

Breaking Point

London's younger generation
is ready to take to the ballot box

Pocket Living's 2023 research based on exclusive
polling of 1,000 25–45 year old Londoners



living

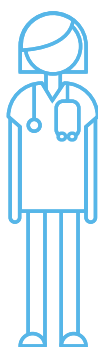
October 2023

London is at breaking point.

Two in three London renters now believe they will never own their own home and without urgent intervention to enhance the housing prospects of the under 45s London could lose anything up to nearly 200,000 key workers in the next 12 months.

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200,000
key workers could leave the capital

Foreword by Marc Vlessing OBE, Founder and Chief Executive, Pocket Living



Marc Vlessing
Founder

“...the very people who make this country tick are the ones who will suffer, with our research suggesting for the second year in a row that London could lose up to a quarter of its 25 to 45 year old cohort in the next 12 months”

This year’s research should act as a wake-up call for policymakers and politicians: London is at breaking point. Two in three London renters now believe they will never own their own home and without urgent intervention to enhance the housing prospects of this generation, London could lose anything up to 200,000 key workers in the next 12 months, according to our findings¹.

If the election in 2019 was defined by the ‘red wall’, then 2024 will be defined by age². With both the general and the mayoral elections on the horizon, the need to win-over the under 45s has never been greater.

The 2024 elections may be marked for the first time by this demographic out-voting the boomer generation, with those aged between 25-45 making up over 30% of the population both in London and the rest of England. Winning over this demographic will be critical to the success of any political entity and our evidence suggests ambitious housing policies could be the tipping point.

Despite this, housing still remains on the edges of the political debate for the current Government, whilst the reality of the situation is there for all to see. We are currently facing a scenario in England (following the dismantling of housing targets) where more homes were constructed in 1947, merely three years after the Second World War, than in 2023.

Unfortunately, the very people who make this country tick are the ones who will suffer, with our research suggesting for the second year in a row that London could lose up to a quarter of its 25 to 45 year old cohort in the next 12 months, with key workers hit hardest. Pushed to the political margins, they are now, more than ever (two in three), willing to support ambitious housing policies such as the green belt reform proposed by Keir Starmer.

1. This is based upon analysis which suggests there are a total of 775,000 key workers in London aged between 25-45

2. Forget about the red wall — the election’s great political divider will be the grey wall (thetimes.co.uk)

For the third consecutive year, we have conducted exclusive polling of Londoners aged 25-45 and the findings show both a capital city and a generation facing a housing existential crisis.

When we first undertook this research in 2021, we observed that young Londoners had suffered in silence during the COVID-19 pandemic. Many of them were public sector workers: the doctors, nurses and teachers who kept vital services running in the face of unprecedented disruption. More still were in the private sector, working from home in the technology or media industries. All of them were in less-than-ideal conditions, sharing kitchen tables with flatmates while trying to drown out their friends' Zoom calls and missing out on mentoring from senior colleagues.

In 2022, that cohort was no longer suffering in silence. They were angry, frustrated and were considering leaving the engine room of the UK economy in unprecedented numbers.

This year the challenges are at breaking point and the prospect of owning a home in London appears more remote than ever. Our research indicates that the pool of potential first-time buyers has shrunk significantly, with only slightly over one in 10 individuals planning to buy in the next 12 months, well below the one in five figure highlighted in 2021. Driven to the rental market, nearly two in three people (64%) questioned if homeownership would ever be a reality for them. This situation is undeniably a national crisis.

Unsurprisingly this has contributed to a spike in demand for rental properties in the capital. Exacerbated by the cost-of-living crisis and skyrocketing prices, over three-quarters of this cohort now believe housing is unaffordable in the capital and over half (51%) feel supply is poor, up

from just 29% in 2021. As a result, two-fifths of renters now believe they will continue to need some financial support from their parents over the next 10 years.

Under these circumstances, the satisfaction levels of this demographic lag well behind what was even felt during lockdown.

Yet what is different in 2023 is that this demographic is ready to take to the ballot box and in 2024 they will have the opportunity to do just that. According to our survey, 96% of young Londoners believe that housing is a crucial or important issue for politicians to focus on ahead of the next general election. It is unsurprising therefore that two in three stated that they would be more likely to vote for a candidate at both the next general election and Mayoral elections who promotes the delivery of more homes regardless of political affiliation.

The nuances identified within this survey are not simply restricted to London. Up and down the country, whether it is Liverpool, Manchester, Birmingham, or Bristol, young people are suffering when it comes to housing and they are ready to take to the ballot box stations. It is now time for the political classes to sit up and take note.

Executive Summary

Pocket, which delivers new homes across the capital for first-time buyers and renters, surveyed in August 2023 1,000 Greater Londoners aged between 25 and 45, as part of one of the largest London-only annual surveys to understand the pros and cons of London living.

The findings were compelling:



66%

of respondents (almost two in three) stated that they would support development on the green belt

The exodus from London continues, with key workers leading the way...

Like in 2022, the findings of this year's polling are equally stark for policymakers, businesses, public service providers, and Londoners in general. **For the second year in a row, nearly one-quarter of Londoners (22%) are considering leaving the capital,** effectively driven out due to the cost-of-living crisis, rising mortgage rates, and a dearth of new homes to buy for aspiring first-time buyers.

Most concerning, however, those at risk are the very demographic that makes London tick. Based on the findings from the survey, **London is at risk of losing up to 200,000 key workers in the next 12 months,** unless there is a drastic shift in housing opportunities in the capital.

This places us in a predicament where the contentment of this segment is significantly lower than during the COVID-19 period, a time when this group bore the burden of national lockdowns.

Housing to define the political landscape in 2024

2024 is forecasted to be a landmark year in the nation's political landscape. Amidst the upcoming Mayoral elections in May and subsequent general elections, evidence suggests that housing will serve as a key issue.

According to our survey, 96% of young Londoners believe that housing is a crucial or important issue for politicians to focus on ahead of the next general election, ranking it above issues such as education, immigration and Brexit, with **two in three (66%) willing to support ambitious solutions such as green belt reform to improve their housing chances.**

Interestingly the younger the demographic the more likely housing will influence key political decisions over the next 12 months. For example, almost three-quarters (73%) of those aged 25-29 say that they would be more likely to vote for a candidate who promotes the delivery of more homes at the next general election. The same can be said for the Mayoral elections, with the younger population likely to play a key role.

Homeownership a distant reality

It has been an increasingly difficult year for young people looking to get onto the housing ladder. The stripping back of demand side policies such as Help to Buy and the ever-increasing economic challenges of owning a home in the capital have contributed to a dire outlook for young Londoners.

According to our poll, 65% of Greater Londoners aged between 25 and 45 believe that they will never be able to own their own home in London.

Conversely, our polling also shows that the number of those looking to buy within London has plunged to a three-year low, with just over **one in 10 (13%) citing that this will be their plan in the next 12 months (down from one in five in 2021).**

This is despite the fact that the appetite for homeownership has reached the highest level in three years, with over three-quarters of respondents stating that owning a home remains a key aspiration in life.

Cost-of-Living

The bleak reality of 2023 is that 78% of people looking to buy in the capital have delayed doing so due to the current cost-of-living crisis. This is up by 10% compared to 2022. The combination of this and the unaffordability of housing in the capital has contributed to over 3/4 (77%) of those polled being unable to save money each month.

We now find ourselves in a scenario where the prevailing opinion is that housing has reached unprecedented levels of unaffordability, and this impact is felt most acutely by the younger demographic. At present, only a scant 18% of those in their 30s believe that housing is within their financial reach.

Renters disproportionately struggling

If the challenges of buying a home were not sufficient enough, those faced by renters in the capital are even more pressing and acute. For the third year in a row, homeowners are significantly more likely to be saving money than renters. **This has resulted in two-fifths of renters believing they will continue to need some financial support from their parents over the next 10 years.**

The competition within the rental market has been well documented this year. Our polling highlighted that, on average, renters who moved over the past year have been viewing more properties than in 2022, with a growing proportion viewing 10+ homes before securing a place to live. Renters are also finding that properties are being snapped up too quickly, with almost half (48%) highlighting this as a key problem.

With this in mind, it is little surprise that over half (51%) of all respondents felt housing supply in London is poor. This was up from just 29% in 2021.

Post Help to Buy reliance on Bank of Mum and Dad

Of the small proportion of Londoners who have managed to get on the housing ladder, the over-reliance on others is startling. **According to the survey, the majority of homeowners (60%) would not have been able to purchase without support from their parents.** This has increased from 49% in 2021.

Interest rates a ticking time bomb

Unsurprisingly given the rapid series of interest rate rises over the last 12 months, bringing rates to a level not seen since the global financial crisis, the issue of fixed-rate mortgages dominated the findings of this year's polling. Rather bleakly almost nine in 10 fixed-rate mortgage owners are anxious about what will happen once their fixed-term mortgage rate expires (89%). In response most plan on moving to another fixed-rate mortgage once it expires (58%) but 20% are actively seeking to leave London.

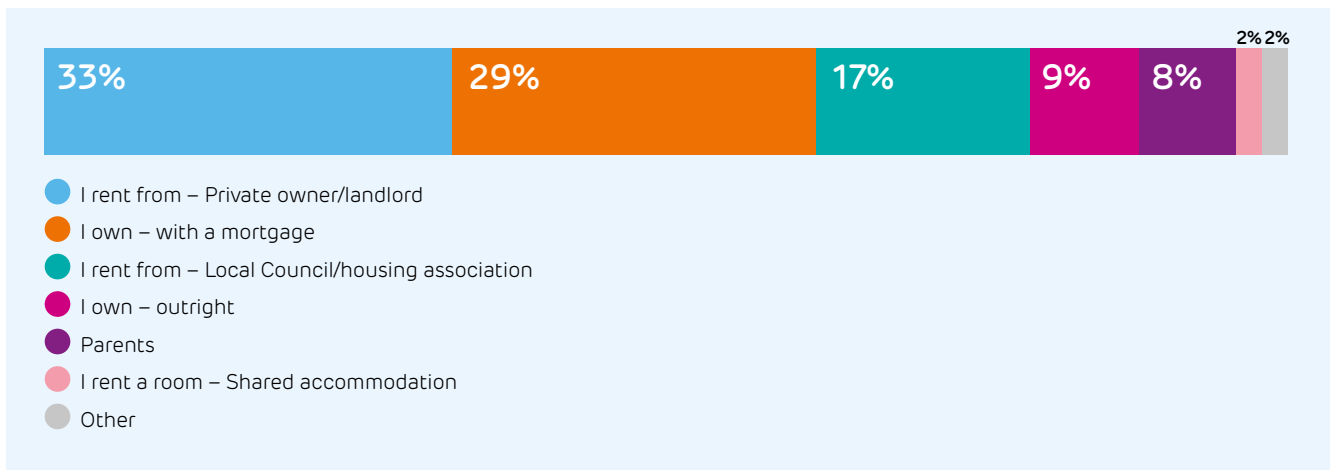
A silver lining?

In the face of the housing obstacles in the city, London's inherent charm persists, with 77% of respondents seeing it as a special place to call home, higher than in 2021 (75%) and 2022 (74%). Consequently, it's not surprising to note a significant doubling in the number of individuals who, having previously resided elsewhere in the UK, chose to relocate to London in the span of three years.

1. London's 2023 homeownership profile

In our polling, just over one-third (38%) of respondents own their home. This is largely in line with the external analysis produced on the topic. According to the Mayor of London, less than a third of Londoners aged between 20-39 own their home, compared to 41% of people the same age across England³.

In contrast to this, and unsurprisingly, the total proportion of those who rent has increased to just over half (52%), with the largest proportion being those who rent from a private landlord (33%). This is considerably higher than the national average of just 19%.



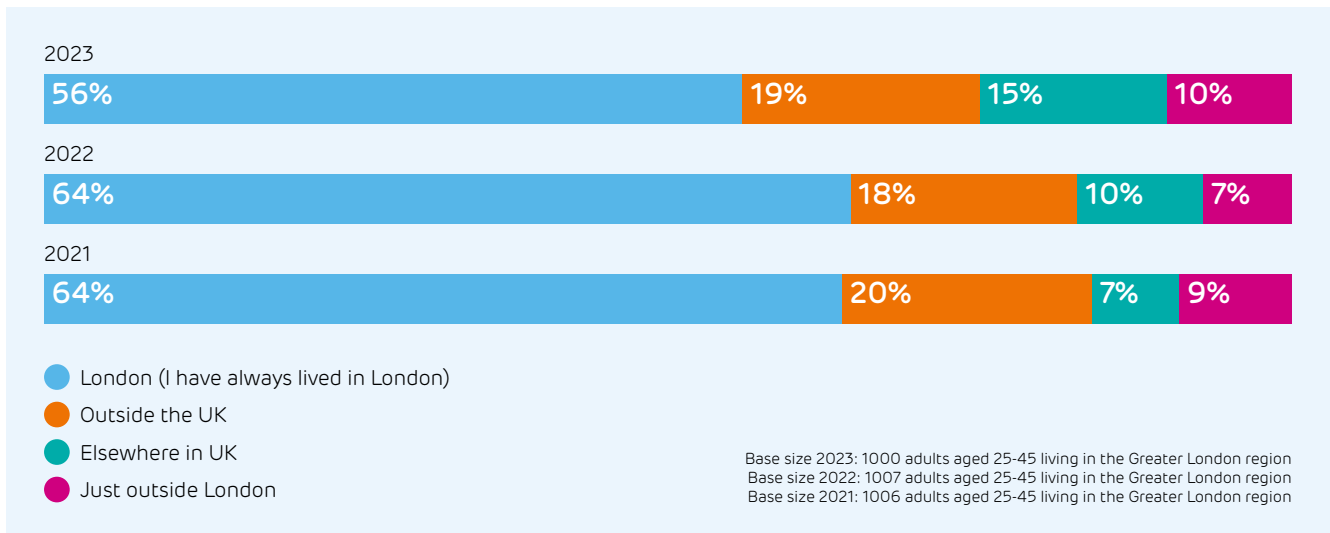
3. Housing in London 2020

2. Despite the challenges facing under-45s for the third consecutive year, London still remains an attractive and aspirational place to live

London can never be complacent about population growth or the loyalty of its residents. Yet despite the many challenges the city faces, including high housing costs and poor availability, the capital has lost none of its appeal as either a global or domestic destination. It is worth noting that for 2023, we have seen the number of respondents who lived elsewhere in the UK before moving to London more than double over a three-year period, with the level of those from outside the UK remaining fairly static at 19%.

Origins before London

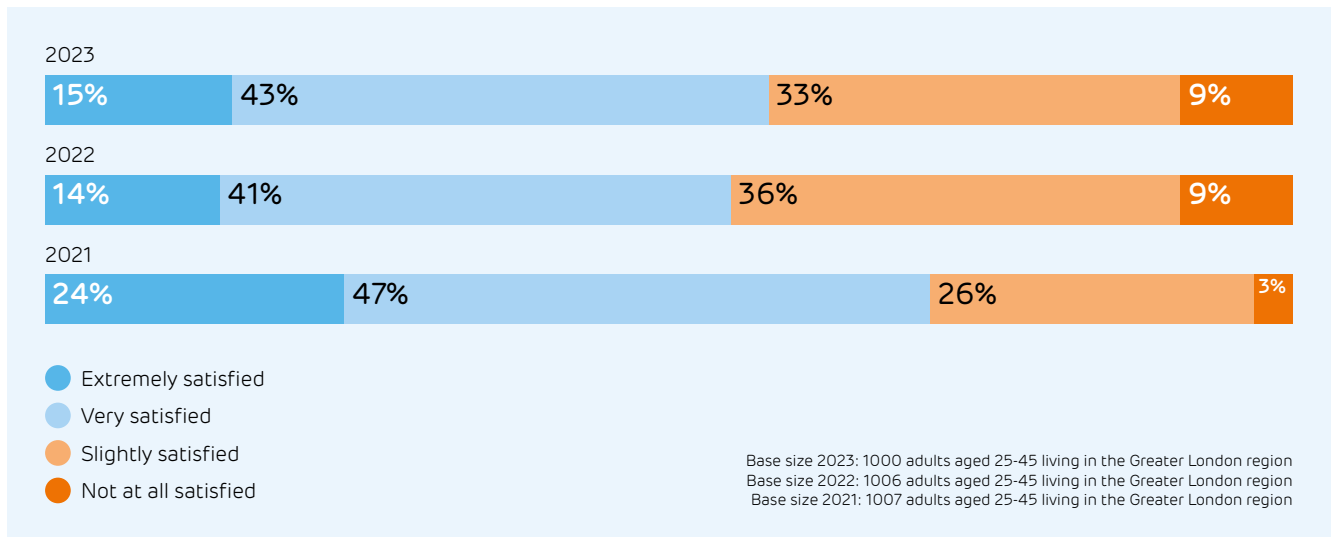
Where would you say you are originally from before living in London?



But with the cost-of-living crisis and lack of housing opportunities continuing to impact young people, the overall happiness of Londoners has come under significant scrutiny. In the current climate, the results are quite surprising with 58% of those polled stating that they remain satisfied with living in London. Like 2022, the satisfaction levels surprisingly remain well below the COVID-19/ Lockdown era of 2021.

Satisfaction of living in London

How would you rate your overall level of satisfaction about living in London?



When further broken down, a clear majority of those polled held the view that London remained a special place to live in (77% compared to 74% in 2022) and agreed with the statement that what they love about London is that it is a vibrant and inspiring place to live in, unlike the suburbs (71% to 65% in 2022). Another undoubted draw factor, and a new question for 2023, was the sentiment that it was easy to make new friends when living in London (56% agreed).

“... a clear majority of those polled held the view that London remained a special place to live in (77% compared to 74% in 2022)”

Opinions of London and housing

How strongly do you agree with the following statements about London?



So, despite the challenges, compounded by the cost-of-living crisis, London still remains a highly attractive and aspirational place to live amongst 25-45-year-olds.

However, as will be detailed in section four, that enthusiasm for London living and high levels of satisfaction is rapidly being undermined and eroded by the huge costs of housing and inability to get onto the property ladder.

3. Just as London remains a draw, so does owning a home

In 2022, we stated that buying a home in London has rarely been more difficult, with house prices dramatically out of sync with most people’s earning power and the capacity to raise a deposit linked to cost-of-living. For 2023, we have had to add a further dimension; that of rapidly rising interest rates and the ability of those on fixed-rate mortgages to transition to this new environment.

For those who have bought within the last year the average price paid was £441,221. It is worth noting that although house prices for much of the last year have marginally increased, the fall in the average price paid by 25–45-year-old Londoners has brought the figure down below £450,000. On the surface it would seem that financial pressures may have driven younger Londoners to cheaper properties and other parts of London where greater levels of affordability remain.

The top four barriers to homeownership perceived from a renter’s perspective are:

House prices are too high	60%
Current cost of living crisis	46%
Can’t afford the mortgage	40%
Mortgage interest rates are too high	39%

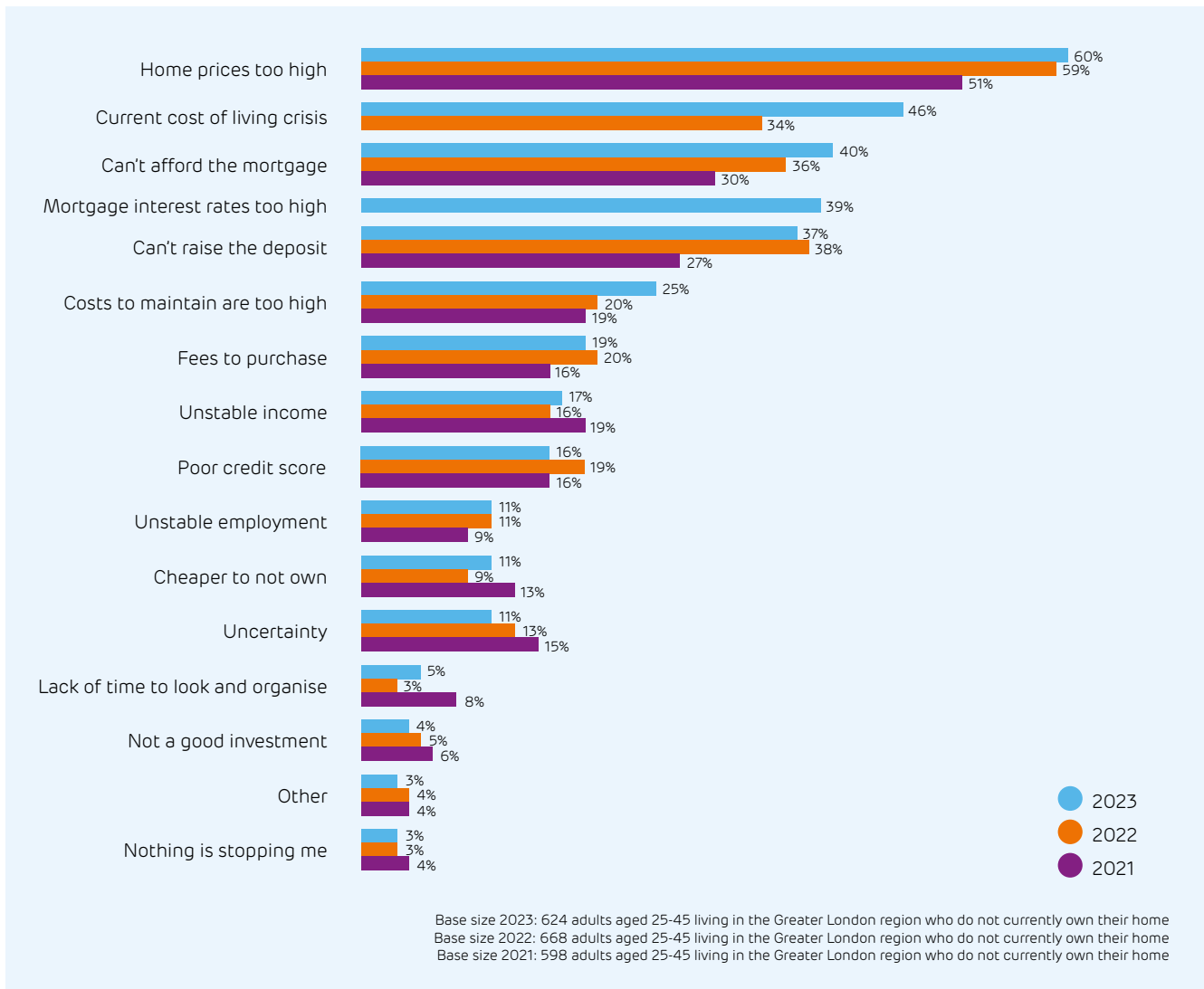


50%

of non-homeowners believe they would be more likely to have children in the next five years if they owned their home

Barriers to owning a home in London

What is stopping you from owning a home in London?



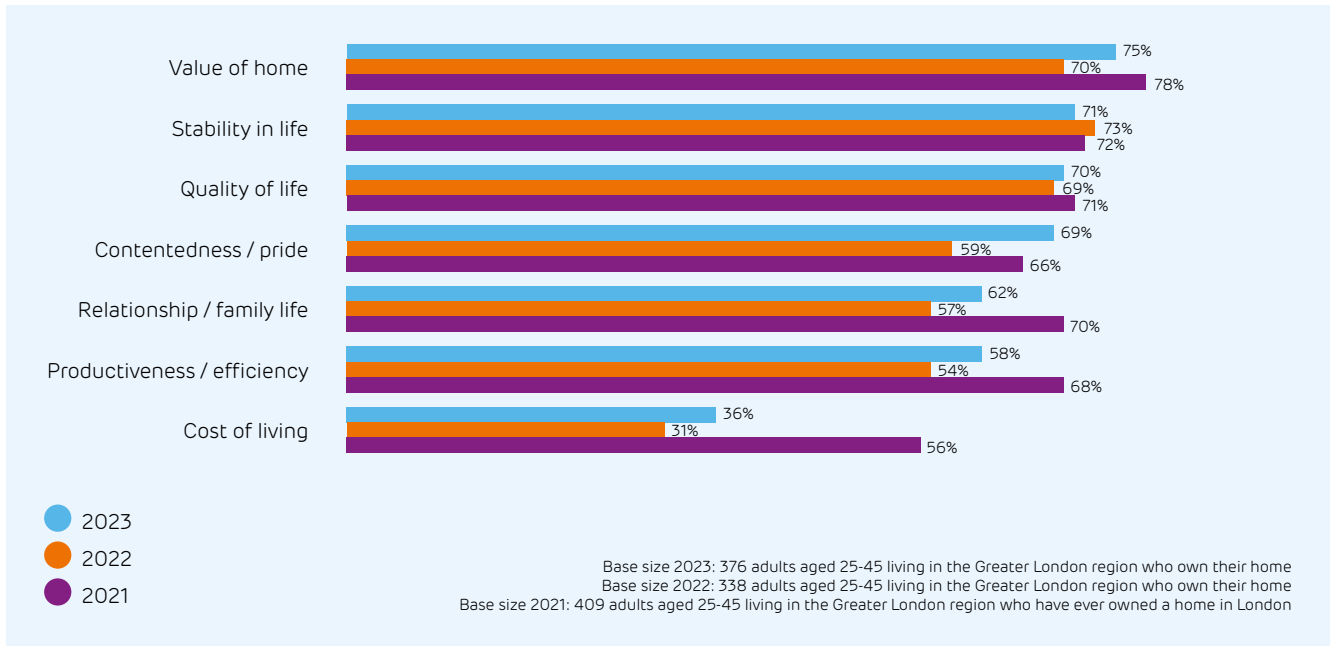
Our polling last year showed that the biggest obstacle to non-homeowners is 'home prices being too high' at 59% while 36% claimed they can't afford a mortgage and 38% struggled to raise a deposit. Only 3% of those we polled claim nothing is stopping them from buying a home.

In 2023, these challenges remain and have been exacerbated by the cost-of-living crisis and rising interest rates impacting upon the ability to service a mortgage. However, despite this, the aspiration of homeownership continues to remain just as strong, as does the perceived benefits of doing so.

This is evidenced by the overall results of our survey which yet again clearly demonstrate that homeownership is still viewed as being a positive experience. Overall homeowners are in broad agreement about the benefits of homeownership with regards to stability and quality of life, which have remained steady over the past two years.

Impact of owning a home

Overall, how has owning a home changed the following for the better?

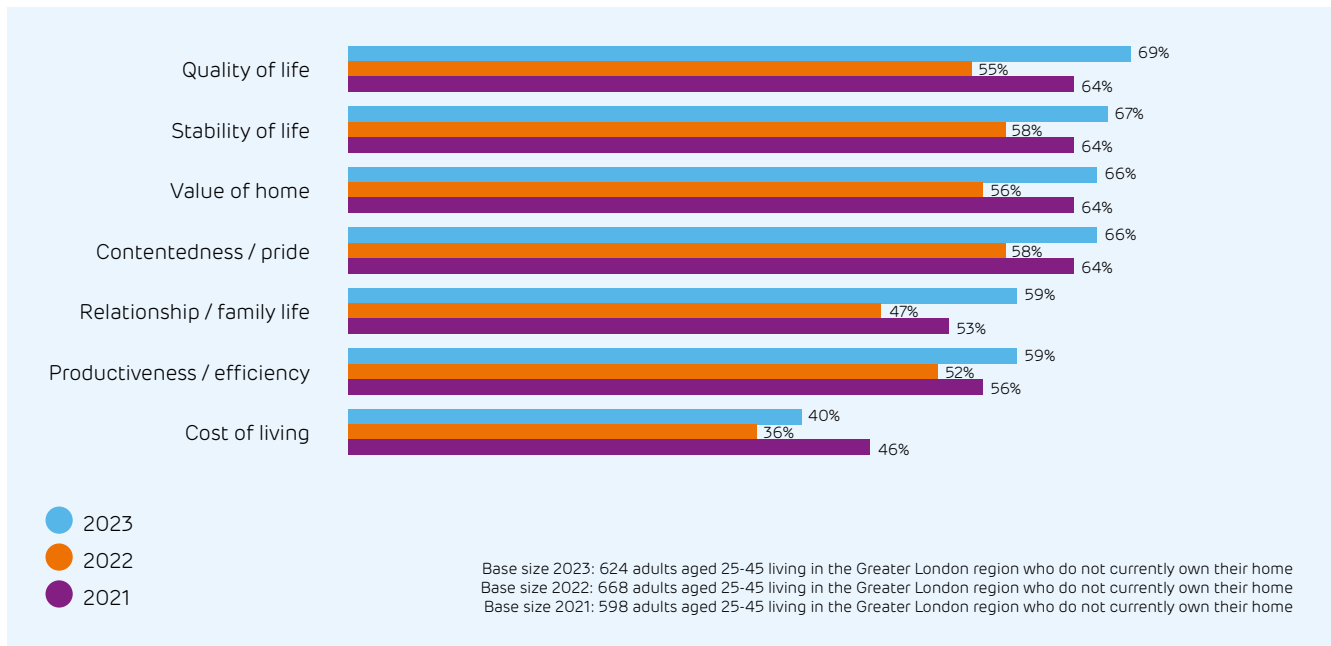


While the societal benefits of this are clear insofar as creating more settled, cohesive, and involved communities, there is also an economic benefit through increased productivity and efficiency within the working environment, with an increase of four percentage points on 2022 figures, with 58% net benefit derived through getting on the property ladder. It is worth noting however that this remains some 10 percentage points below the levels seen in 2021.

This is mirrored in the views of those currently renting within London, but who aspire to homeownership, with **67% stating that owning a home in London would increase their stability in life and 59% stating that it would improve their productivity and efficiency. In both of these measures the results from 2023 exceeded those of 2022 and 2021.** Overall, the perceived improvement from owning a home is higher than it has ever been across the board, aside from the cost-of-living, where a similar proportion believe that it would be worse for them than it would be better. A response most likely driven by concerns in relation to mortgage rates.

How owning a home would impact renters

Overall, how would owning a home in London change the following for the better?



This high-level of satisfaction, or indeed perceived satisfaction through ownership, continues for 2023 to be translated into key life decisions, such as starting a family.

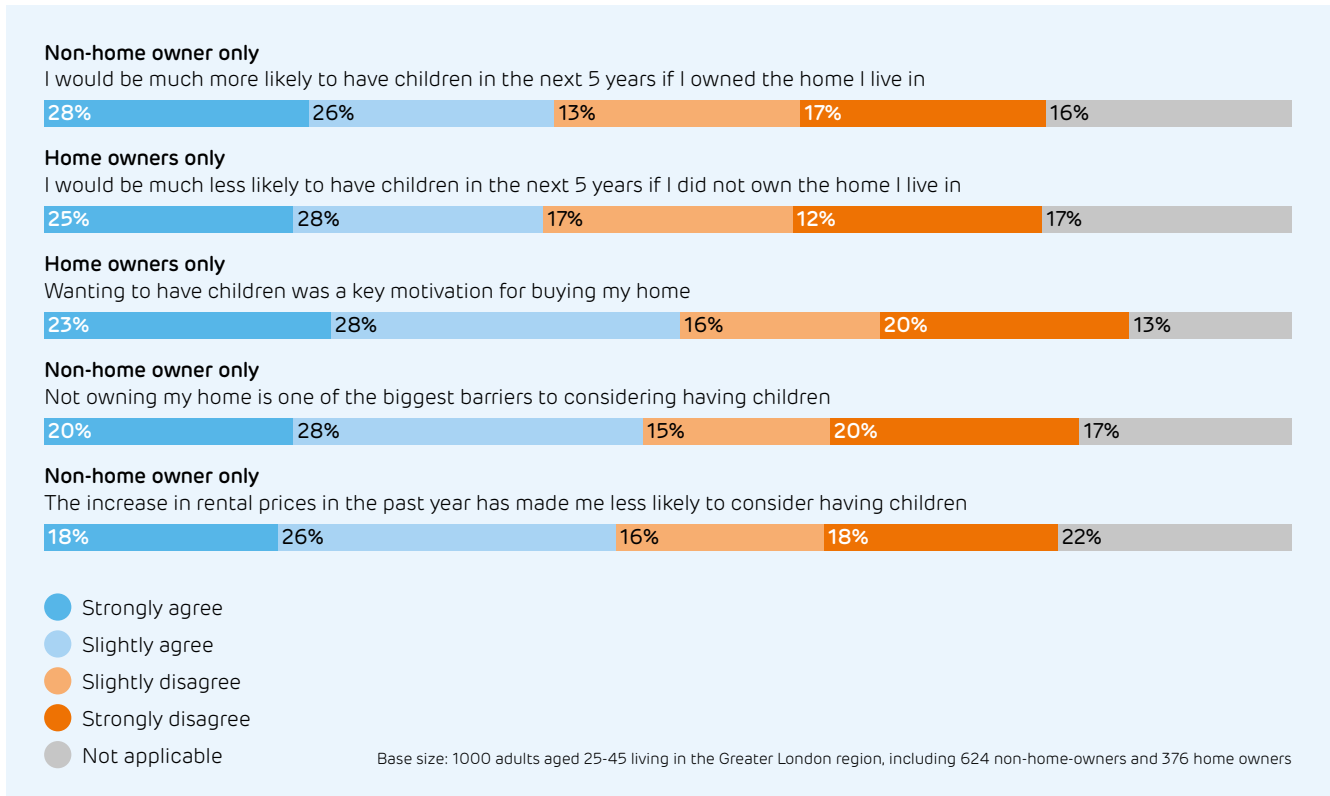
This is clearly demonstrated through our results which again show that owning a home is viewed as a natural ‘first step’ to starting a family with over half (54%) of non-homeowners agreeing that they would be more likely to have children in the next five years if they owned their home. More than half (51%) of current homeowners were also motivated to gain a foot on the ladder by their desire to have children.

On this point, it is worth noting that birth rates in London have declined year-on-year since 2016⁴. The knock-on effects of this are beginning to show all across London, with 14.5% of mainstream state-funded primary and secondary school places in London remaining unfilled as of May 2022⁵. This placed London slightly above the national average for unfilled places and has led to the shutting of 11 primary schools due to an excess of available positions, subsequently narrowing options for parents⁶.

4. Trust for London: Births and deaths in London (2010-2020)
 5. Pupil roll numbers and school closures in London – House of Commons Library (parliament.uk)
 6. Financial Times article, London’s parasitical housing market is driving away young families, 21 April 2023

Impact of living on family life

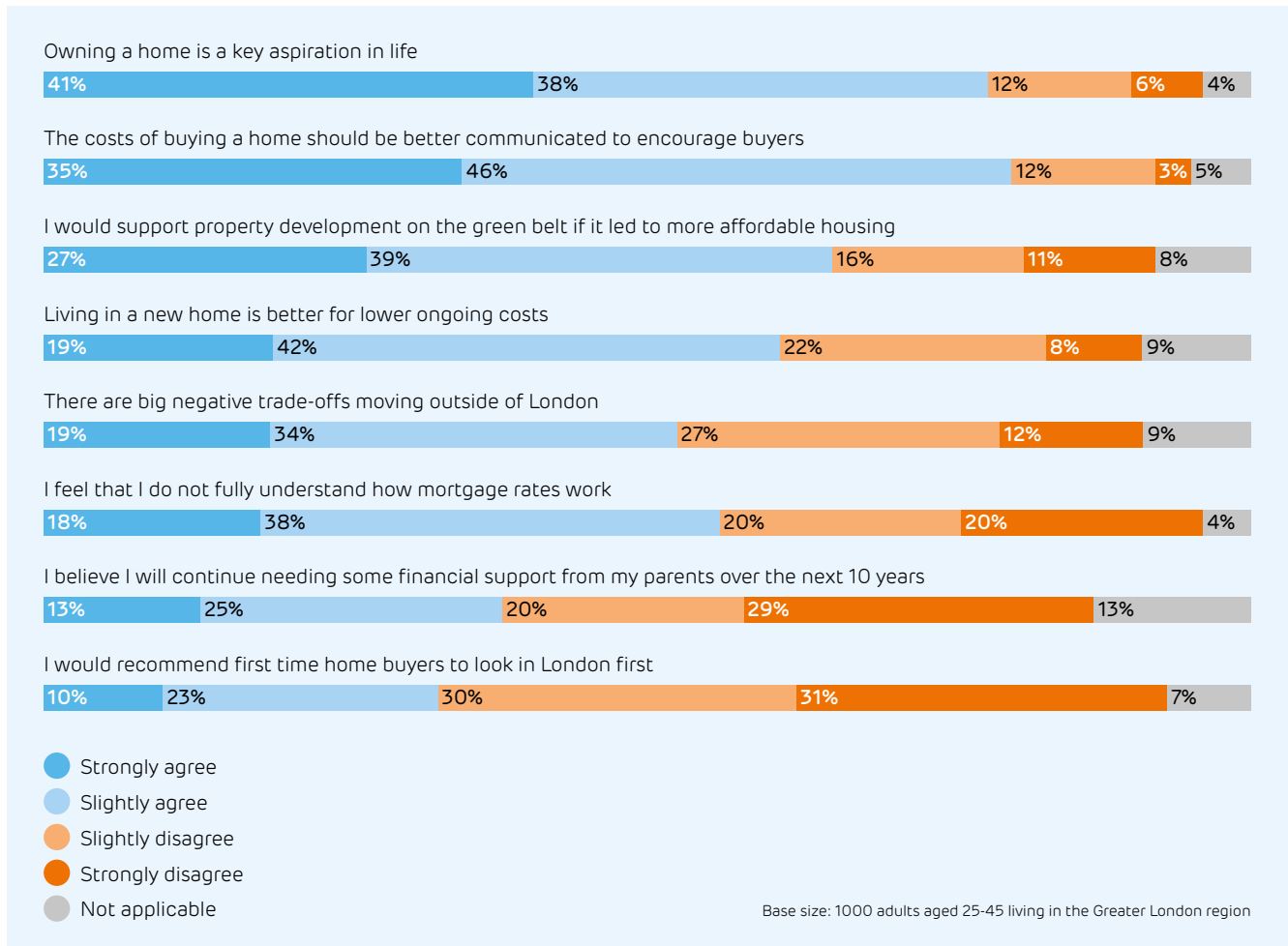
How strongly do you agree or disagree with the following statements?



Yet it is not only the lifestyle benefits and increased stability brought by homeownership that appeals to 25–45-year-old Londoners. An increasingly important factor, especially within the current economic climate, is the financial benefit of living in a new owner-occupied home. Here 61% of those polled agreed that living in a new home was better for ongoing costs, with only 8% of those strongly disagreeing.

Opinions on property and renting

How strongly do you agree or disagree with the following statements about buying a property and renting?



Two-fifths

of renters believed that they would continue needing some financial support from their parents over the next ten years

4. Rising interest rates and the continuing impact of the cost-of-living crisis are pushing London’s homeowners and aspiring homeowners to breaking point

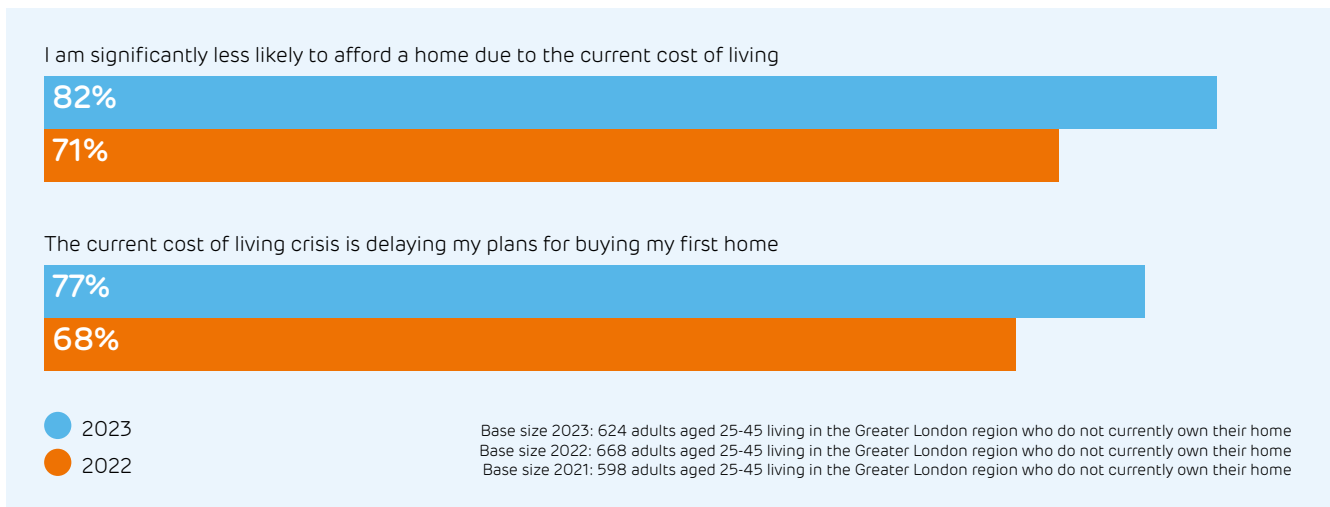
For Londoners aged 25-45 aiming to join the property ladder, 2023 has been the most challenging year yet, facing not only ongoing cost-of-living issues but also the effects of rising interest rates on mortgages.

Our polling reveals a majority still see the benefits of homeownership for quality of life in London. However, the survey indicates many renters and aspiring homeowners have now reached breaking point.

The stark truth of 2023 reveals that the percentage of individuals who believe they are far less likely to afford a home, given the prevailing cost-of-living crisis, has risen sharply from 71% in 2022 to 82%. Meanwhile, the number of people who feel that the ongoing cost-of-living crisis has postponed their aspirations to buy their first home has grown by nine percentage points within a year, reaching nearly eight in 10 (78%).

Concerns for non-home-owners

How strongly do you agree with the following statements?

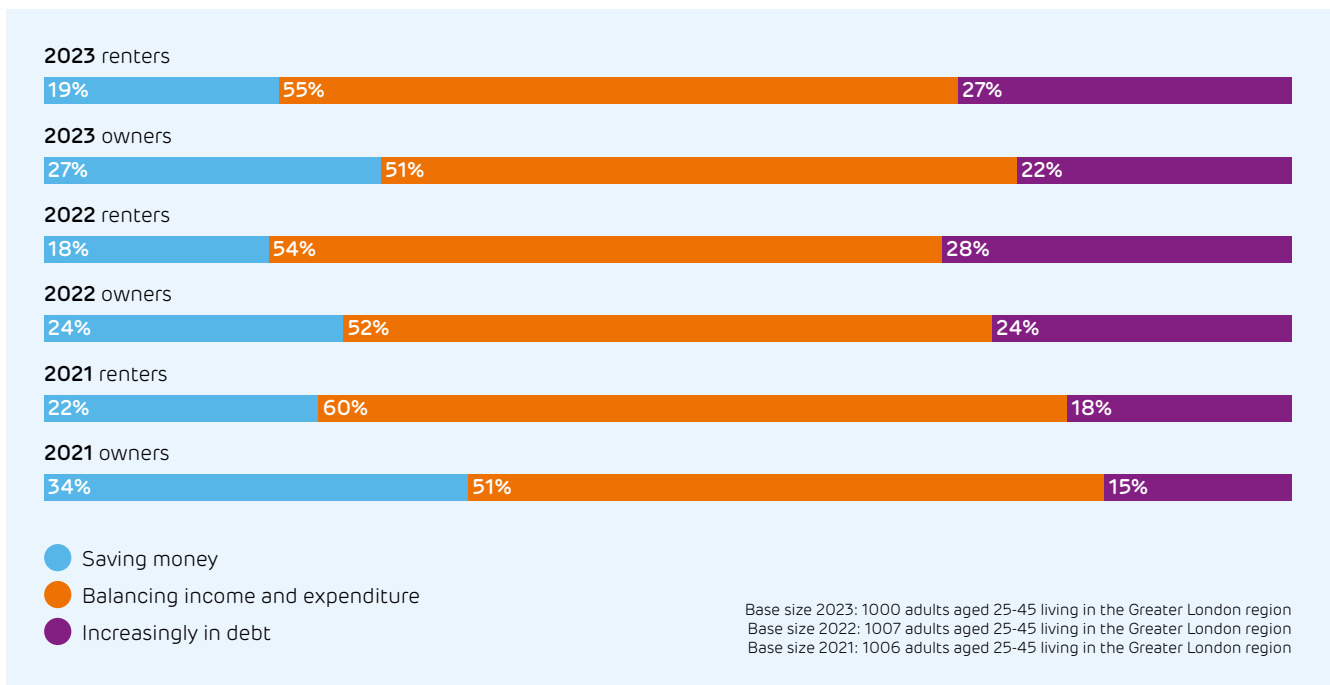


“Two in three (65%) stated that they believed that they would never be able to own their own home in London, despite the fact that house prices were falling.”

The combination of this and the unaffordability of housing in the capital has contributed to three-quarters of those polled being unable to balance their income and expenditure or were increasingly in debt.

Present financial situation

How would you describe your present financial situation each month?

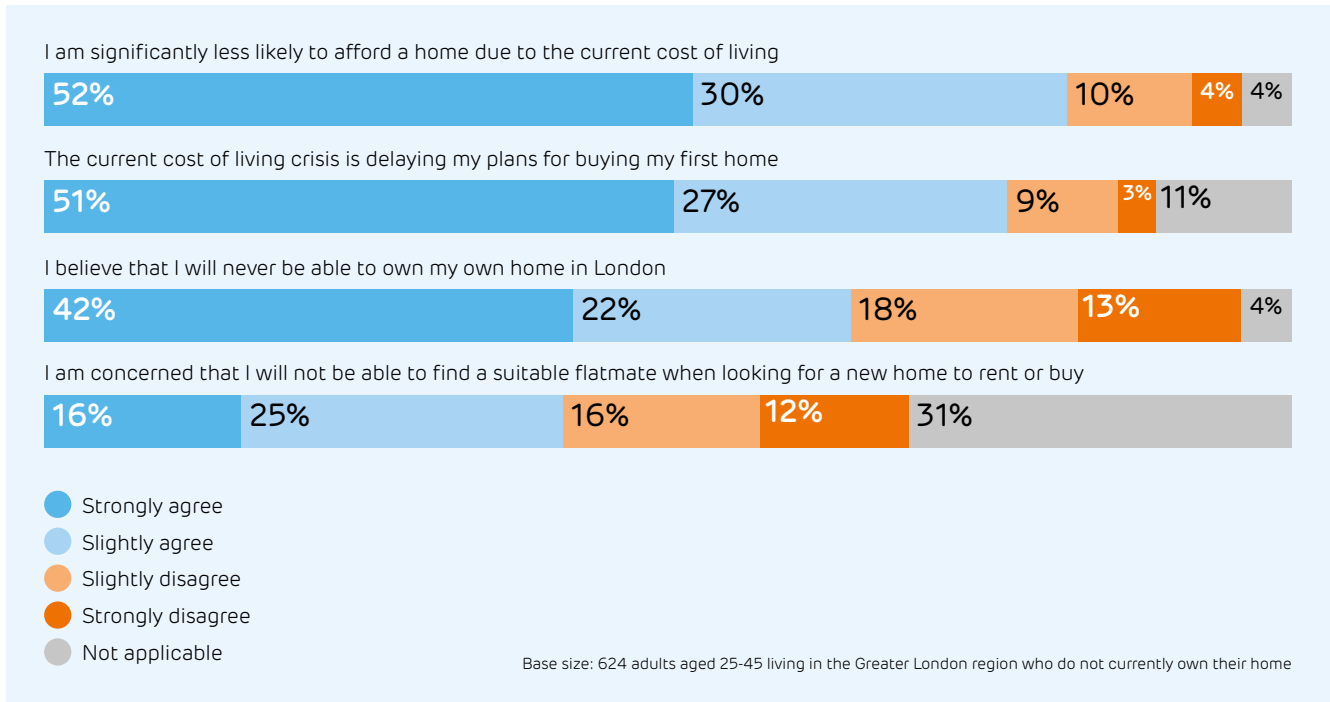


Two in three (65%) stated that they believed that they would never be able to own their own home in London, despite the fact that house prices were falling. In real terms this means that almost 2,000,000 Londoners may never be able to buy⁷.

7. London's Population Age, London Poverty – Trust For London

Concerns for non-home-owners

How strongly do you agree or disagree with the following statements?

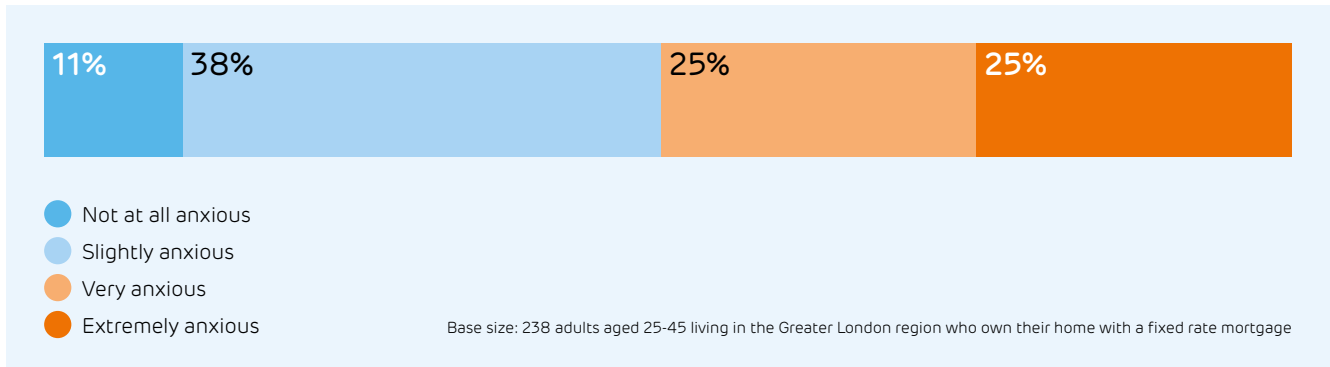


As previously mentioned, one of the biggest barriers to homeownership, or perceived barriers in some cases, has been the significant increase in mortgage rates over the last 12 months. While this is the consequence of tightening monetary policy to counter rising inflation, the gradual increase in rates to their current 15-year high has had a devastating impact upon London’s first-time buyers.

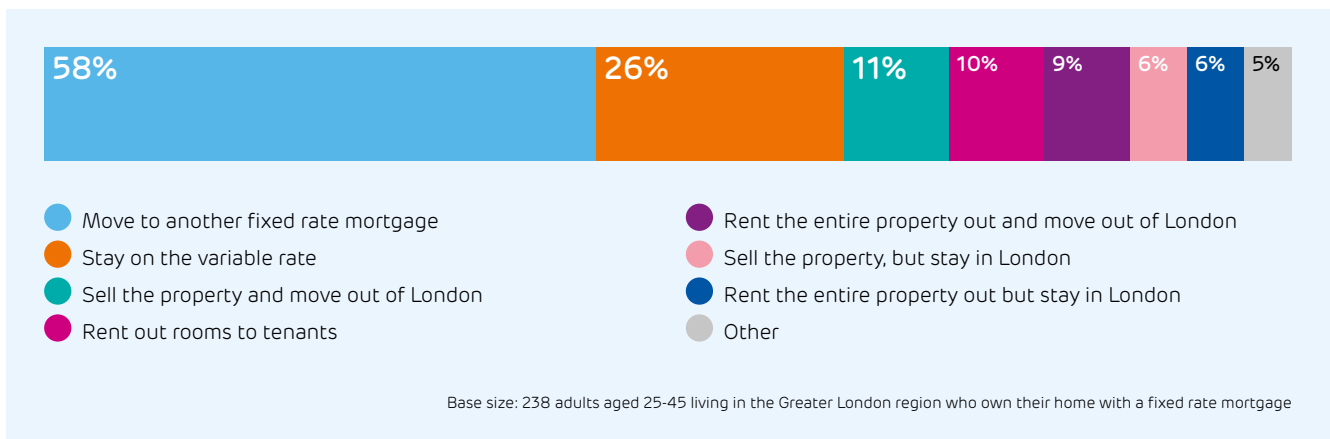
For the first time, we specifically asked the question whether high mortgage rates were acting as a barrier to owning a home in London. **Our findings revealed that this was now the fourth biggest barrier to homeownership within the capital at 39%**, just behind “can’t afford the mortgage” (40%), the impact of the cost-of-living crisis (46%), and high prices despite the recent falls remaining too high (60%).

Fixed-rate mortgage expiration

How would you rate the levels of anxiety on what will happen once your fixed rate mortgage expires and moves to a variable rate?



What are you considering doing once your fixed rate mortgage expires and moves to a variable rate?



On the subject of mortgages and mortgage rates, we did explore a broad range of questions as part of this year's survey to capture the reality of the changing mortgage market and how that was impacting upon first-time buyers in London.

By far and away the most common type of mortgage interest arrangement was a fixed-rate mortgage at 81%. For that cohort of Londoners, the most pressing future issue was what would happen once their fixed-rate mortgage expired, and they moved over to a variable rate. The findings here were stark, almost ominously so. Nearly nine in 10 (89%) of those with a fixed rate responded that they are anxious about what will happen once their fixed rate comes to an end, with exactly 25% stating that they are extremely nervous.

This is hardly surprising when the average mortgage rate has increased from 2.9% to 3.6% compared to 12 months ago. The current average for those on a fixed-rate arrangement is 3.4%, while those on a variable rate are currently seeing a rate of 4.9%.

When asked the maximum mortgage rate renters would be willing to pay, the response almost exactly matched the rate at which current London mortgage holders are presently paying (3.7% vs. 3.6%). However, considering that most current owners are on a fixed rate which will soon expire, then it is clear that the average renter looking to take out a mortgage is unlikely to accept the rate on offer.

“Nearly nine in 10 (89%) of those with a fixed rate responded that they are anxious about what will happen once their fixed rate comes to an end...”

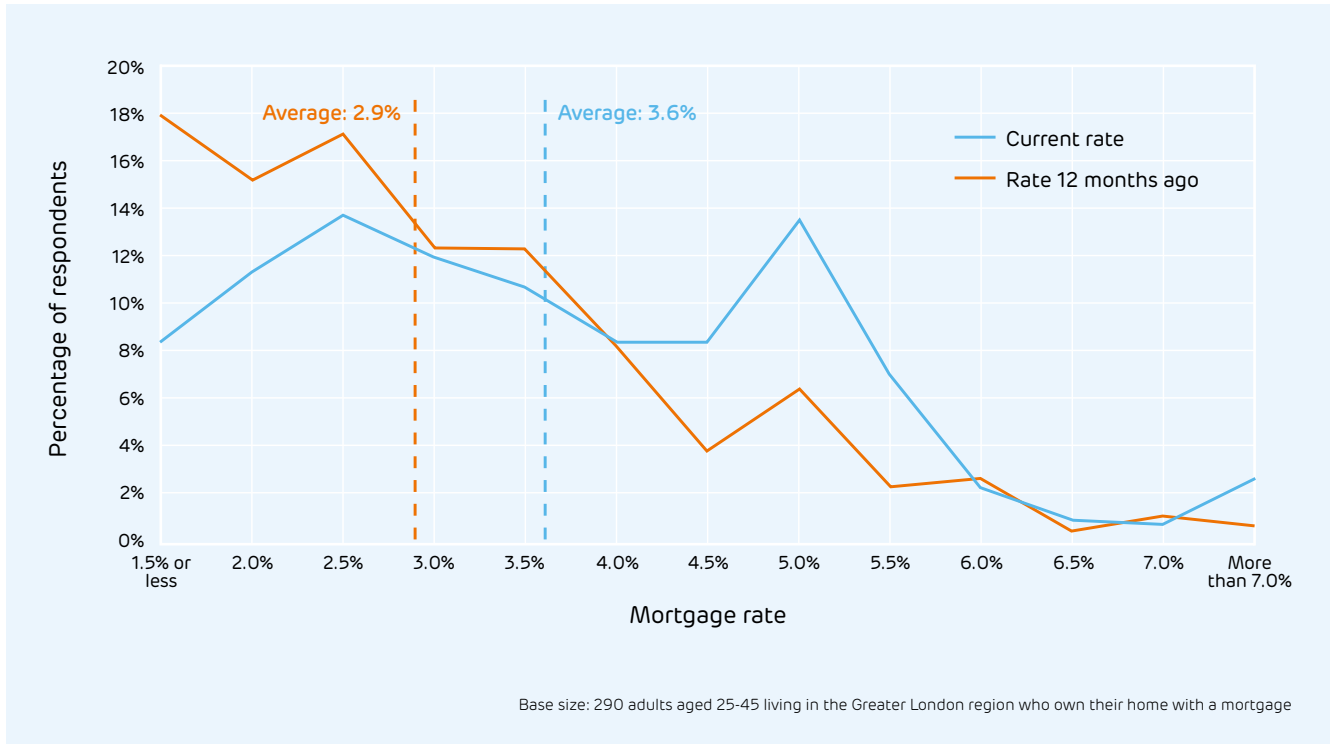


62%

of mortgage owners needed support from their parents to raise a deposit

Mortgage rates

Approximately what rate is your current mortgage and approximately what rate was your mortgage 12 months ago?



This leads us to how those on a fixed rate intend to respond once their mortgage offer expires. Unsurprisingly, the majority (58%) will look to transition to another fixed rate mortgage once it expires. Only 26% would opt to stay on the variable rate. More worrying for the future health of the capital though is the fact that 20% are considering leaving London altogether once their fixed rate expired.

Interestingly and perhaps related to the general increase in the cost of goods and services, the costs associated to maintain a property was a barrier to owning a home in London for 25% of non-homeowners.

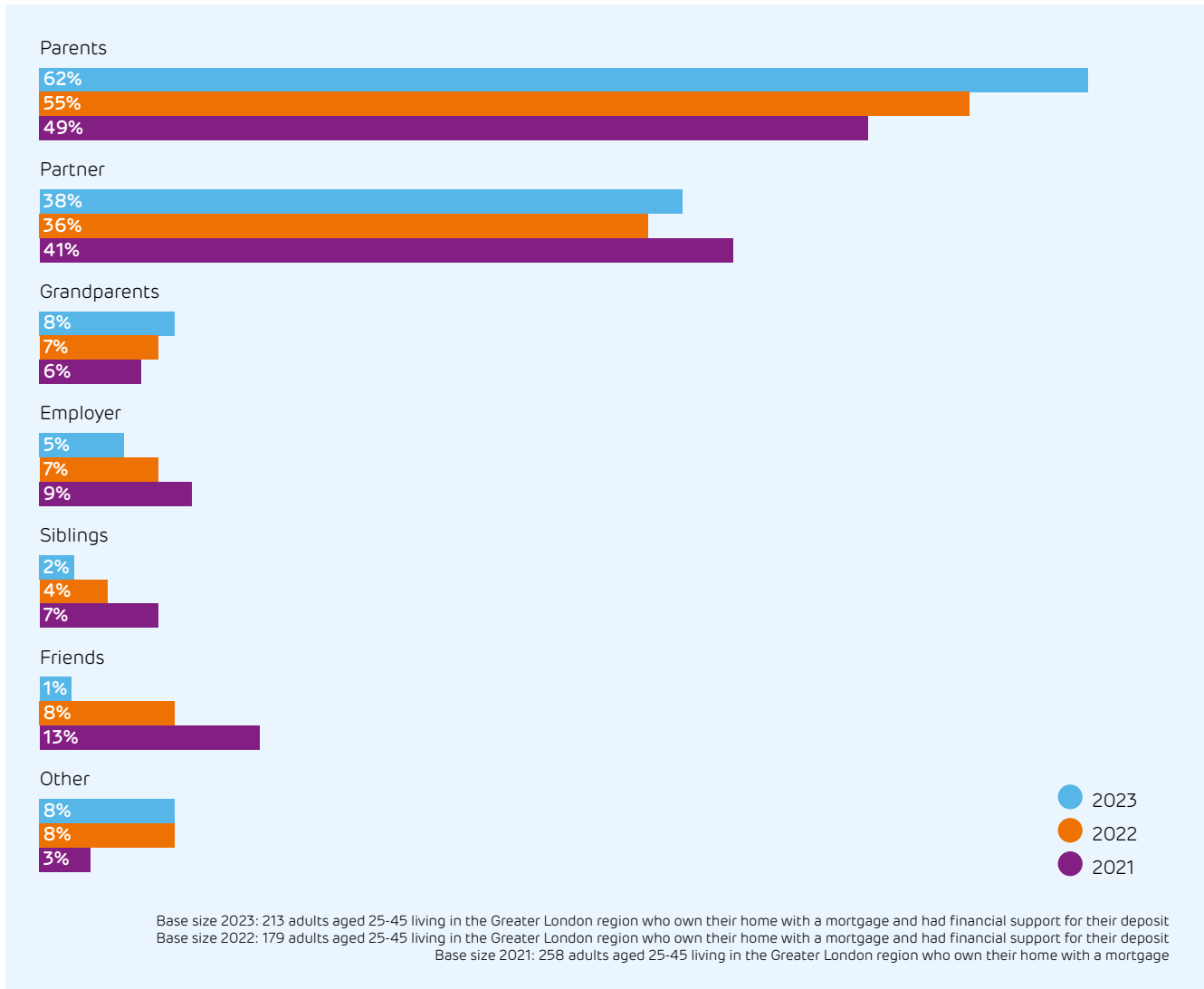
So, we have the perfect storm of house prices remaining above the means of would be buyers, an inability to service a mortgage and a marked reduction in the supply of new affordable to buy homes coming to market.

Interestingly, the issue of raising a deposit has remained fairly constant at 37%. While this is still high it would seem that borrowing costs, as opposed to securing a deposit, is now one of the greater challenges facing would-be homeowners.

On the subject of deposits though it is worth noting that there has been a small decline in the average percentage paid against the purchase value of a new home – 20.9% compared to 21.8% in 2022. Perhaps of greater significance is the percentage of that deposit which has come from a purchaser (and their partner's) savings, which has seen a marked fall from 65.4% to 53.4%. This may be accounted for by the impact of the cost-of-living crisis eroding savings levels.

Deposit support

Who helped financially with your deposit?



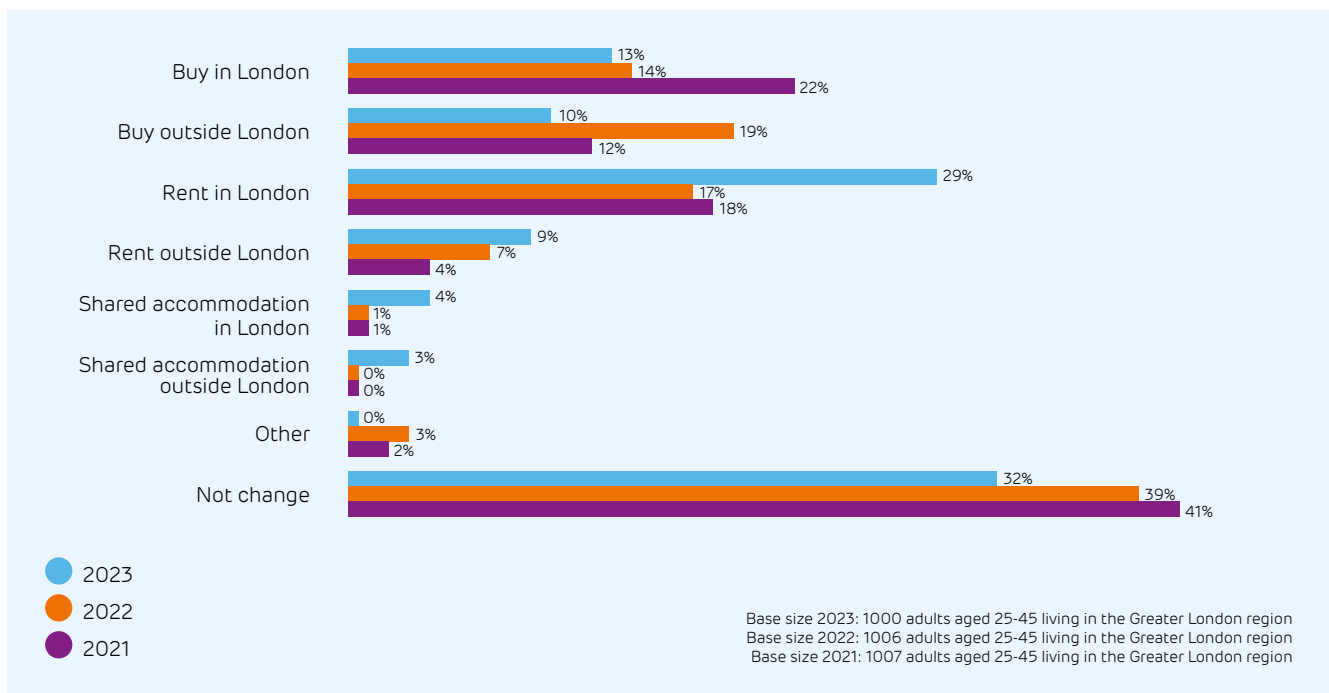
However, what this has resulted in is the majority of mortgage owners who needed help towards a deposit relying on parents (62%). This continues the trend we have seen since 2021, albeit with a 13 percentage point growth over the three-year period.

5. Renters aren't immune from the cost-of-living crisis and like London's homeowners aspiring homeowners are being pushed to breaking point

If the situation is tough for homeowners, then for those looking to rent the situation is even more pronounced. This leads us on to probably the most troubling finding of this year's survey: **that for the second year in a row almost one quarter (22%) of those polled stated that they are actively considering leaving London over the next 12 months, likely due to soaring housing costs and frustration at being able to get onto the property ladder.** While this is slightly down on 2022 it remains in marked contrast to the 15% considering a move out of London in 2021.

Living plans for the next 12 months

What are you most likely going to do over the next 12 months for your primary place of residence?



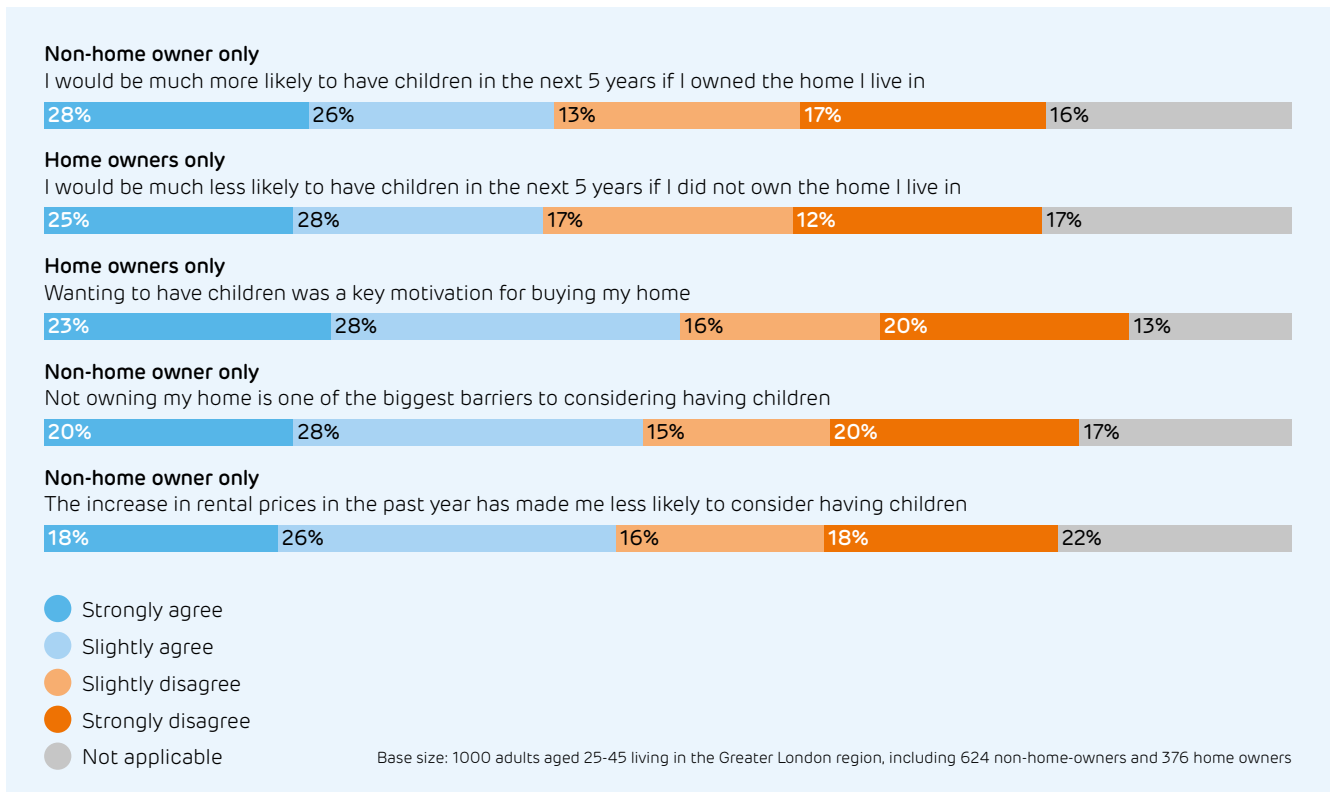
Concerningly, the impact is most pronounced for those critical to London's public services and economic growth, with a quarter (25%) of key workers aged between 25-45 looking to move out of London.

At a time when retaining key staff is crucial across both the public and private sector, the impact of this cannot be understated. **Based upon the Mayor of London's definition of a key worker this could mean anything up to 200,000 key workers leaving the capital⁸.**

The proportion of those looking to buy in London is now at a 3-year low, from one in five in 2021 to one in 10 this year. This, combined with a reduction in those looking to buy outside of the capital, has put considerable strain on the rental sector in London. In what is one of the biggest swings this year, 29% stated that they would be renting in London, a 12% increase compared to 2022.

Impact of living on family life

How strongly do you agree or disagree with the following statements?



8. Mayor's new key worker list for priority housing | London City Hall

The data from this year's survey unveils the profound implications of rental costs on decisions related to family planning. Nearly half (46%) of the respondents expressed that the rise in rental costs over the previous year has made them reconsider plans to have children. Comparable patterns have been observed in other research. According to one study, after controlling for other factors, a 10 percentage point increase in house prices leads to a three percentage point increase in births among owners and a five percentage point decrease in births among renters⁹.

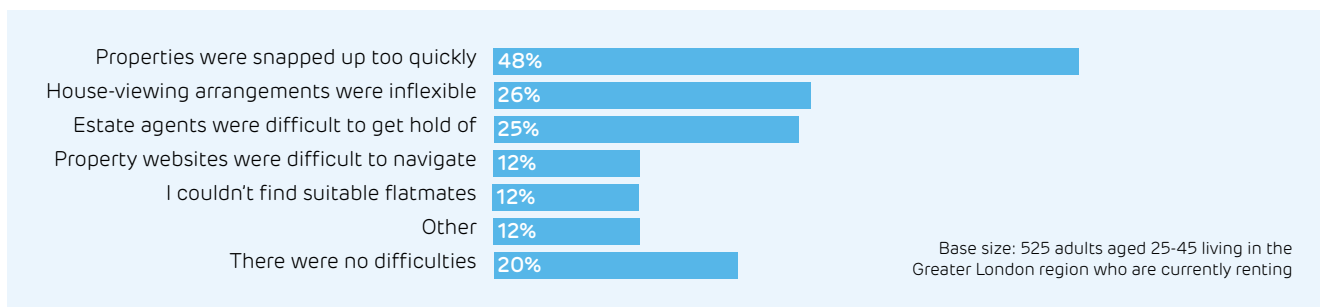
Of equal concern to everyone, our data reveals, for the first time, **that 38% of renters believed that they would continue needing some financial support from their parents over the next ten years.** In real terms, based upon Trust for London's data, this would equate to approximately 1,135,592 young people needing financial support¹⁰.

In addition to the obvious frustration felt by many renters unable to get onto the property ladder, our polling also exposed some of the current challenges facing the London rental market. While price was undoubtedly a significant factor it is clear that would-be renters face a variety of difficulties when searching for a home to rent. The most significant of these, at almost half (48%), was that properties were snapped up too quickly. This was followed by house-viewing arrangements were too difficult (26%) and letting agents were difficult to get hold of (25%). Only 20% stated that they had no difficulty at all in searching for a place to rent.

With this in mind, it is little surprise that over half (51%) of all respondents felt housing supply in London is poor, this was up from just 29% in 2021. More information on this is provided in section 6.

Difficulties when searching for a home to rent

Which of the following difficulties did you face when searching for a home to rent?



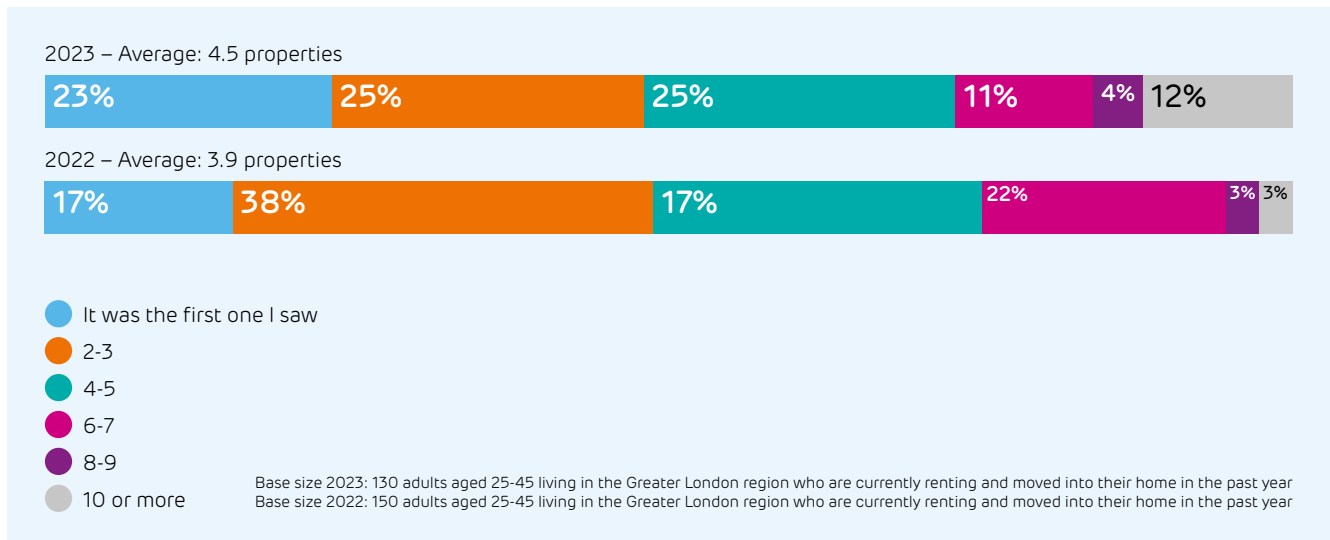
9. The housing theory of everything - Works in Progress

10. <https://trustforlondon.org.uk/data/population-age-groups/>

This can perhaps be seen by the number of properties looked at and the time taken to secure one. On average, renters who moved over the past year viewed a similar number of properties to 2022 (4.0 and 3.9 respectively) but are taking longer on average to find a home (3 months in 2023 and just under 2 months in 2022). Though it is worth noting that 8% viewed more than ten properties.

How many properties renters view

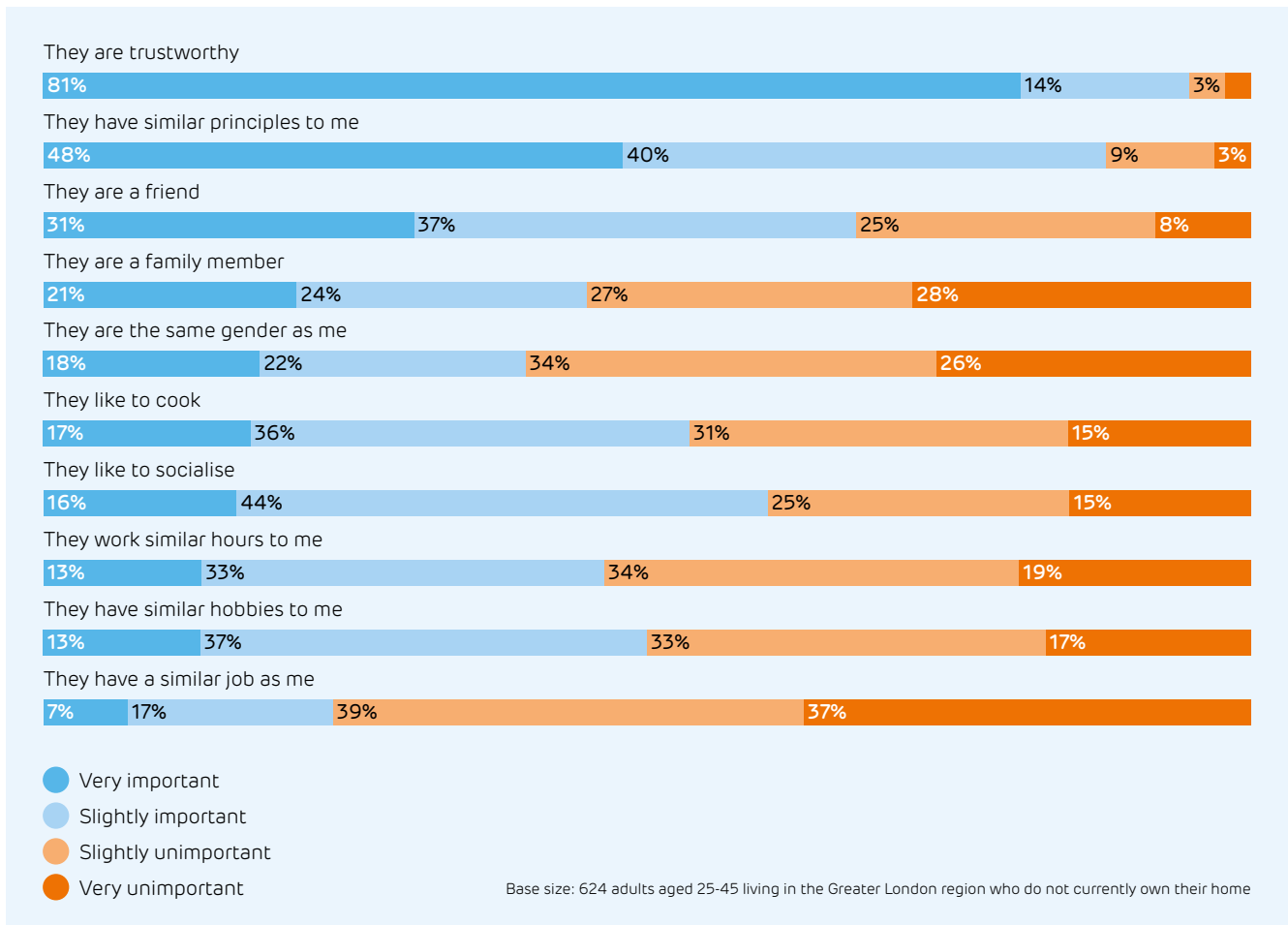
Approximately how many properties did you view before choosing your current home?



Once they had secured a place to live the situation for many did not improve markedly. A concern for four in ten (41%) renters was being able to find a suitable flatmate. Unsurprisingly the key criteria for a potential housemate was trustworthiness (94%), followed by having similar principles (88%).

Ideal characteristics for housemates

How important or unimportant are the following factors when looking for someone to share a rental property with?



One issue facing renters that has emerged since 2021 is that of rent reviews. Over the past 12 months almost half (48%) of renters have had at least one rent review, with 17% having had two or more.

6. While many renters and homeowners are close to breaking point the political dividend is potentially very high for those who can address their challenges

On the surface the crisis facing renters and homeowners within London should be having a significant detrimental impact, both within the capital and nationally. Yet detailed analysis of our findings demonstrates that there is a significant political dividend to be unlocked.

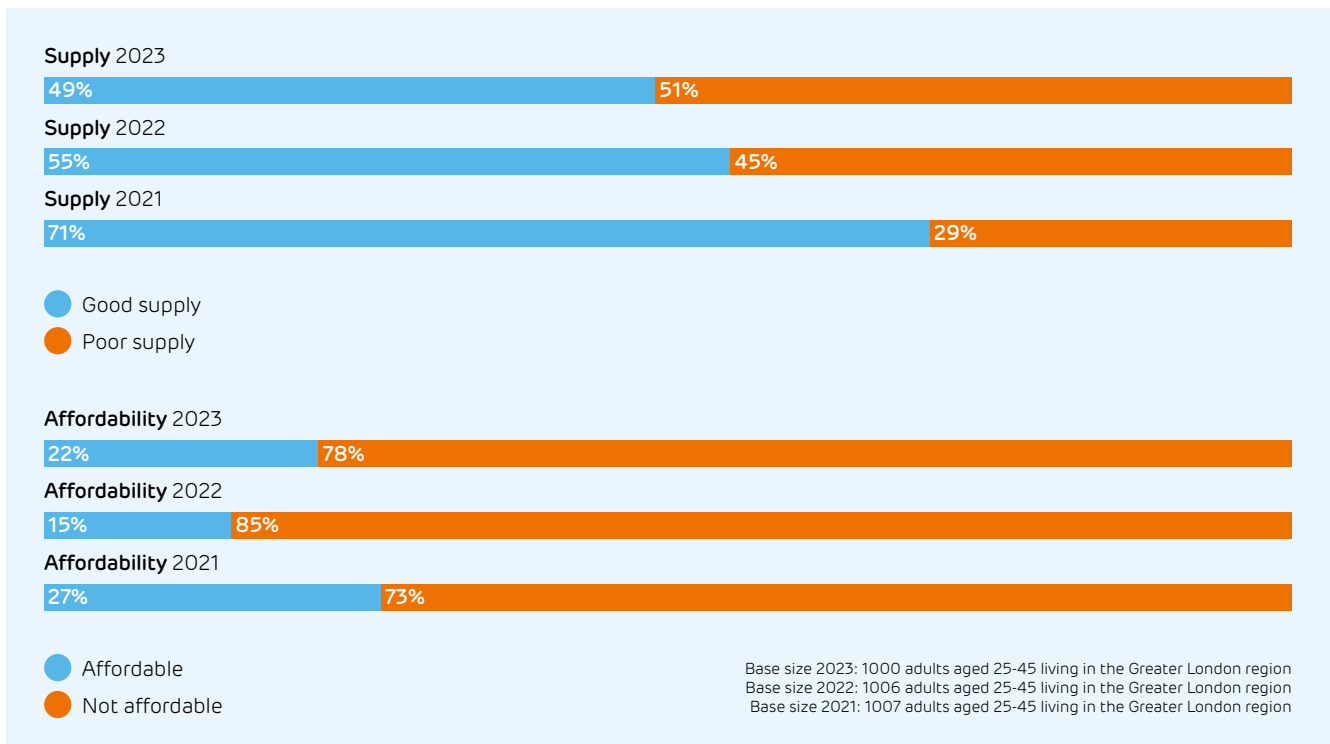
A majority (78%) feel the current government isn't doing enough for affordable homes in London, and 67% would vote for a candidate at the next election promoting more housing delivery regardless of their political stance.

Our findings also show that less than **half of Londoners (49%) believe that there is a good supply of homes, but only 22% believe that they are affordable. The latter plunges to 18% when only those in their 30s are considered.**

The issue of supply in London is now more critical than ever, as an increasing number of Londoners (51%) now describe it as 'poor', marking a 22 percentage point rise over the past three years.

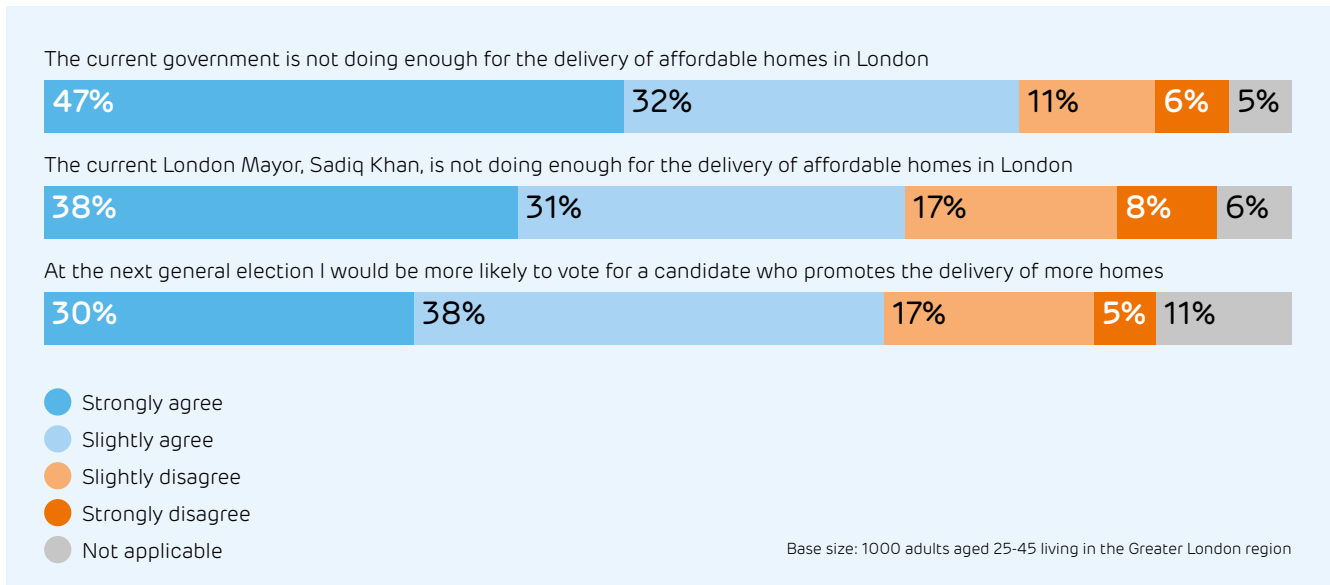
Current situation for Londoners

What do you see as the current situation for Londoners in London?



Opinions of London and housing

How strongly do you agree or disagree with the following statements about London?



“This sentiment certainly explains why 96% of Londoners believe that housing is a crucial or important issue for politicians to focus on ahead of the next general election...”

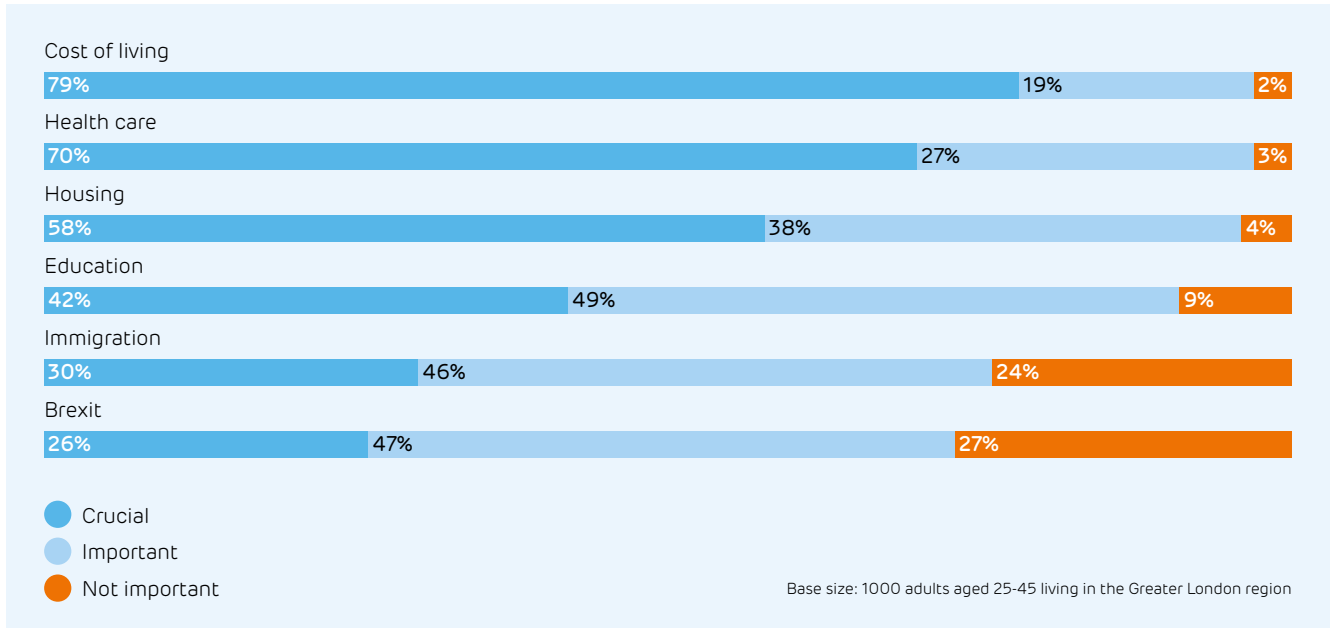
A new question for 2023, and one very relevant given the London Mayoral election in May 2024, was the question over whether the current Mayor of London, Sadiq Khan, was doing enough to promote the delivery of new homes in London. **The response here was clear and resounding: 68% of respondents believe that he is not**, with 38% strongly agreeing with this and only 8% strongly disagreeing. Ahead of the forthcoming London elections, we view this to be a significant point, given the closeness of the opinion polls at the time of writing.

This sentiment certainly explains why 96% of Londoners believe that housing is a crucial or important issue for politicians to focus on ahead of the next general election, ranking it just behind cost of living and healthcare.

For the younger demographic housing was ranked as even more important, with the younger generations being more likely to vote for a party pledging an increase in supply of affordable housing at the next general election. **Our polling showed that 73% of those aged 25-29 say that they would be more likely to vote for a candidate who promotes the delivery of more homes at the next general election** (66% of those in their 30s and 63% of those aged 40-45).

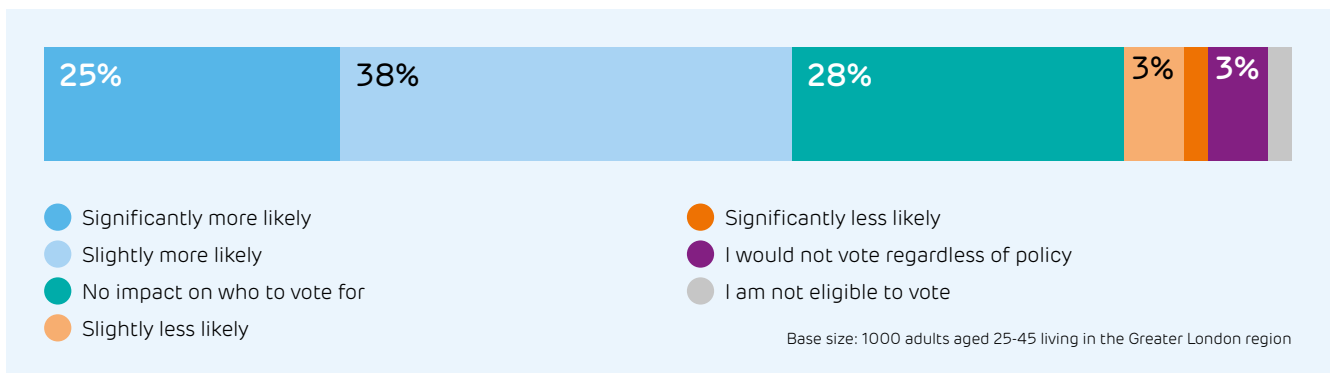
Most important general election issues

How important to you are the following topics for politicians to focus on in the next UK general election?



Impact of affordable housing on general election vote

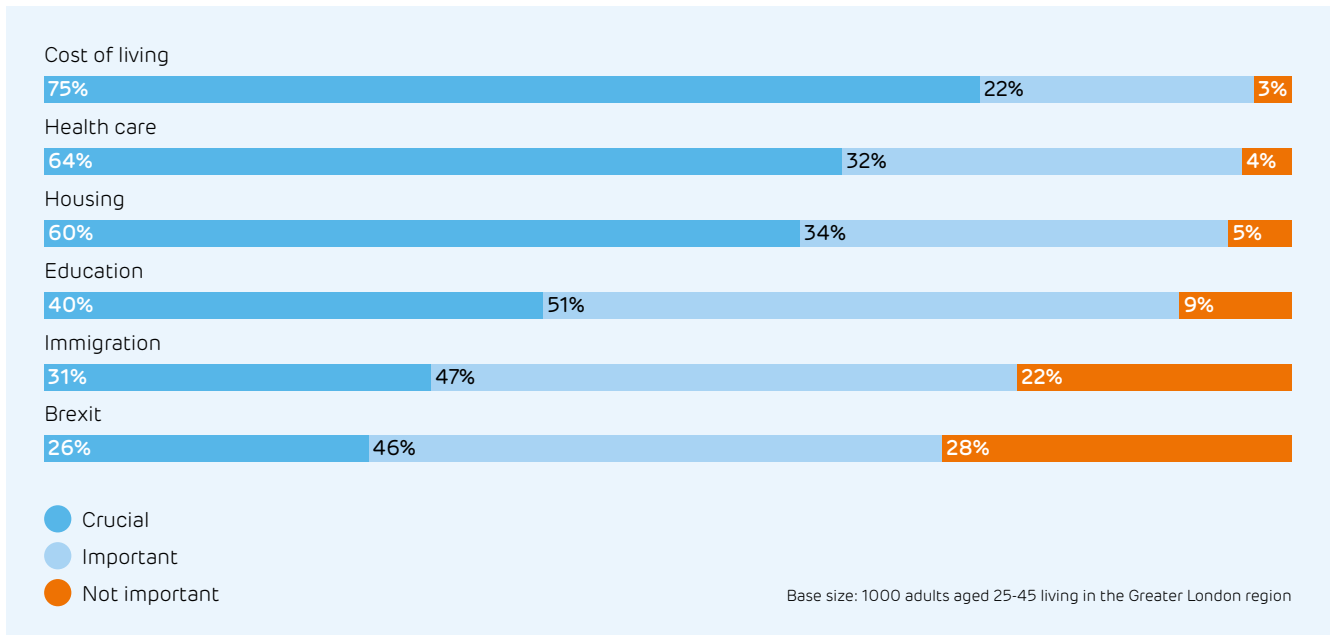
Would a political party pledging an increase in supply of affordable housing make you more or less likely to vote for them in the next UK general election?



In looking at the London only position in greater detail, and cognisant of the mayoral election, a staggering 94% also believe that housing should feature strongly, with 60% stating that they thought that it was crucial. Again, only the cost-of-living (97%) and healthcare (96%) featured ahead of this.

Most important mayoral election issues

How important to you are the following topics for politicians to focus on in the 2024 London mayoral election?



Rather like voting intentions for the general election, two in three (63%) of those polled stated that they would be more likely to vote for a mayoral election candidate pledging an increase in the supply of affordable housing (with 22% significantly more likely to vote). In a close contest as was predicted during the late summer of 2023, such sentiments could make all the difference to the outcome.

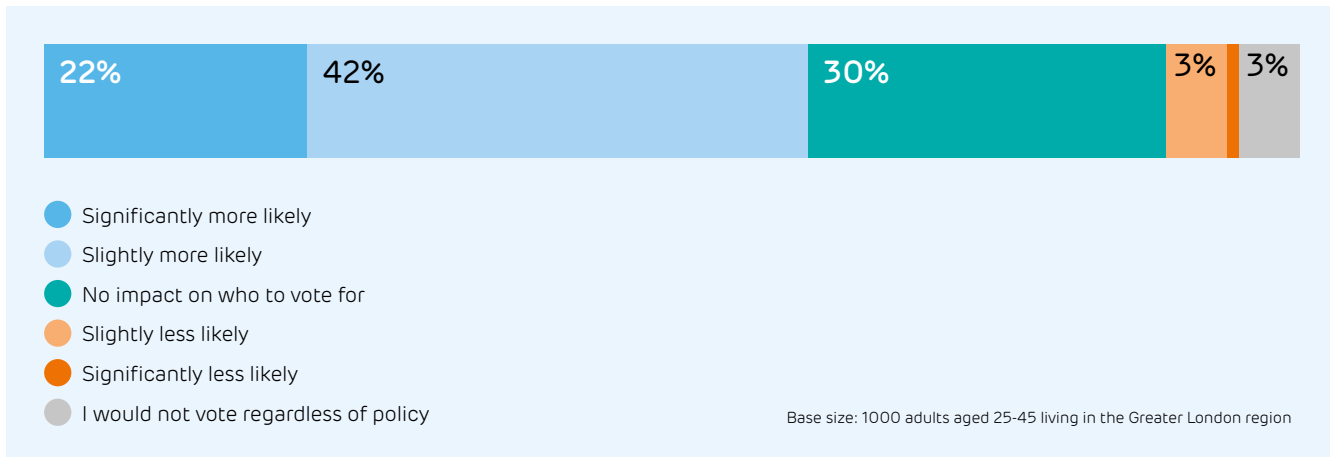


Three-quarters

of young people are ready to vote for a pro-housing party

Impact of affordable housing on mayoral election vote

Would a mayoral election candidate pledging an increase in supply of affordable housing make you more or less likely to vote for them in the 2024 London mayoral election?



“Perhaps most interestingly, almost two in three (66%) of respondents stated that they would support development on the green belt...”

In terms of solutions to deliver more housing, it seemed as though those polled were willing to consider radical options to increase levels of supply. This formed part of the response to the question around the need for affordable housing to accommodate new norms and ensure the vibrancy of London, with 82% agreeing.

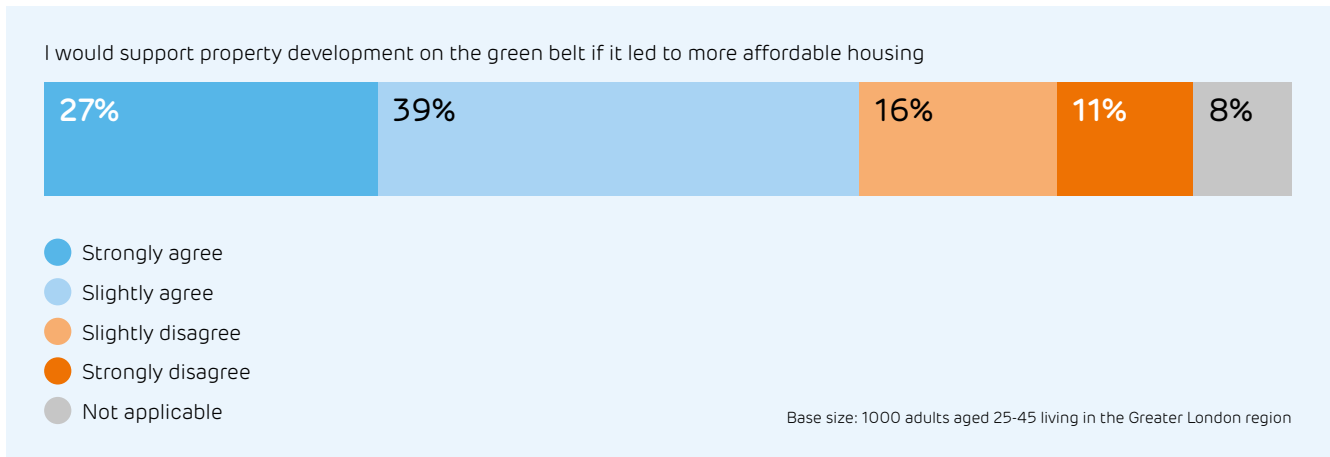
Perhaps most interestingly, almost two in three (66%) of respondents stated that they would support development on the green belt, with a fairly even split between renters and homeowners across the capital.

Green belt designated land now makes up 22% of the total land area in London, the highest proportion for any area in England¹¹. Despite this potential, the Mayor of London remains ‘committed’ to protecting London’s green belt at all costs, a stance that could be at odds with Sir Keir Starmer’s position if Labour were to win at the next election.

11. Local authority green belt: England 2021-22 - statistical release – GOV.UK (www.gov.uk)

Opinions on property and renting

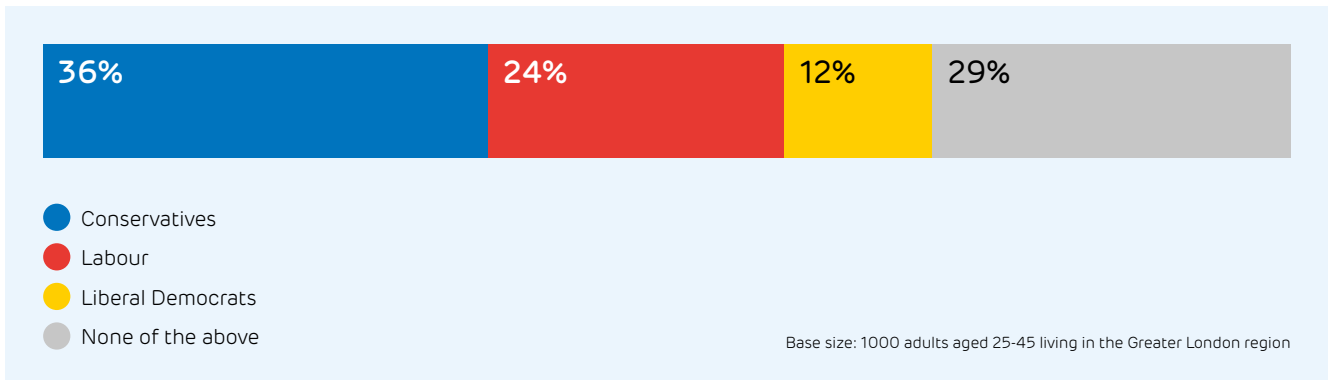
How strongly do you agree or disagree with the following statement about buying a property and renting?



Very closely related to that and acting as something of the counter to the responses around future voting intentions, the question was asked which political party was considered to be most anti-development. Unsurprisingly, considering the decision to scale back on housing targets, the Conservative Party is considered to be the most anti-development (36%).

Most anti-development political parties

Which of the following political parties do you consider to be the most anti-development?



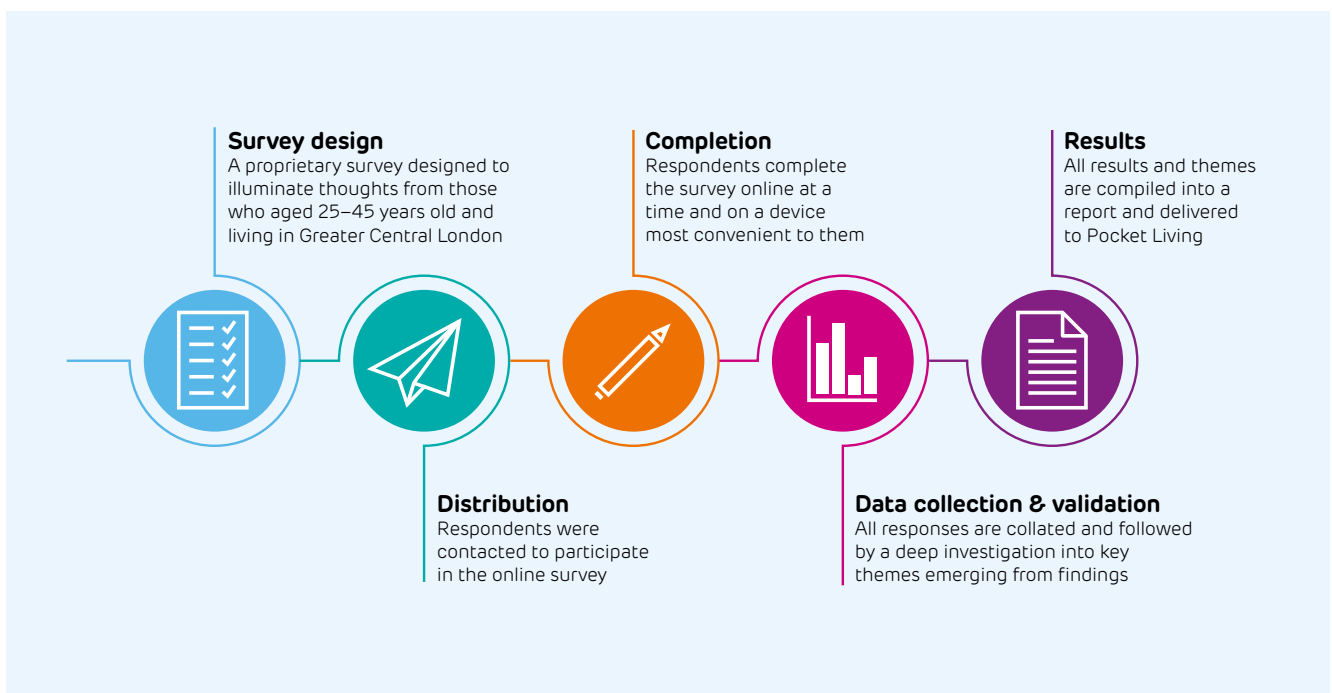
Despite housing delivery being devolved to the Mayor and City Hall, it seems as though the Conservatives at a national level are still attracting negative sentiment for a lack of delivery in essentially a Labour-run city.

Despite the housing and affordability challenges in London, addressing them could yield political benefits, with 96% of respondents demanding action, even if it means sacrificing some political priorities.

One thing is clear though through our research, we have reached breaking point for the majority of Londoners aged 25-45 who either own or rent. Doing nothing is no longer an option when nearly a quarter of Londoners are considering leaving the capital. Yet as we head towards both a mayoral and general election, who will be brave enough to rise to the challenge to solve this and take the bold move to increase supply? Who will really think the unthinkable and turn breaking point into breaking ground?

8. Research Methodology

- This research was conducted online from 9th to 24th August 2023 with n=1,000 respondents.
- The sample is representative of those aged 25 to 45 yrs. old and living in Greater London.
- The results of 2022 (n=1,006 respondents) and 2021 (n=1,007) are with the same profile and highlighted throughout this report.
- The results have a margin of error of +/-3% with a confidence level of 95%.
- The results were weighted to ensure an comparable representation of each London borough, age group and gender.



We have reached breaking point for majority of Londoners aged 25-45 who either own or rent.

Doing nothing is no longer an option when nearly a quarter of Londoners are considering leaving the capital. Yet as we head towards both a mayoral and general election who will be brave enough to rise to the challenge to solve this and take the bold move to increase supply?

Who will really think the unthinkable and turn breaking point into breaking ground?

