

Capital Flight

The plight of first-time buyers
driven from the City

Pocket Living research based on exclusive polling
of 1,016 25–45 year old Londoners



living

August 2022

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Foreword by Marc Vlessing, Founder, Pocket Living

In our research last year, we made the case that first-time buyers had suffered in silence during the COVID-19 pandemic. Many of them were city makers: the young doctors, nurses and teachers who kept vital services running in the face of unprecedented disruption. Many were in the private sector, working from home in the technology or media industries in less-than-ideal conditions, sharing kitchen tables with flat mates while trying to drown out their friends' Zoom calls and missing out on mentoring from senior colleagues.

Now they are no longer suffering in silence. They are angry, frustrated, and are starting to vote with their feet and considering leaving the engine room of the UK economy in unprecedented numbers. Our findings show most starkly, that the cost-of-living crisis is set to drive more than one quarter of renters out of London, up 11% since last year.

Yet it should not be like this. A national shortage of skilled labour means that they are not short of employment opportunities to exploit. Far from it. Nor are they short of a lack of love for London and living within a pre-eminent global city. The findings speak for themselves and highlight that their desire to remain is as strong as ever.

What they are short of is a lack of choice across acceptable housing options. Almost all want to own their own home, yet due to a chronic lack of supply are unable to do so and are considering life outside of the capital years earlier than would otherwise be the case.

Decades of established patterns for young professionals are changing rapidly. Gone are the days of recent graduates 'doing London' until they reach their thirties and forties and start to consider family life, with the often-cited reasons for moving out being schools and access to quality open space. Instead, they are now considering leaving the capital far earlier in their careers, not due to a lack of enthusiasm for London, but simply because they have no choice.

Of course, housing is not the only reason for this fundamental shift in attitude. People are increasingly wary of crime and can find the transport network difficult to negotiate. But London is actually one of the safest global cities and we should celebrate the 272 tube stations and myriad other transport hubs in the capital which make it one of the most connected cities within the UK.

However, these positive attributes are rapidly eclipsed by the impact of the cost-of-living crisis engulfing the capital and the country and which is causing many Londoners to reconsider whether they can afford to buy in the capital at all.

At Pocket Living, where we cater almost exclusively to first-time buyers in London, providing affordable (defined as 80% of market value) new housing, we are seeing this despair first-hand. Our developments sell rapidly despite restrictions on who we can sell to, yet we remain restrained by a planning system which still has no way of fast tracking the delivery of the homes that working Londoners most want. Supply doesn't match demand and a generation brought up on freedom of choice and a 24/7 consumer experience is left bitterly disappointed.

"Yet what can be done" is the inevitable response we hear. Well plenty if the government were only bold enough to act and consider implementing policies suggested by Pocket which could result in an additional 30,000 affordable homes being delivered each year. Recent changes to stamp duty are fine, but are predicated on buyers being able to find a property in the first place. It is the supply side we need to crack with urgency, given that helping people get on the housing ladder is absolutely key to the social and economic health of the nation: from short-term well-being, to supporting people in their careers to enhancing their future well-being.

Furthermore, our research is clear that there would be a significant electoral dividend for any political party who pledged bold action and delivered upon that, with almost two-thirds of respondents agreeing

that they would be more likely to vote for candidates who promise the delivery of more homes at the next General Election.

So, as we seek to get our economy back on track it is vital that policy makers across all levels of government fully understand the real challenges facing those people in the UK aged between 25–45 who desperately want to own their own home yet find that the ladder of housing opportunity is fundamentally broken.

For if they don't then not only will housing continue to be an issue which cripples the economy, it will also blight the prospects of a whole generation that is now being forced to leave the capital because the prospect of owning a home is now such a bleak prospect.



Marc Vlissing
Founder

“...it is vital that policy makers across all levels of government fully understand the real challenges facing those people in the UK aged between 25–45 who desperately want to own their own home”

Executive summary

“Nearly one quarter of those currently renting within London are set to be driven out of the capital due to the cost-of-living crisis, yet of those 54% don't want to but feel they no choice.”

This is the stark finding of Pocket Living's most recent survey of Londoners aged 25–45 years old. A finding which demonstrates the extent to which the cost-of-living crisis is forcing key city-makers out of London and undermining the recovery of the UK's economic engine.

It comes as Pocket, which delivers new homes across the capital for first-time buyers living or working in London, surveyed in August 2022 more than 1,000 Greater Londoners aged between 25 and 45 as part of an annual survey to understand the pros and cons of London living. Of the 1,016 respondents, 30% own their own home, 60% rent and 7% live with their parents.

The results were weighted to ensure a representative opinion was collected by each London borough, age, gender, and general election behaviour.

Among would-be first-time buyers we polled there was a strong sense of frustration that the cost-of-living crisis would mean that they were less likely to be able to afford a home, with almost three-quarters of young people renting in London agreeing.

Or that they would be actively delayed their plans to buy their first home, with more than two-thirds (69%) agreeing.

The polling also found that the cost-of-living crisis is also significantly impacting upon spending habits, with at least 54% stating that they have either, or plan to, lower their household heating usage, and 52% stating that they are decreasing the amount they put into their savings.

With over half of respondents not being able to save as much money each month and over a quarter falling into increased debt each month, it is unsurprising that our polling found that 71% of renters agreed that they were less likely to be able to afford a home even if house prices do start to decline.

Given the strong links between homeownership and having the confidence and security to start a family, we found that 46% of renters stated that not owning a home is one of the biggest barriers to starting a family. Conversely 59% of renters were more likely to have children within the next five-years if they owned their own home.

Despite this, and the general impact of the cost-of-living crisis, satisfaction with living in the Capital remains very high, with 91% claiming to be satisfied. Perhaps most interestingly, this level of satisfaction remains consistently high regardless of whether those polled were currently in debt, saving money, or balancing their income and expenditure.

Of further note, and testament to the fundamental strengths of London a destination, nearly 70% considered London to be a special place to live. Furthermore, 47% stated that there is a big negative trade-off around moving outside of London.

This level of satisfaction has undoubtedly had societal benefits, with 73% of those polled stating that owning a home within London has improved stability within their life, and 69% affirming that homeownership has improved their quality of life. These are undoubtedly significant figures and reinforce the view that ownership enables individuals to not only lead more settled lives, but play a more positive, and happy, role within the communities in which they live.

Given the role that government at all levels has to play in the delivery of affordable housing our polling rightly sought to elicit a broad range of responses on the effectiveness of current policy in terms of driving the delivery of new affordable housing.

In terms of overall housing delivery within London nearly half (47%) of all respondents noted that there is a good supply of homes in the capital, but they are not affordable, while 38% claim that there is a poor supply of homes, which also are not affordable.

In terms of the potential for government to do more, a resounding 77% stated that the not enough was being done to ensure the delivery of more affordable housing within London. Of particular note, especially for policymakers and elected representatives, was the powerful affirmation by 68% of those polled that they would be more likely to vote for a candidate in a general election who promises to ensure more homes are delivered within their constituency. Whilst this was just focused on a national level, we should assume that it would be broadly applicable at local and pan-London level also.

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68% of those polled would be more likely to vote for a candidate in a general election who promises to ensure more homes are delivered within their constituency.

Nearly one quarter of those currently renting within London are set to be driven out of the capital due to the cost-of-living crisis.

Despite the general impact of the cost-of-living crisis, satisfaction with living in the Capital remains very high, nearly **70%** considered London to be a special place to live.

1. London's home ownership profile

In our polling, 38% of respondents overall own their home and 23% do so with a mortgage, which is a slight decline on our findings from 2021 of 7.8% and 3% respectively. This means that London continues to lag significantly behind the rest of England in terms of levels of homeownership, with the gap continuing to increase.

In contrast to this, and unsurprisingly, the total proportion of those renting has increased by 8.2% since 2021, with the largest increase being those who rent from a local authority with a 5% increase since 2021. This aligns with a more modest 2% increase on the previous year for those who rent from a private landlord.

Home ownership (All respondents)

Q. Who owns the home you live in? (Please select one response)

Breakdown of home ownership/rentals

I rent from – Private owner



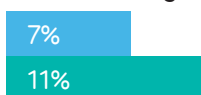
I own – With a mortgage



I rent from – Local Council



I own – Outright

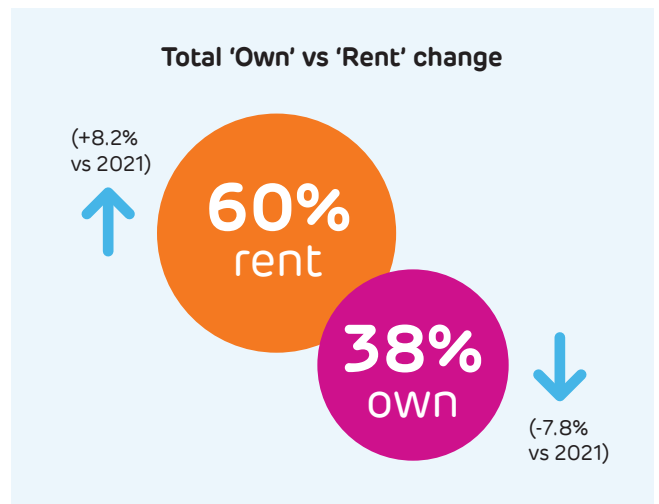


I rent a room – Shared accommodation



2022 2021

Base size: 1016 adults aged 25–45 living in the Greater London region



Represents a significant difference tested at a 95% confidence level.

2. Despite the challenges London still remains an attractive and aspirational place to live

London can never be complacent about population growth or the loyalty of its residents.

In the decades after the Second World War London emptied out, with its population falling from 8.6 million people in 1939 to 6.8 million in the 1980s, when the capital suffered from high unemployment and was still scarred by bomb sites.

A renaissance has taken place since then, with the financial services and then the tech world booming, culminating in the global extravaganza of the 2012 London Olympics and the city's population growing to almost 9 million in 2019.

But since the pandemic and Britain's departure from the European Union the picture has looked less confident, with the Economic Statistics Centre of Excellence estimating that up to 1.3 million people born abroad left the UK in 2019/20, including 700,000 who left London.

According to estate agents Hamptons Londoners bought 60,000 homes outside the capital in 2021 and many of those people were first-time buyers.

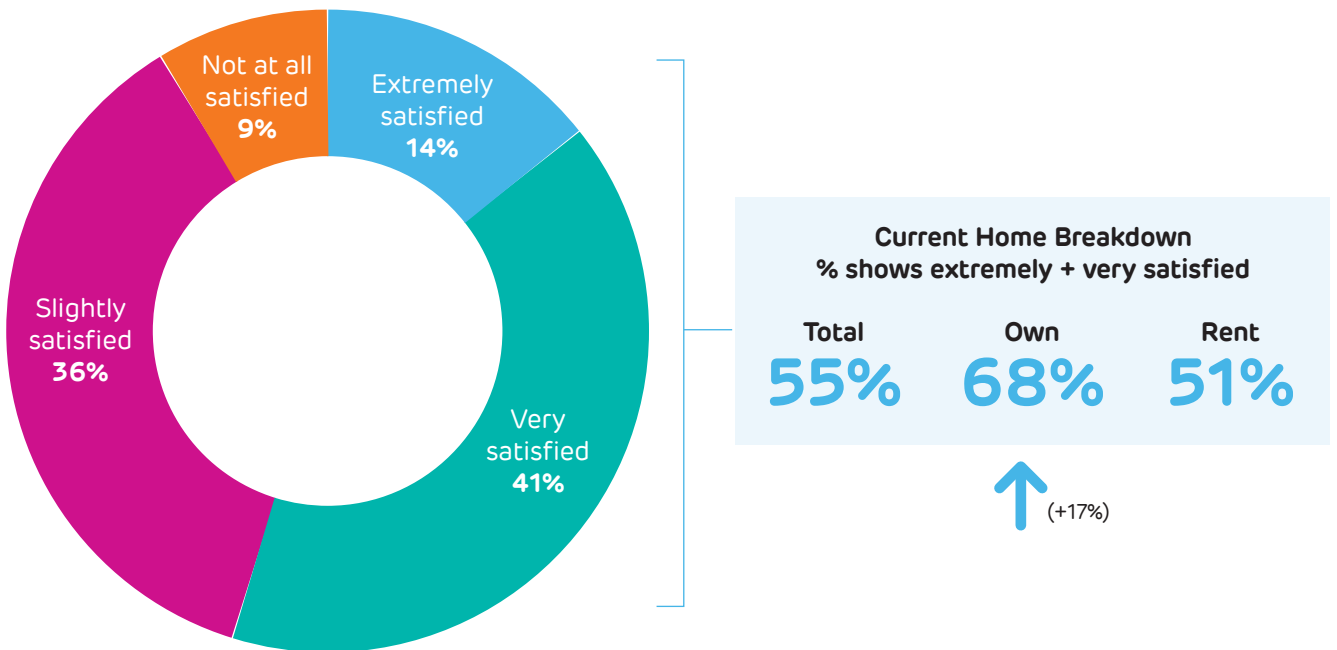
This was the highest half-year figure since Hamptons' records began in 2006 and first-time buyers made up a quarter of those buying outside the M25.

However, despite these challenges, compounded by the cost-of-living crisis, London still remains a highly attractive and aspirational place to live. This can be evidenced by the very strong polling results we received which clearly demonstrate that 91% report being satisfied with living in London, and 74% believing that London is a 'special place to live'.

91% report being satisfied with living in London, and **74%** believing that London is a 'special place to live'

Satisfaction with living in London (All respondents & Homeowners & Renters)

Q. How would you rate your overall level of satisfaction about living in London? (Please select one response)



Base size: 1016 adults aged 25–45 living in the Greater London region
Homeowners: 302, Renters: 714



Represents a significant difference tested at a 95% confidence level.

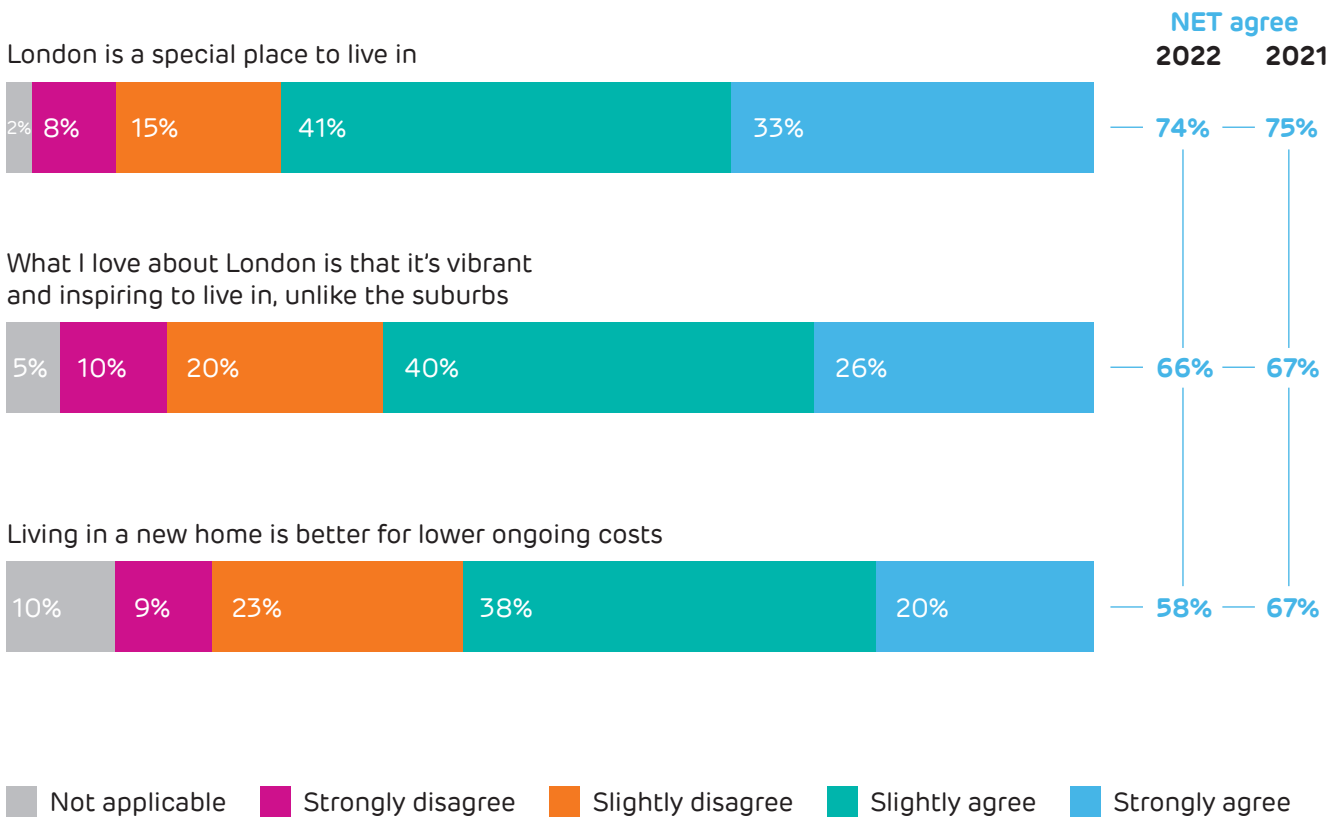
According to our research, 66% of 25–45 year olds believe that London is a vibrant and inspiring place to live in when compared to the suburbs, with only 10% strongly disagreeing. This represents only a very minor (1%) reduction on the sentiment expressed 12 months ago, which is even more extraordinary when considered against the wider economic context.

66% of 25–45 year olds believe that London is a vibrant and inspiring place to live in when compared to the suburbs.

Sentiment towards London / housing (All respondents)

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

Q. How strongly do you agree or disagree with the following statements about buying a property and renting? (Please select one column response for each row)



Base size: 1016 adults aged 25–45 living in the Greater London region

So, despite the undoubted challenges and socio-economic turbulence created by first the pandemic and more latter resulting from the war in Ukraine, amongst 25-45 year olds the magnet appeal of London remains as strong as ever.

Whilst COVID-19 caused many people in their 20s and 30s to reappraise their lifestyles, their heart drew back to the capital after a period of doubt and even a period of sustained pressure on incomes and lifestyles doesn't appear to be blunting enthusiasm for London living.

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.

Whilst COVID-19 caused many people in their 20s and 30s to reappraise their lifestyles, their heart drew back to the capital after a period of doubt.

3. Aspiring to own a home within London and the perceived benefits of ownership

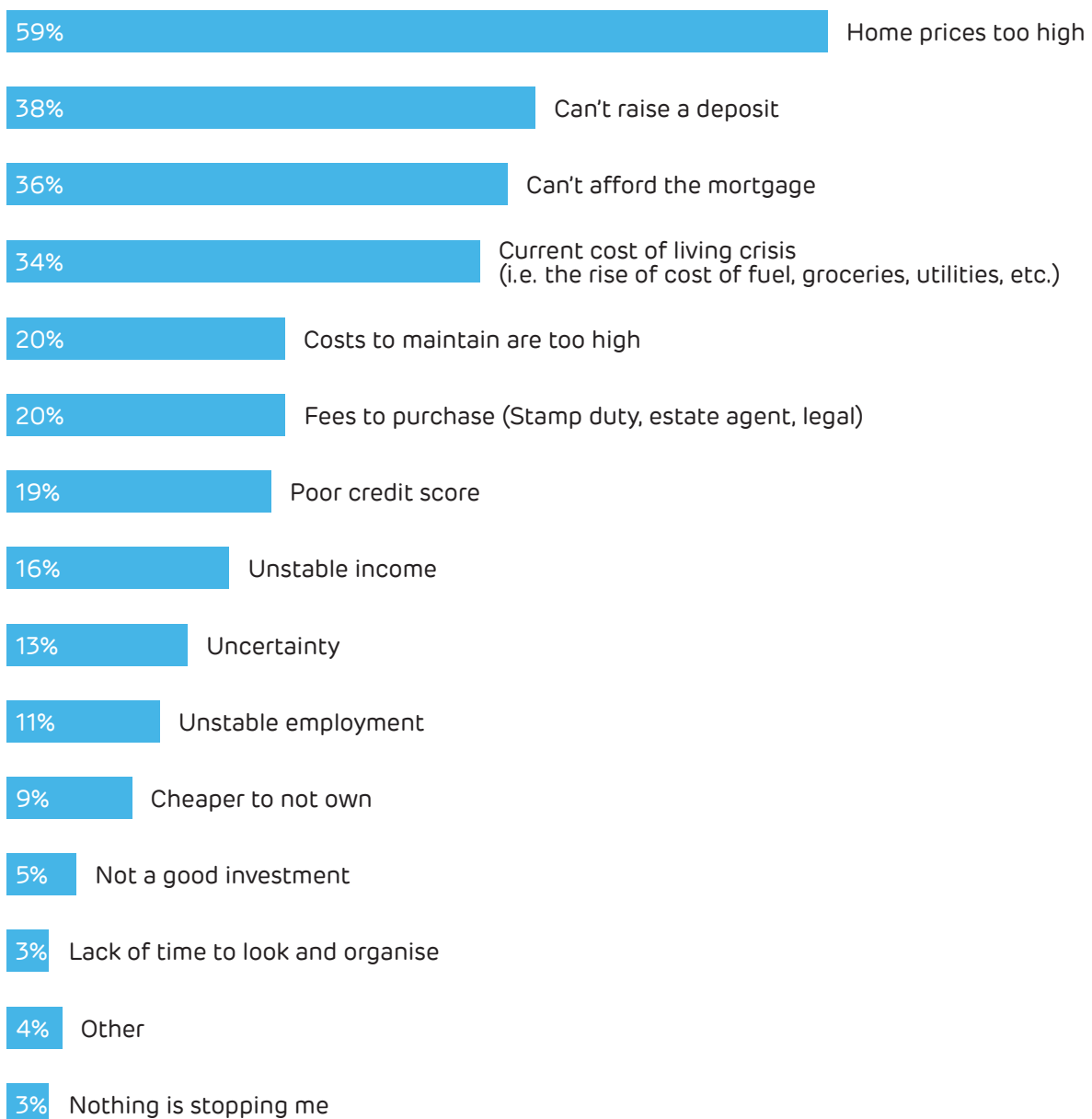
Buying a home in London has rarely been more difficult, with house prices dramatically out of sync with most people's earning power, capacity to raise a deposit and cost of living. For those who have bought within the last two years the average price paid being £594,288 and the average deposit paid being £131,277 or 22.1%.

In terms of the top four barriers perceived from a renter's perspective, these are:

- House prices are too high (59%)
- Inability to raise a deposit (38%)
- Lack of choice and lack of supply (38%)
- Unable to access required mortgage (36%)

Barriers to being a homeowner (Non-owners)

Q. What is stopping you from owning a home in London? (Please select all that apply)



Base size: 714 non-homeowner adults aged 25–45 living in the Greater London region

Our polling last year showed that the biggest obstacle to non-homeowners is 'home prices being too high' at 51%, 30% claim they can't afford a mortgage and 27% are struggling to raise a deposit. Only 4% of those we polled claim nothing is stopping them from buying a home.

In 2022 these challenges remain and have been exacerbated by the cost-of-living crisis, inflation at a 40-year high and rising interest rates. However, despite this the aspiration of homeownership remains just as strong, as does the perceived benefits of doing so.

This is evidenced by the overall results of our survey which clearly demonstrate that homeownership is still viewed as being a positive experience. A not insignificant 73% stated that it increased stability within their lives and 69% were of the view that their quality of life was better for having done so.

The societal benefits of this are clear insofar as creating more settled, cohesive, and involved communities. However, there is also an economic benefit through increased productivity and efficiency within the working environment, which although down on 2021 figures is still showing 54% net benefit derived through being on the property ladder.

This is marked contrast to the experience of renters within London, with 68% of London's homeowners being extremely and/or very satisfied about living in London, compared to 51% of renters.

Our polling last year showed that the biggest obstacle to non-homeowners is 'home prices being too high'.

In 2022 these challenges remain and have been acerbated by the cost-of-living crisis, inflation at a 40-year high and rising interest rates.

Impact of owning a home (Homeowners only)

Q. Overall, how has owning a home changed the following?

(Please select one column response for each row)

Stability in life



Value of home



Quality of life



Contentedness / pride



Relationship / family life



Productiveness / efficiency



Cost of living



2022 2021



Base size: 302 homeowners aged 25–45 living in the Greater London region

Represents a significant difference tested at a 95% confidence level.

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

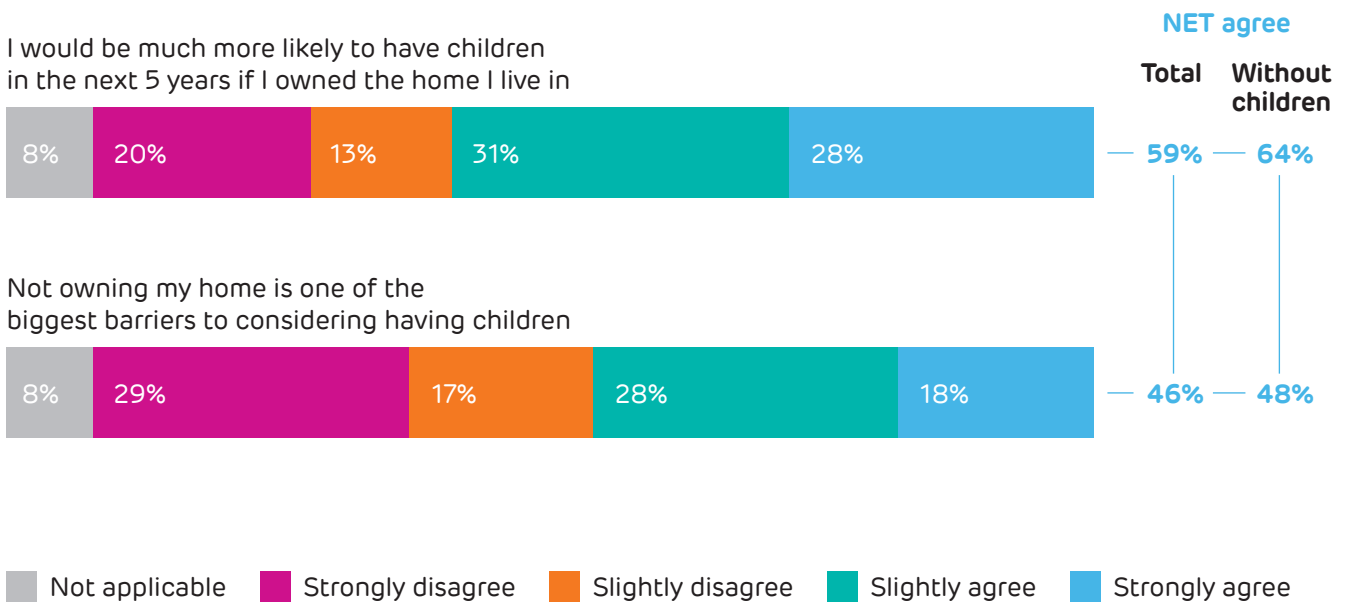
This is clearly demonstrated through our results which show that owning a home is viewed as a natural 'first step' to starting a family with 59% of renters agreeing that they would be more likely to have children in the next five years if they owned their home. Or the 46% of current homeowners who were motivated to gain a foot on the ladder by their desire to have children.

These findings do seem to run counter to the often held views that people in their 20s and early 30s lead a relatively transient lifestyle, where their home is somewhere they pass through temporarily and their investment portfolios range from bitcoin to vinyl records to modern art.

Impact of owning a home (Non-homeowners)

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

(Please select one column response for each row)



New 2022 question, no comparison to 2021
 Base size: 714 non-homeowners aged 25-45 living in the Greater London region

Yet it is not only the lifestyle benefits and increased stability brought by homeownership which 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 nearly two thirds of those polled agreed that living in a new home was better for ongoing costs, with 20% of those strongly agreeing.

4. Capital flight and the impact of the cost-of-living crisis

Yet despite the undoubted benefits of homeownership, especially upon quality of life and value for money, and the overall high satisfaction of living the London life, our survey has brutally and starkly uncovered the grim reality for many renting, yet aspiring, homeowners.

That reality is that 71% of those polled are significantly less likely to be able to afford to buy a home within London due to the current cost-of-living crisis driven by surging inflation, record energy prices and rising interest rates. With the two greatest barriers being the cost of buying a home, even despite a softening market, and the challenge of raising a deposit.

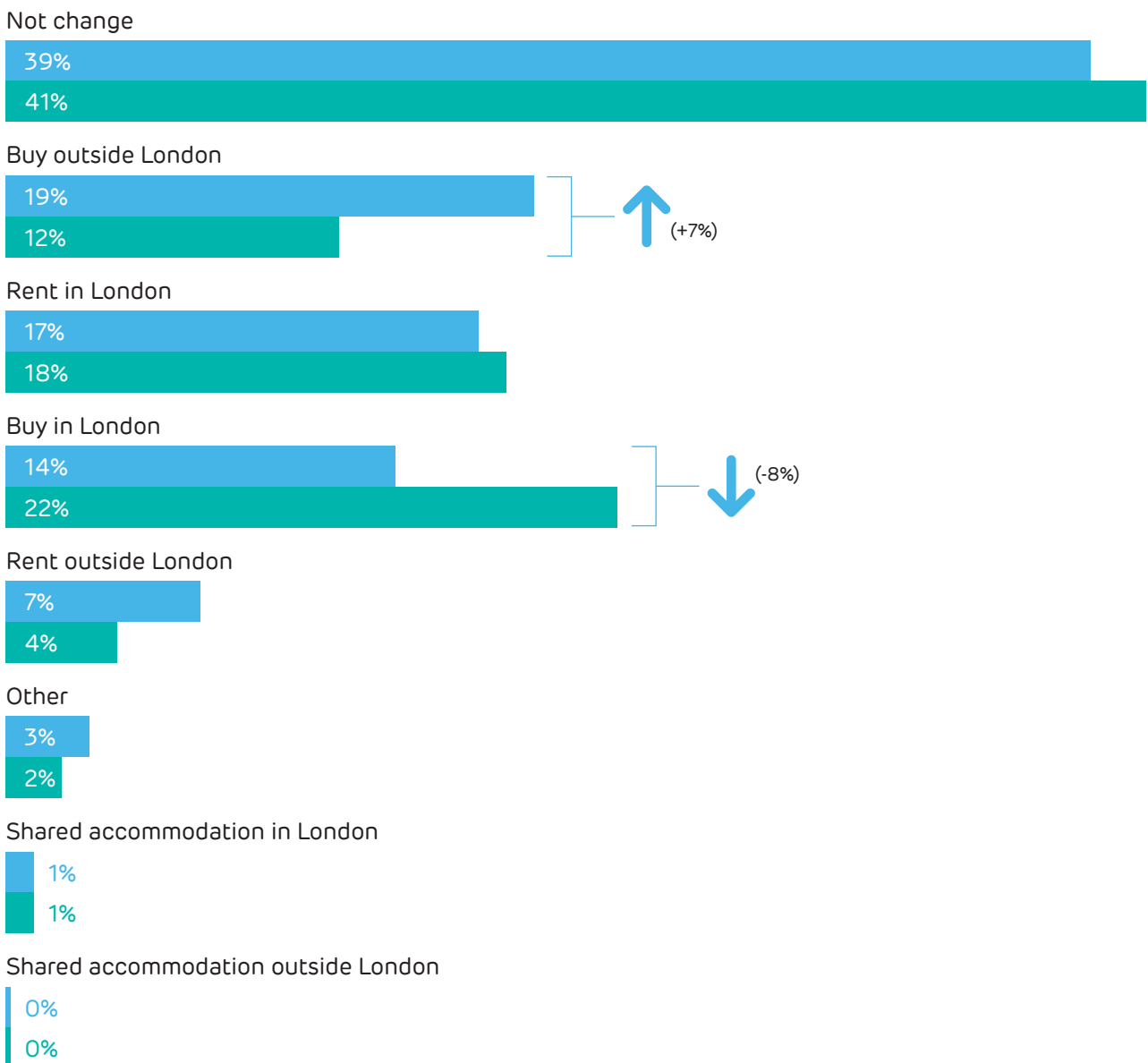
On that point it is interesting to note that at the turn of the Millennium a typical professional couple needed to raise a £20,000 deposit to buy a home in London. According to the Halifax, in the 12 months to February 2020, the average deposit put down by first-time buyers in the capital was calculated at £111,321, but in the 12 months to February 2021 the amount needed for a deposit in London was shown to have risen by £20,000 to £132,685.

This leads us on to probably the most staggering finding of the survey, even though it is perhaps not wholly unexpected. That is that just over one quarter (27%) of those polled stated that they are actively considering leaving London over the next 12 months due to soaring housing costs and frustration at being able to get onto the property ladder. This is in marked contrast to the 16% considering a move out of London in 2021.

...just over one quarter (**27%**) of those polled stated that they are actively considering leaving London over the next 12 months due to soaring housing costs and frustration at being able to get onto the property ladder

Staying in / Moving out of London (All respondents)

Q. What are you most likely going to do over the next 12 months for your primary place of residence? (Please select one response)



2022 2021

Base size: 1016 adults aged 25–45 living in the Greater London region



Represents a significant difference tested at a 95% confidence level.

Aside from the clear and obvious societal impact of this flight from the capital there is also a huge economic cost to the city from this potentially rapid depletion of the talent pool. As London struggles to recover from the twin shocks of the pandemic and the current economic crisis, it needs to ensure that its productivity and retention rate of talent remains high. Yet, as evidenced here, this simply cannot happen when one quarter of the workstream feels as though they are essentially being driven out due to high costs and a lack of housing opportunity.

Of those 27% of renters considering leaving London a shocking 54% simply feel as though they have no choice. In short, they are being driven out of the capital, despite being sold on the benefits of living in London.

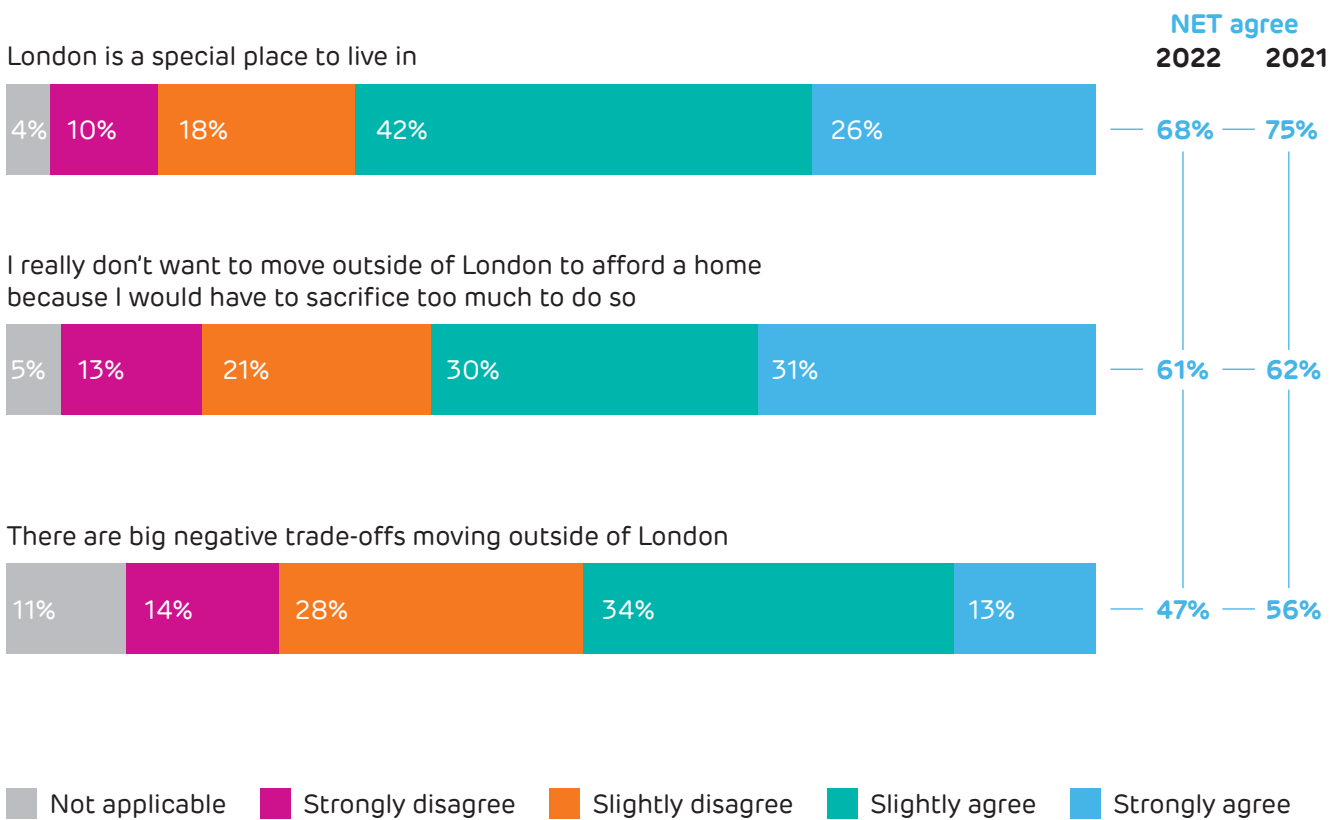
Also, despite the clear benefits and aspirations towards homeownership, 51% of those renters don't want to move outside of London to get onto the property ladder as they believe they will have to sacrifice too much to do so, with 42% agreeing that there a big negative trade-offs to moving out.

Of those **27%** of renters considering leaving London a shocking **54%** simply feel as though they have no choice

Living in London (All respondents & those considering moving out of London)

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

Q. How strongly do you agree or disagree with the following statements about London? (Please select one column response for each row)



Base size: 1016 adults aged 25–45 living in the Greater London region

Upon further examination there are some very interesting demographic breakdowns which are worthy of further analysis.

On the profile of all Londoners broken down by age the economically crucial range of 30–39 showed the highest levels of considering leaving London (30–34 34% wanting to leave to 28% to stay and 35–39 tied on 22% each) with even 25% of those aged 25–29 considering a move out of the capital. In fact, it is only when those surveyed reached the age of 40 do those numbers start to shift significantly and swing back towards remaining within the capital.

Perhaps of greater significance for future prospects of economic growth is the emerging divide between those who work in the private sector verses the public sector. Across all age ranges and gender types a clear margin of private sector employees indicated their intention to consider moving out of London (57% to 52%) verses a slim majority to stay (21% to 18%) within the government sector.

When split by tenure type rather unsurprisingly given the benefits of homeownership and high satisfaction rates of doing so a majority wanted to stay within London compared to leave (31% to 27%), though across all groups within the rented sector a slender majority (62% to 60%) wanted to leave.

Undoubtedly the most surprising split was by gender, with a hugely significant proportion of females (57% to 48%) wanting to leave London, compared to an equally large proportion of males (52% to 43%) who wanted to stay.

30–39 year olds showed the highest levels of considering leaving London

Staying in / Moving out of London (A demographic breakdown)

Gender

Male



Female



Homeowner

Own



Rent



Live with children

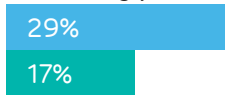


Financial situation

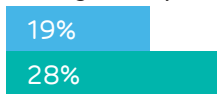
Balancing income and expenditure



Increasingly in debt

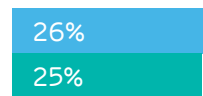


Saving money



Age

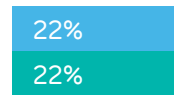
25-29



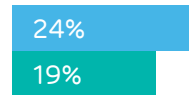
30-34



35-39



40-45

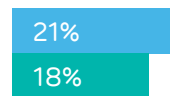


Sector

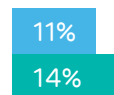
Private sector employer



Government sector employer



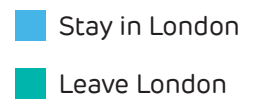
I work on my own / freelancer



Own company / start up



Charity / NGO sector employer



Base size: 1016 adults aged 25-45 living in the Greater London region
 Base size: Stay in London (721) & Leave London (264)

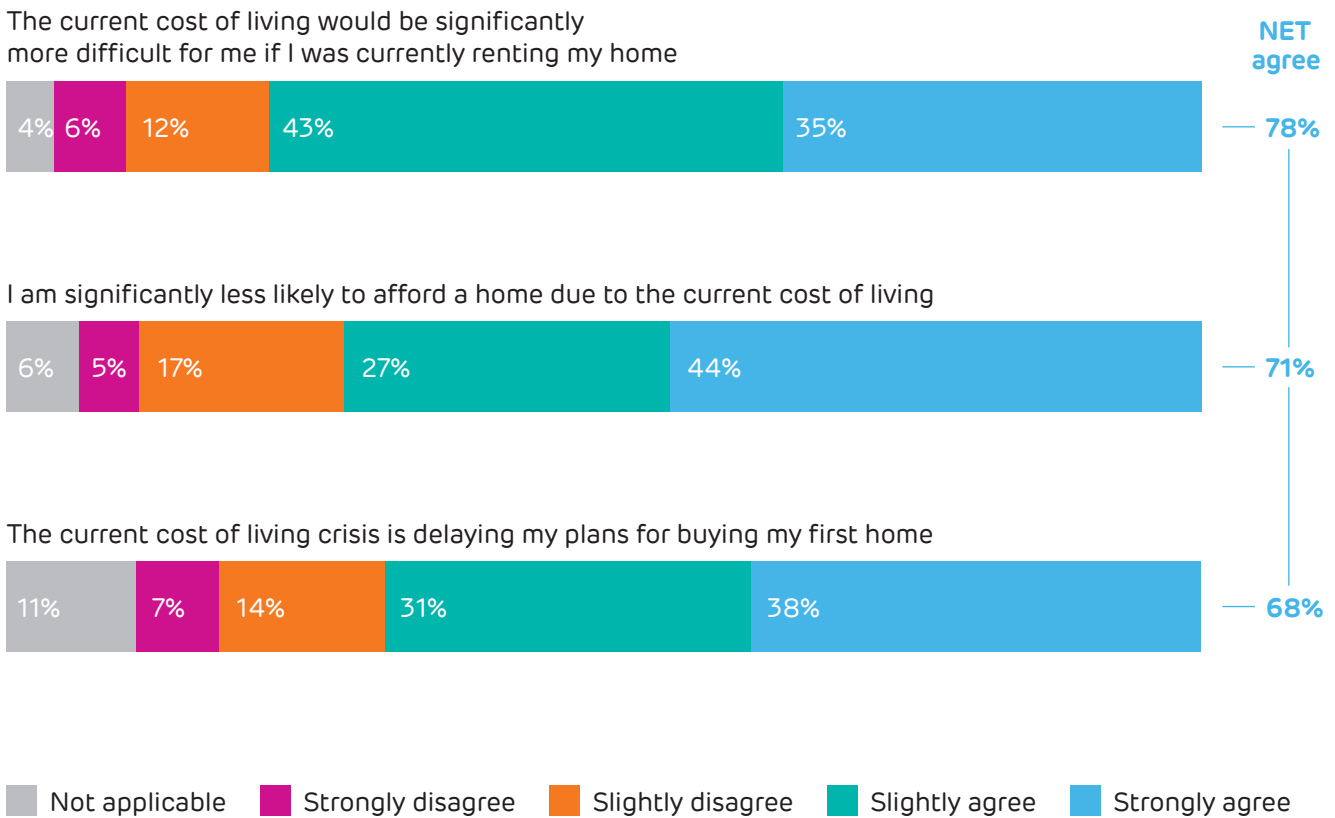
Whilst the reasons for some of these splits may be more complex and nuanced than first apparent one of the undoubted drivers of the high levels of consideration given to moving out of London is the impact of the cost-of-living crisis.

In terms of stymieing appetite for homeownership our results clearly demonstrate how the current crisis is impacting upon perceptions of the housing market for first-time buyers and homeowners. This can be seen through the 71% of renters who are significantly less likely to be able to afford a home due to the current cost-of-living crisis, or the 68% who stated that it was delaying their plans to buy.

Amongst homeowners, and as if to reinforce the point about the financial benefits of being a homeowner, 78% agreed that the current crisis would be even more difficult for them to manage were they renting. This in part perhaps explains why 41% of renters stated that the impact of the cost-of-living crisis would be significantly less were they to own their home.

Cost of living (Homeowners / non-homeowners)

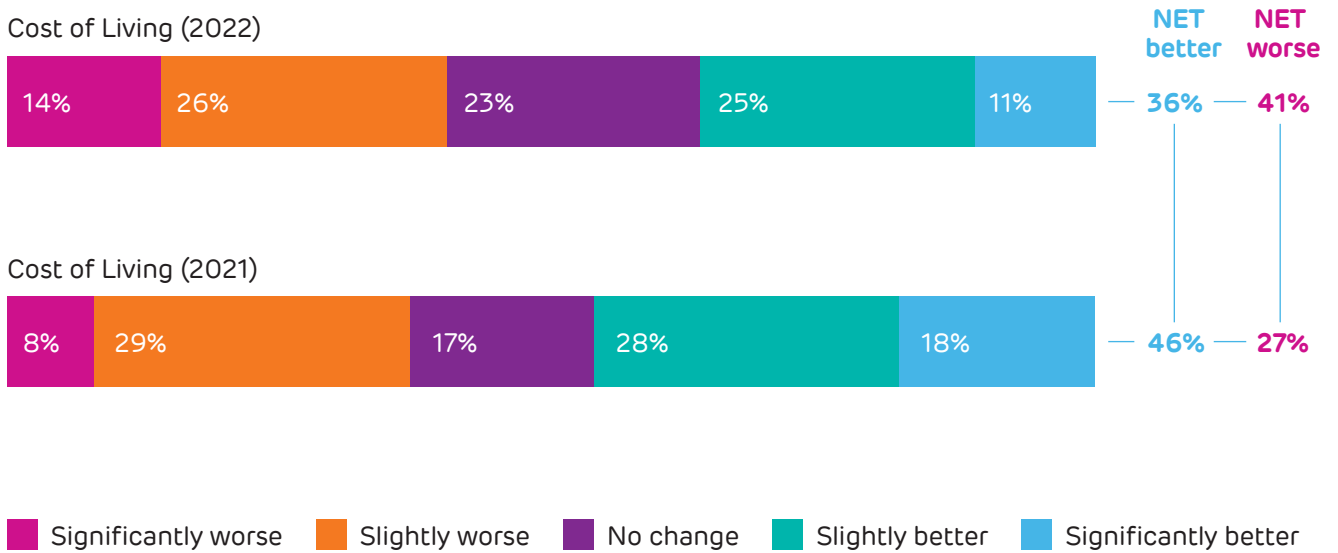
Q. How strongly do you agree or disagree with the following statements about buying a property and renting? (Please select one column response for each row)



New 2022 question, no comparison to 2021
 Base size: 1016 adults aged 25–45 living in the Greater London region
 Homeowners: 302, Non-homeowners: 714

Perception of cost of living impact on owning a home (Non-homeowners)

Q. Overall, how do you think owning a home in London would change the following for you? (Please select one column response for each row)



Base size: 714 non-homeowners aged 25–45 living in the Greater London region

Irrespective of tenure type our survey showed that the cost-of-living crisis is having a significant and detrimental impact upon all respondents. This manifests itself in both spending habits, with 60% reducing the number of times they eat out during a typical month, or (53%) of those who have decreased the number of branded items purchased.

Or upon direct housing related costs such as heating their home, with 54% stated they have, or plan to, lower their household heating usage in the face of rising energy bills.

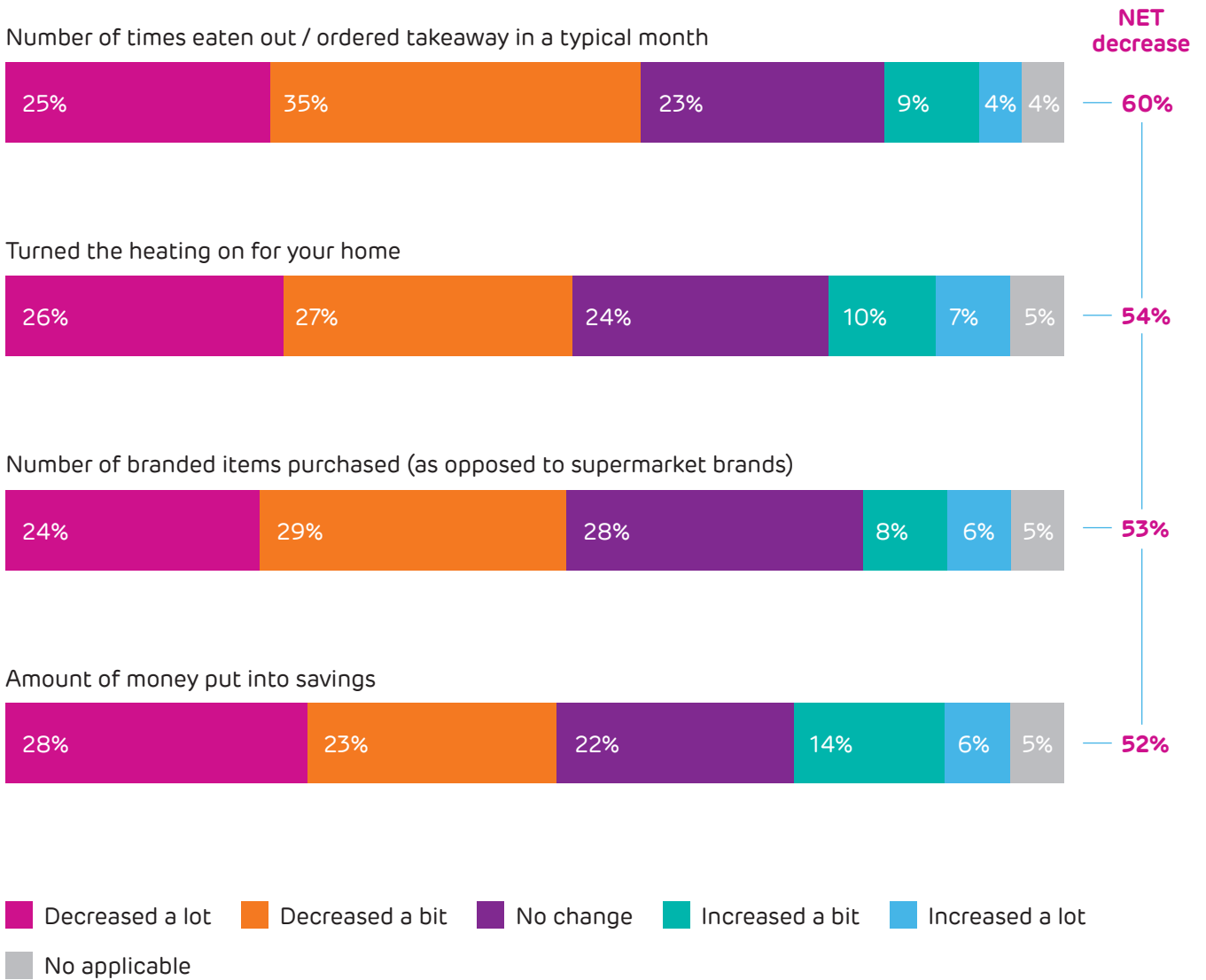
In terms of the impact upon aspiration, this time in relation to homeownership 52% admitted that they were putting less money into savings per month as a consequence of rising prices. Though it should be noted that this was consistent across both homeowners and renters alike.

This also translates into more than half (55%) reporting their current financial situation as 'balancing expenditure and income', though as our findings show there are growing numbers unable to do so, with the number reporting that they are 'increasingly in debt' rising from 18% in 2021 to 26% in 2022.

54% stated that they have, or plan to, lower their household heating usage in the face of rising energy bills

Cost of living (All respondents)

Q. How has the current cost-of-living crisis / economic situation affected how much you do / will do the following? (Please select one column response for each row)

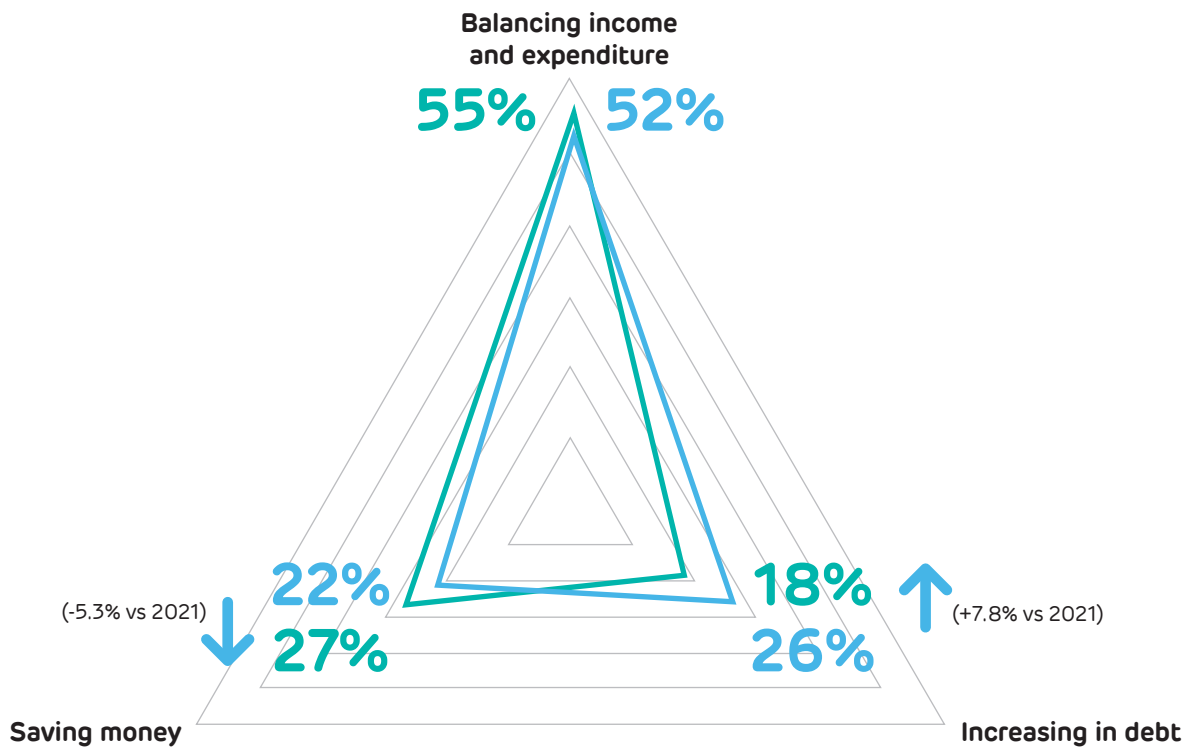


New 2022 question, no comparison to 2021
 Base size: 1016 adults aged 25–45 living in the Greater London region

Financial situation (All respondents)

Q. How would you describe your present financial situation each month?

(Please select one response)



■ 2022 ■ 2021



Represents a significant difference tested at a 95% confidence level.

Base size: 1016 adults aged 25–45 living in the Greater London region

Allocation of income (All respondents)

Q. Over the last year, to the best of your knowledge, how has your (and your partner's) income been spent or allocated?
 (Please allocate 100% to represent all your income)

2022



(+3.4% vs 2021)

2021



- General living expenses
- Rent / service fees
- Transport
- Savings
- Clothing & accessories
- Restaurants & bars (food & beverages)
- Partner / family
- Holidays
- Mortgage
- Hobbies / sport
- Education
- Other



Represents a significant difference tested at a 95% confidence level.

Base size: 1016 adults aged 25–45 living in the Greater London region

5. Homes for votes and the future of London homes

From our survey it is clear that the drivers of demand for homeownership remain as strong as ever, despite the impact of the squeeze on living standards and incomes. Yet that demand is not being met by increased supply, with Savills reporting (October 2022) that the supply of new affordable homes within London is falling well below target.

Even more concerning is that of the new homes delivered over the last seven years, one in four has been in just three east London boroughs: Tower Hamlets, Newham, and Greenwich.

This is despite significant investment in transport capacity across London, especially on east to west connectivity, and a significant affordable housing investment package provided by government.

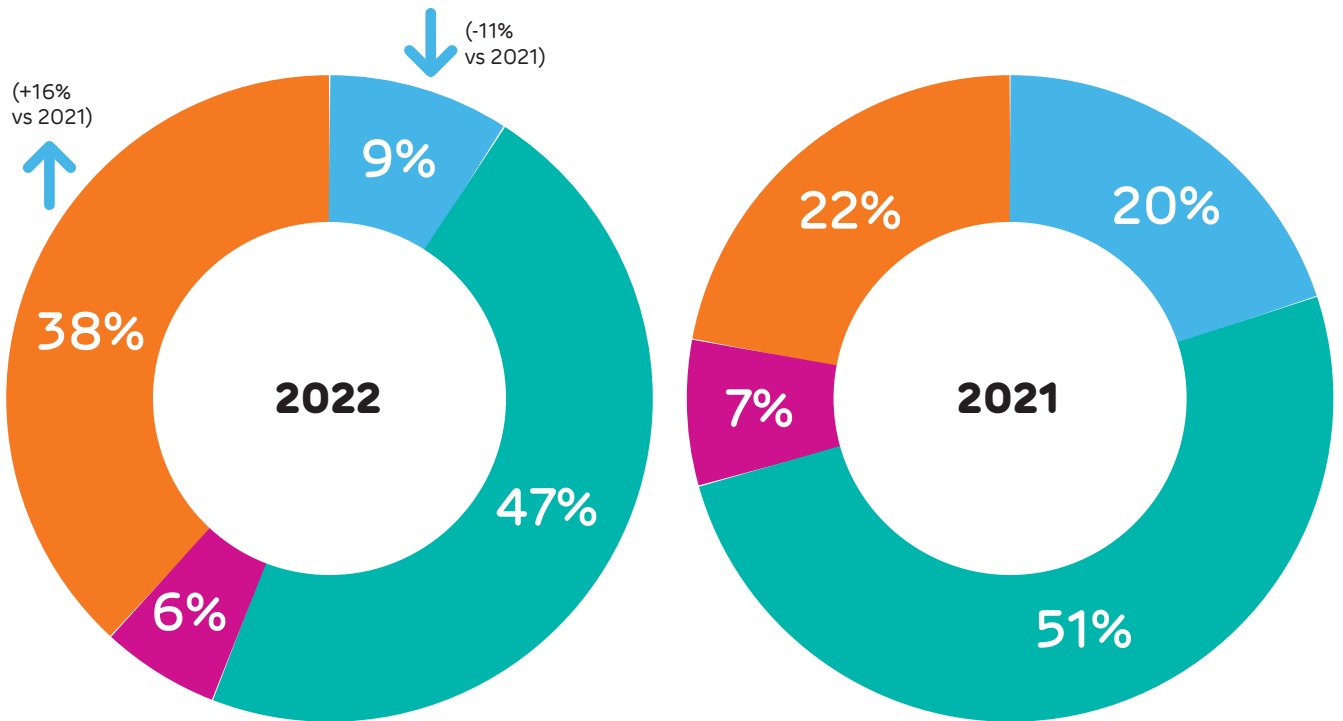
These concerns are reflected in the overall view of the current situation facing first-time buyers within London.

77% stated that government wasn't doing enough to support people with buying a home

Situation for first time buyers (All respondents)

Q. What do you see as the current situation for first time buyers in London?

(Please select one response)



Represents a significant difference tested at a 95% confidence level.

Base size: 1016 adults aged 25–45 living in the Greater London region

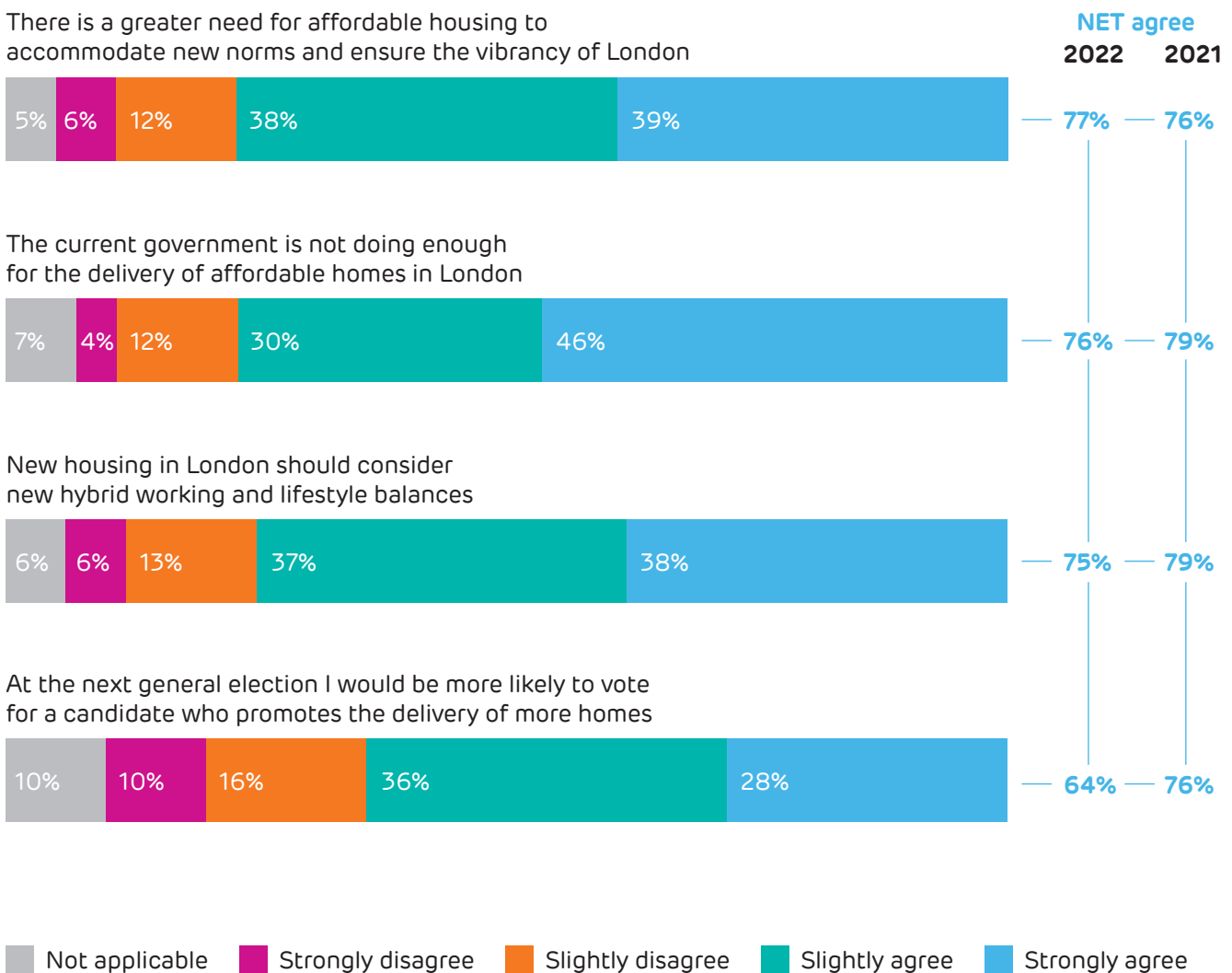
- Good supply and affordable
- Good supply but not affordable
- Poor supply but affordable
- Poor supply and not affordable

Needless to say, there was a strongly held belief that the government should be doing more to help people get onto the ladder within London and also work to increase the supply of affordable homes in general.

This translates into a clear 8 in 10 (77%) respondents stating that the government wasn't doing enough to support people with buying a home, or that it wasn't doing enough to promote the delivery of new affordable housing within London (76%).

Opinions on current London housing situation

Q. How strongly do you agree or disagree with the following statements about London? (Please select one column response for each row)



Base size: 1016 adults aged 25–45 living in the Greater London region

However, it is not only in the area of housing delivery whereby those surveyed believed that the government should show greater leadership. Of particular note is the fact that 74% agreed that new housing within London should consider new hybrid working and lifestyle balances to reflect the fundamental shifts which has resulted from the pandemic. Even more decisively 77% agreed that there is a greater need for affordable housing to accommodate new norms and ensure the vibrancy of London.

A direct incentive for policymakers and elected representatives to act and ensure that new affordable homes, or indeed new homes in general, are delivered 64% agreed that they would be more likely to vote for a candidate who promotes the delivery of new homes within their constituency at the next general election. Whilst the question was focused on national government, we can assume that a similar electoral dividend would result at local or pan-London level.

The pandemic has reinforced people's pride in their homes, and the importance to them of where they live. While many key workers will not have been working from home, many people in their 20s and 30s have been working in cramped conditions.

This is borne out by research by the Adam Smith Institute published in September 2021.

This shows that:

- 67% back housebuilding if it would bring benefits to their family
- 68% back housebuilding if it meant local services would see an improvement
- 64% back housebuilding if it would help protect their local high street
- 64% back housebuilding if it led to people living closer to better paying jobs, reducing income inequality and boosting wages

This research cements the importance in house-builders across the board prioritising the needs of the local communities in which they are building.

It is not about simply delivering more homes – they need to be built in the right place for the right people at a price that is affordable and, in turn, will help stimulate the local economy.

The most obvious and desirable route is to own their own home. In London alone we've found that many of the city makers we speak to feel priced out of the capital.

To combat this there needs to be a greater acceleration in housing delivery to bring forward supply more quickly to allow prices to remain manageable for first-time buyers.

In terms of endorsement from those who own in London, Pocket Living and FTI Consulting's polling shows that when asked:

- 'I would recommend first-time home buyers to look in London first', with 56% of owners in agreement
- 'Living in a new home is better for lower ongoing costs', 69% of owners agree
- 'The costs of buying a home should be better communicated to encourage buyers', 77% of owners and 81% of renters agree.
- 'Owning a home is a key aspiration in life', with 73% of renters agreeing

6. Research methodology

Quantitative survey

- This research was conducted online from 9th to 19th August 2022 with n=1,016 respondents.
- The sample is representative of those aged 25 to 45 years old and living in Greater Central London.
- The first wave in 2021 was with a similar profile of respondents and sample size. Statistically significant results between 2022 and 2021 are 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 that each London borough has a representative opinion, age and gender.
- A survey was carried out online and was completed at a time and device convenient for respondents.
- The data has been through rigorous quality checks.

