activity
22	Employment rates
25	Income inequality
26	Child poverty
28	Housing affordability
32	Skills

**Key findings**

- Despite improvements in many of the QoL indicators for London as a whole, a deeper look at the data reveals that **there are wide variations in the life chances and opportunities facing Londoners** – depending on where they live and who they are. Even where the direction of change in an indicator at the London level is positive this can mask pockets of deprivation for particular areas or groups. Inequalities affect the quality of Londoners' lives in many ways – socially, economically and through the quality of their local environment.

- One of the most striking inequalities is the **variation in life expectancy between affluent and less affluent areas**. At the highest end of the spectrum, women in the prosperous borough of Kensington and Chelsea can expect to live to 89.8 years, whilst at the other end, women in the less affluent boroughs of Lambeth, Newham and Barking & Dagenham have a life expectancy of 81.1 years, nearly 9 years less. The reasons behind these variations in life expectancy are many and complex: likely factors include levels of smoking, diet, and exercise, as well as access to decent housing and adequate incomes. Interestingly, **there are wide variations in physical activity between boroughs**, which may be a contributory factor in intra-borough life expectancy differences. Recent figures published suggest that there has been an increased take-up in sports participation since the Olympics.
- Education can provide an important route for individuals to improve their life chances. Indeed, education and training was Londoners' top priority for improving London as a place to live (see satisfaction with living in London indicator). However, **there are wide variations in education and skills between London Boroughs**. While Inner London schools perform better on measures of 'Value Added' by primary education, they perform significantly less well than Outer London schools in terms of GCSE achievements. In contrast, a greater proportion of people in Inner London have Level 4+ qualifications than Outer London, possibly explained by the number of mature students and young professionals living there.
- **London is a city of economic contrasts**. The data on income inequalities highlights that the city has a wider range of incomes than the UK as a whole. While 18% of Londoners fall in the top 10% of UK earners, 15% fall in the bottom 10%. Housing affordability also remains an acute problem. The economic downturn means there has been a slight improvement in affordability in London. However, London homes were still 37% less affordable than the national average in 2011 and are now less than half as affordable as they were in 1997. Mortgage lending conditions are challenging at best for first time buyers, which raises questions about whether there will be large generational differences in home ownership in London in the future.
- **Employment rates** have been less badly hit by the economic downturn than many other parts of the UK, but they **vary widely across different socio-economic groups**. While employment rates for men are now close to the national average, those for women are well below it. While there may be cultural factors affecting women's participation in the workplace, women who have childcare responsibilities also face practical constraints in taking up employment. The childcare indicator shows that childcare provision for under 8s is lower than for England as a whole and is not keeping pace with the rise in child population. Employment rates are also lower for people in Black, Asian and Minority Ethnic Groups and are particularly low for people of Pakistani and Bangladeshi origin.
- Poverty particularly affects families with children. More than one London child in five lives in a workless household. **Child poverty is particularly prevalent in Inner London boroughs and in the North and East of London**. Some of the same boroughs also have high levels of fuel poverty.

#### **D. Strengthening Community cohesion Context**

Definitions of the term 'community cohesion' differ, but cohesive communities are generally those that share a common sense of purpose or belonging, that value and appreciate different backgrounds and circumstances, that offer similar life opportunities

to those from different backgrounds and that include positive relationships between people across workplaces and neighbourhoods.

The previous QoL report identified ‘threats to community cohesion’ as a key issue for London. It highlighted a number of factors such as ‘worklessness’ and income inequality that may undermine London’s efforts to deliver strong, cohesive communities that we all wish to live in. The report warned that, in turn, these factors could further impact on our communities, for example through increased crime and a reduction in the willingness to volunteer. The London riots in the summer of 2011 put community cohesion back in the spotlight. Whilst there are differing explanations for the causes of the riots, they reminded us of the dangers of fragmented communities. Recent analysis by the London School of Economics<sup>28</sup> refers to: the disillusionment many feel at the social and economic changes which leave them disconnected from mainstream society; and ‘a pervasive sense of injustice’. For some this was economic – the lack of jobs or opportunity; for others it was more broadly social - how they felt they were treated compared to others.

#### Key indicators

15	Crime
19	Happiness
20	Satisfaction with living in London
21	Voting
22	Volunteering
25	Income inequality

#### Key findings

- **The 2012 indicator set suggests a number of threats to community cohesion still exist.** As previously highlighted, the life chances of Londoners vary significantly across geography, gender, ethnicity and age. Differentials in income inequality, employment, life expectancy, child poverty, education and skills are all a challenge for creating cohesive communities in London.

- On the surface, satisfaction levels with London as a place to live are high. Nearly eight in ten Londoners reported being satisfied with London and their neighbourhood. What this figure hides, however, are **large differences in satisfaction levels between different sections of the capital’s population.** Satisfaction levels vary significantly across social class, age, ethnicity and geography. For example, satisfaction by constituency varies from high satisfaction in West Central (92%), to lower satisfaction at 61% in City & East and Greenwich & Lewisham.
- Other indicators are also of concern. The drop in voter turnout in the 2012 Mayoral election could be interpreted as a sign of increased disillusionment. The happiness indicator highlights that Londoners are less happy than the average UK resident. The level of recorded street crime has risen, and fear of crime in London is higher than for the UK as a whole.
- Despite the challenges, **there are a number of more positive trends in terms of fostering more cohesive communities.** Neighbourhood satisfaction levels are high, for example, despite the differentials between demographic groups. And total recorded crime levels have fallen, despite the increase in recorded street crime.
- **There are opportunities in London to provide integrated solutions for building stronger communities and improving the environment.** The ‘Grabs’ project in Sutton<sup>29</sup> has emphasised the importance of engaging local people in understanding the climate risks and issues facing their communities. Local food initiatives – such as the London Orchard project<sup>30</sup> – provide examples of projects that are engaging people in positive action to reduce the impacts of their consumption, while also stimulating the local economy.

## Next steps for the Commission

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The report sets out some significant challenges for London, many of which are global in nature. The global economic recession, issues around social cohesion and climate change are all causes for concern. However, within these challenges there are key indicators that show that London has the potential, through building on its strengths, to become a national and global leader in terms of recovery. For example GVA is 68% above the UK average, there are more business start-ups, and innovation is higher than anywhere else in the country.

The report also reveals some significant interplay between these issues, which in themselves present opportunities. For example nearly all of London's emissions are on the way down and the requirement for further reductions directly supports the need to develop the already growing low carbon and environmental sector.

With expertise drawn from London's environmental, social and business community, the LSDC is ideally placed to provide the advice and support required to make the most of these opportunities. Using this report, which provides a unique insight into the broad range of issues affecting London, the Commission will focus its energies on specific pieces of work that will make a difference in the short and medium term, and stimulate long term thinking that:

- a. Brings together public, private, and third sectors
- b. Leverages in private sector support
- c. Drives forward the jobs and growth agenda

The Commission is currently working on the prioritisation of issues and will announce in early 2013 which issues it intends to focus on first.

# References

1. LSDC, *A Sustainable Development Framework for London*, [www.londonsdc.org](http://www.londonsdc.org)
2. See for example the International Energy Agency's *Annual Statistical Supplement 2011 Edition and World Energy Outlook 2011*, [www.iea.org](http://www.iea.org)
3. Food and Agriculture Organisation of the United Nations, *The State of Food Insecurity in the World 2011*, <http://www.fao.org/publications/en/>
4. Change since the 2008-09 report on London's Quality of Life Indicators.
5. There was a reported fall from 22% in 2006 to 16% in 2010 for this indicator. According to Greenspace Information for Greater London, (GIGL) most of this change is likely to be the result of improvements to the accuracy of GIS mapping. As a result of this uncertainty, and the likelihood that the majority of the reported change is not a result of improvements to access to nature, an amber traffic light has been awarded.
6. Changes to the methodology used to calculate this measure mean that the figures used in this report are not directly comparable to those used in the previous QoL report. Instead, change has been measured against the trend that the updated data shows.
7. This is a new indicator, so the trend is measured against the data that would have been available at the time of publishing the previous QoL report.
8. Change since the 2008-09 report on London's Quality of Life Indicators.
9. The data used to measure this indicator has been amended since the previous QoL report. The trend is measured against the data that would have been available at the time of publishing the previous QoL report.
10. As above
11. As above.
12. This indicator measure has changed less than 3% since the previous report. As a general rule for this report, only indicator measures that have improved by 3% or more since the last report have been awarded a green traffic light. In this instance, the improvement in life expectancy since the previous report – 1.6 years for men and 1.3 years for women – was considered by the LSDC to be a 'clear improvement' despite being an increase of less than 3%.
13. This is a new indicator, so the trend is measured against the data that would have been available at the time of publishing the previous QoL report.
14. Note that this traffic light is based on turnout at the London Mayoral Elections, rather than for London Borough or General Election turnouts which both show improvement.
15. A new measure for volunteering has been introduced for this report. The trend is therefore measured against the data that would have been available at the time of publishing the previous QoL report.
16. Change since the 2008-09 report on London's Quality of Life Indicators.
17. The change since the baseline year of 2008 is slightly over the 3% threshold to mark 'a clear improvement', which would normally mean a green traffic light is awarded (see the 'Key' below for explanation of how traffic lights have been awarded). For this indicator, however, the Commission considers this a relatively minor improvement given the long-term trend of worsening housing affordability in London and therefore has awarded an amber traffic light to mark little change.
18. A new measure has been used for housing affordability in this QoL report. The trend has therefore been measured against the data that would have been available at the time of the previous QoL report.



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19. This is a new indicator, so the trend is measured against the data that would have been available at the time of publishing the previous QoL report.
  20. This is a new indicator. The trend is based on only one year of trend data as figures do not go back further than this.
  21. This is a new indicator, so the trend is measured against the data that would have been available at the time of publishing the previous QoL report.
  22. As above.
  23. GLA, *The Mayor's Economic Strategy for London, May 2010*, <http://www.london.gov.uk/who-runs-london/mayor/publications/business-and-economy/eds>
  24. Such as those linked with the consumption of goods and services, the production of waste and travel to and from the capital.
  25. Bioregional and London Sustainable Development Commission, *Capital consumption: the transition to sustainable consumption and production in London, 2009*, <http://www.londonsdc.org>
  26. GLA, *Equal life chances for all: Revised February 2012*, [www.london.gov.uk](http://www.london.gov.uk)
  27. LSDC, *The impact of income inequalities on sustainable development in London, 2010*, <http://www.londonsdc.org/documents/The%20impact%20of%20income%20inequalities%20on%20sustainable%20development%20in%20London.pdf>
  28. <http://www2.lse.ac.uk/newsAndMedia/news/archives/2011/12/riots.aspx>
  29. <https://www.sutton.gov.uk/CHttpHandler.ashx?id=7456&p=0>
  30. <http://thelondonorchardproject.org/>

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### Vietnamese

Nếu bạn muốn có bản tài liệu này bằng ngôn ngữ của mình, hãy liên hệ theo số điện thoại hoặc địa chỉ dưới đây.

### Greek

Αν θέλετε να αποκτήσετε αντίγραφο του παρόντος εγγράφου στη δική σας γλώσσα, παρακαλείστε να επικοινωνήσετε τηλεφωνικά στον αριθμό αυτό ή ταχυδρομικά στην παρακάτω διεύθυνση.

### Turkish

Bu belgenin kendi dilinizde hazırlanmış bir nüshasını edinmek için, lütfen aşağıdaki telefon numarasını arayınız veya adrese başvurunuz.

### Punjabi

ਜੇ ਤੁਹਾਨੂੰ ਇਸ ਦਸਤਾਵੇਜ਼ ਦੀ ਕਾਪੀ ਤੁਹਾਡੀ ਆਪਣੀ ਭਾਸ਼ਾ ਵਿਚ ਚਾਹੀਦੀ ਹੈ, ਤਾਂ ਹੇਠ ਲਿਖੇ ਨੰਬਰ 'ਤੇ ਫ਼ੋਨ ਕਰੋ ਜਾਂ ਹੇਠ ਲਿਖੇ ਪਤੇ 'ਤੇ ਰਾਬਤਾ ਕਰੋ:

### Hindi

यदि आप इस दस्तावेज़ की प्रति अपनी भाषा में चाहते हैं, तो कृपया निम्नलिखित नंबर पर फोन करें अथवा नीचे दिये गये पते पर संपर्क करें

### Bengali

আপনি যদি আপনার ভাষায় এই দলিলের প্রতিলিপি (কপি) চান, তা হলে নীচের ফোন নম্বরে বা ঠিকানায় অনুগ্রহ করে যোগাযোগ করুন।

### Urdu

اگر آپ اس دستاویز کی نقل اپنی زبان میں چاہتے ہیں، تو براہ کرم نیچے دئے گئے نمبر پر فون کریں یا دیئے گئے پتے پر رابطہ کریں

### Arabic

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### Gujarati

જો તમને આ દસ્તાવેજની નકલ તમારી ભાષામાં જોઈતી હોય તો, કૃપા કરી આપેલ નંબર ઉપર ફોન કરો અથવા નીચેના સરનામે સંપર્ક સાધો.

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