

5. SOCIO-ECONOMIC ANALYSIS

The following chapter consists of an assessment of the socio-economic landscape to identify distinct parts of the borough, as well as identify potential future mix of uses within each of Newham's neighbourhoods.

SOCIO-ECONOMIC ANALYSIS

In accordance with London Plan (2021) Policy D1, socio-economic analysis has been undertaken across the borough. This is intended to complement the appreciation of physical and functional character analysed through chapters 2, 3 and 4. Socio-economic analysis has been prepared in the interest of preparing a wide-ranging evidence base, allowing a holistic appreciation of findings and proposals, as well as a resource for future studies and recommendations.

This analysis largely uses statistical geographies including wards and Lower Super Output Areas (LSOAs). For this reason the purpose of the analysis is not to inform the drawing of detailed neighbourhood boundaries, rather to provide an overall portrait of common trends or patterns visible at the borough-wide scale. This said, the isolated nature of each data set does not tell a complete story in their own right and requires appreciation in the round in order to identify recurring spatial patterns.

There is no one definitive way to interpret socio-economic analysis, though the approach taken here provides insight into the borough which may not be obviously discernible from analysis of the purely built environment. In some cases it has not necessarily revealed anything new, but affirmed broader observations about the complexion of the borough.

For instance, the high levels of population change and annual retail spend in the southwest area of the borough around the Royal Docks provides cues as to the impact of regeneration occurring in these places. This indicates that the character of this area is very different to that of Canning Town, which has a relatively low level of annual retail spend and more modest level of population change, despite being in close geographic proximity.

Additionally, aspects of this analysis have helped build up propositional elements of the visions developed for each neighbourhood (see chapter 8) in combination with the 15-minute neighbourhoods analysis (see chapter 3). E.g. improving access to health facilities and early years childcare in areas with growing populations; diversifying the mix of existing town centres and high streets to introduce local workspace and community facilities in areas where spending power is lower.

The following pages set out detailed analysis and commentary of different socio-economic indicators drawn from across a range of sources. The analysis is then simplified into a series of abstracted diagrams prepared to identify spatial trends, commonalities and differences. Finally, this analysis is captured by a composite plan which reveals a strategic spatial structure of different socio-economic characters.

HIGH STREETS

High streets contribute to the commercial, social, environmental and economic value of London. They are the focus for some of the highest levels of social interaction and activities where communities are at the very heart.

The High Street Map shows a lack of high street retail in the southern element of the borough within the Royal Docks. However it should be noted, whilst there is no defined 'high street' there is retail provision 'pepper-potted' across the area both to the north and south of the docks themselves.. Although the remainder of the borough has good quality access to retail 'High Street' services.

East Ham forms the second major High Street running East to West along the A124 and north to south along High Street North.

It is also important to consider retail centres immediately outside the boundary. This is particularly the case in the eastern part of the borough, with both Barking and Ilford high street centres immediately (less than 1 km) from the eastern boundary of the borough.



Newham's Identified High Streets (source: GLA, 2021)

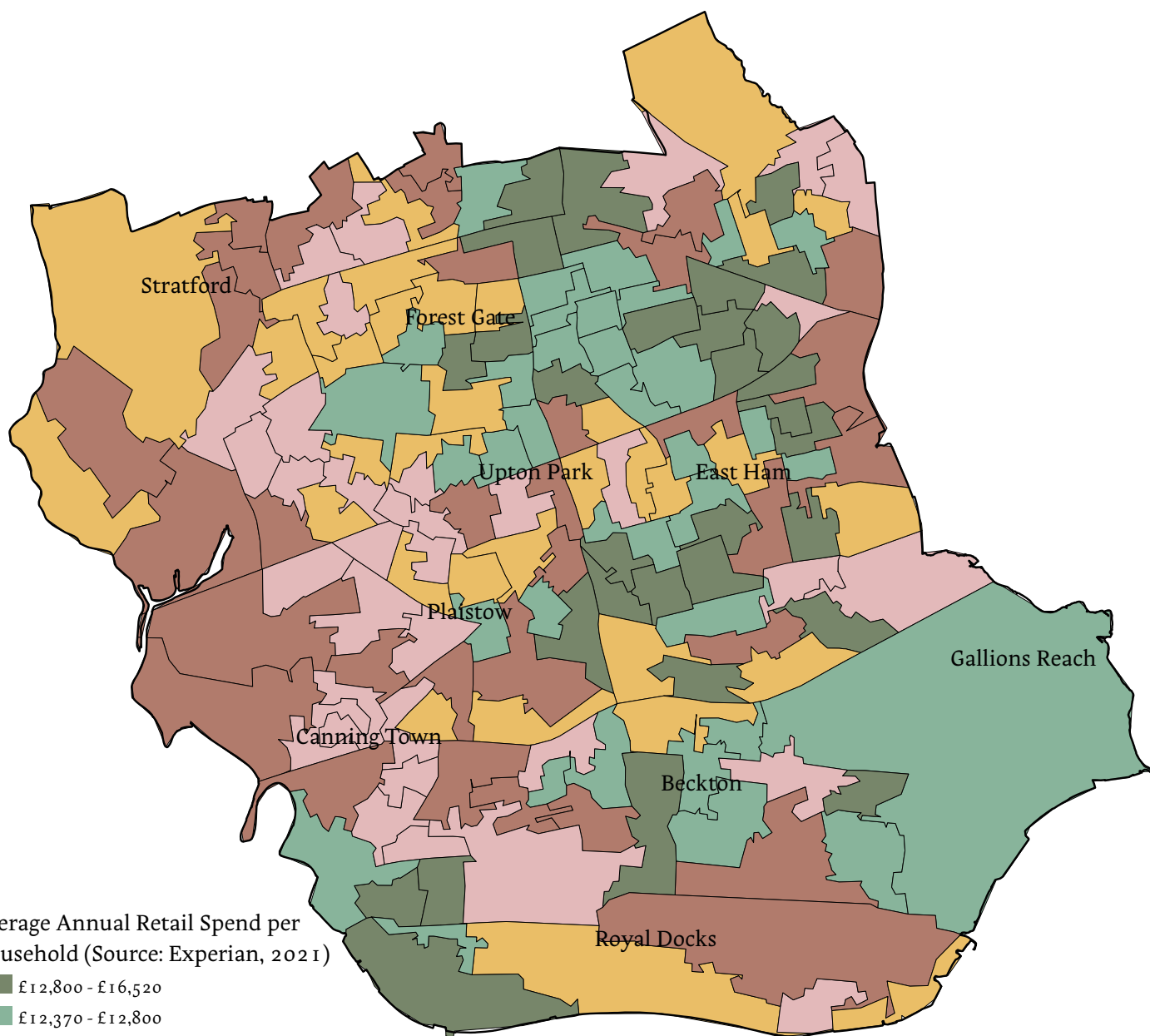
HOUSEHOLD ANNUAL RETAIL SPEND

This is average spend per household in each area – i.e. their spending power – it could be spent anywhere in the world.

The annual household retail spend map shows a diverse profile of spending power across the borough. In general the lower areas of spending power are in the west and south of the borough but with pockets of higher levels of spending power.

Similarly the higher levels of spending power are generally in the north-east of the borough. Although this is not across the board with some areas of low spending power and as discussed earlier higher spending power in certain other areas for example on the very south-western edge of the borough boundary to the west of the Royal Docks.

This map also shows that in quite a few parts of the borough where there are areas of relatively high spending power next to some of the lowest areas of spending power in the borough. Showing this variation of spend can be material even in much smaller geographies.

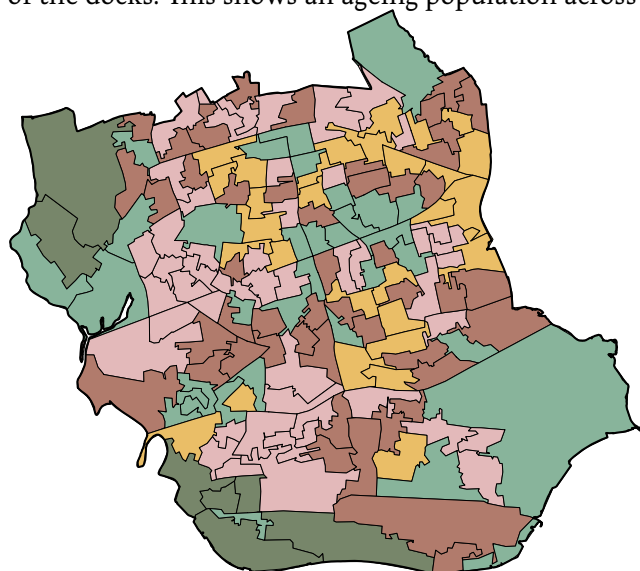


NEWHAM POPULATION CHANGE YOUNG AND OLD PERSONS

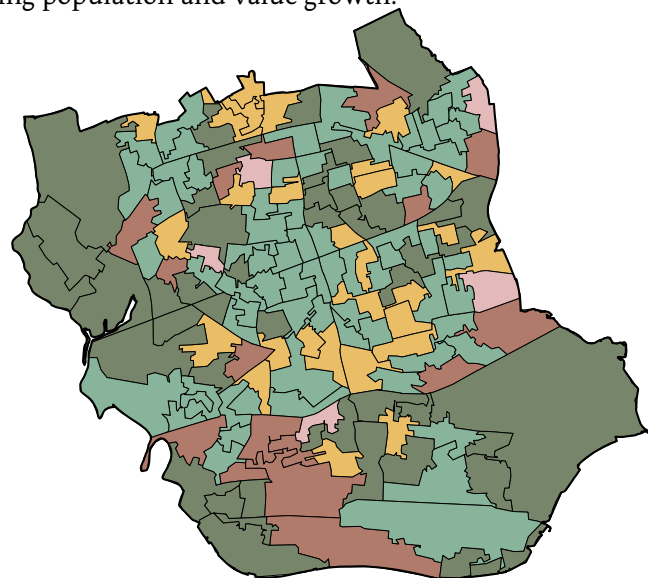
The population change map shows an actual decline in population in certain areas, particularly in areas between Canning Town and the Royal Docks; as well as areas of Upton and East Ham (both to the east of the town centre). Other areas have seen significant growth of up to 412% in the northern part of Stratford. Stratford has seen significant population growth as an area likely linked to major developments. Similarly there has been significant growth in the south west of the borough around the western part of the docks. As well as overall population growth, we have also looked at growth in old and young people. This shows a decline in young people in 52 LSOAs (31.7% of areas), suggesting a risk of long term population decline. On the contrary there has been very limited decline in old people (only 5 LSOAs saw a decline over the time period) and some areas have seen enormous growth, up to 700% in one LSOA south of the docks. This shows an ageing population across

the borough which could have a significant impact on demand for services and the types of services desired in the borough.

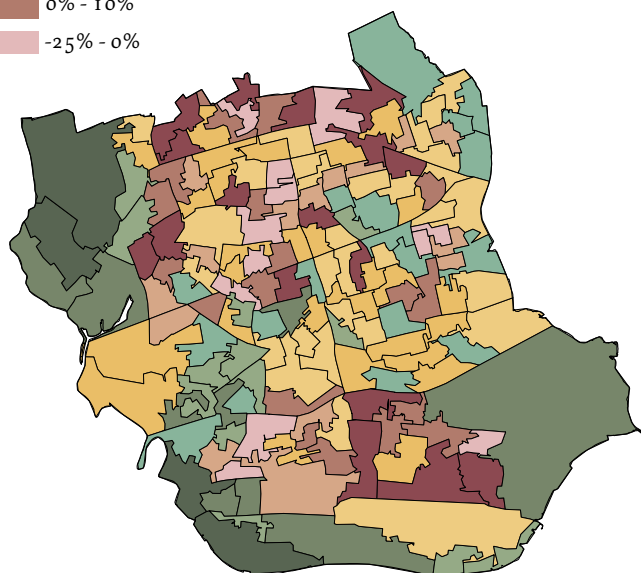
In conclusion, there is no single trend – however around Stratford and East Ham we have seen some growth in both younger population and values (albeit it is variable at the very local level). To the south of the Royal Docks we've seen growth in the younger population and now value growth. Part of the difference may be that the population in the middle of the borough is more settled and, in a number of case, the 'parents' are moving into older age brackets (65+) and the children are moving out of home. Therefore there may be an underutilisation of stock – meaning value growth and an aging population. There may also be a dynamic of large units being sub-divided into flats so less family units – again driving aging population and value growth.



50% - 306% Population Change (2011-19)
 20% - 50% – under 16 year olds
 10% - 20% (Source: ONS, 2021)
 0% - 10%
 -25% - 0%



50% - 700% Population Change (2011 - 19)
 20% - 50% - over 65 year olds
 10% - 20% (Source: ONS, 2021)
 0% - 10%
 -12% - 0%



150% - 412%
 30% - 150%
 15% - 30%
 10% - 15%
 5% - 10%
 3% - 5%
 1% - 3%
 0% - 1%
 -3% - 0%
 -18% - -3%
 Newham LSOAs by Population Change 2011-2019 (Source: ONS, 2021)

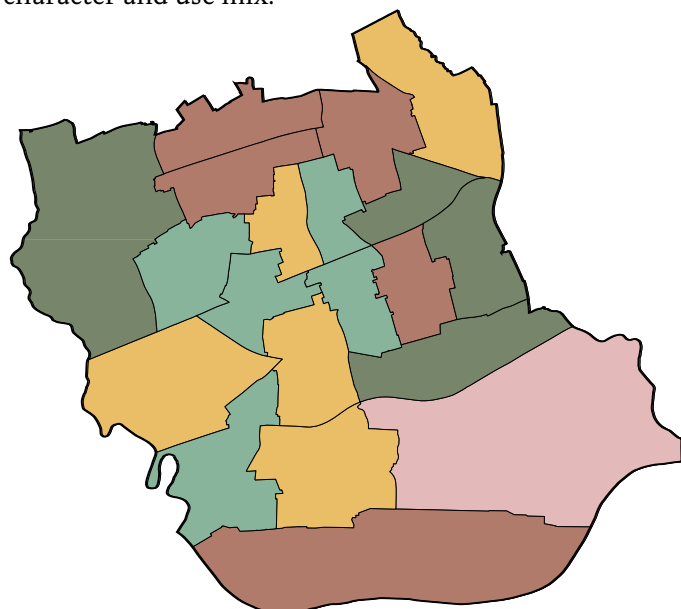
NEWHAM AVERAGE RESIDENTIAL RENTS

Ward level rental value data shows the highest rents are in the North West of the borough around Stratford. East Ham also has high overall monthly rents, although not on a per sq. ft. basis in all areas which suggests larger properties in this location.

Sales price data again shows higher values in the North West of the borough as well on the southern edge to the south of the docks and around City Airport. These are reflective of the areas that have new build development in the last 10 years and therefore higher quality residences. Lower value areas are generally in the east and north-east of the borough.

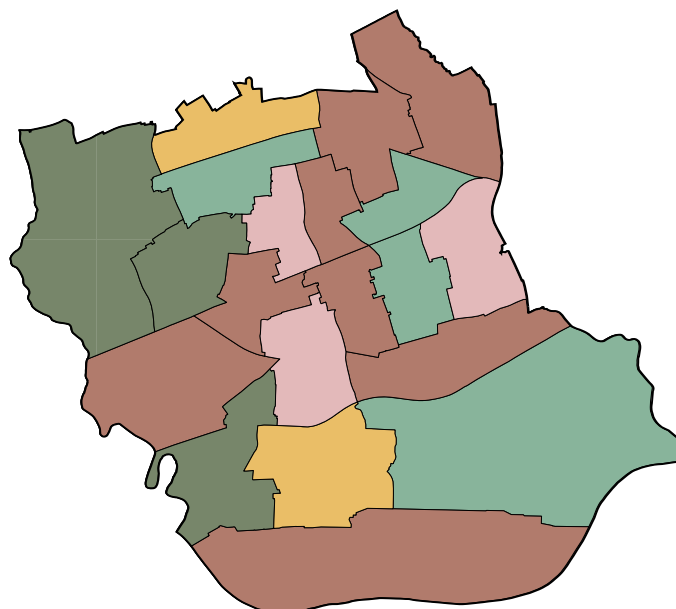
However, these lower value areas are also the areas that have seen the greatest residential value growth over the last 12 months suggesting greater demand. Interestingly the higher value area to the south of the borough has seen values decline over the past 12 months suggesting a stagnation of the market in this location.

This data is helpful in understanding the profile as it, to a large degree, helps highlight areas of high demand for residential space (esp. when coupled with value change data) which in turn can highlight where development will be most readily supported. Taken with changing residential population characteristics we can understand how the borough is changing and what it means for character and use mix.



Annual Monthly Rent (2020-2021)
(Source: Realuse, 2021)

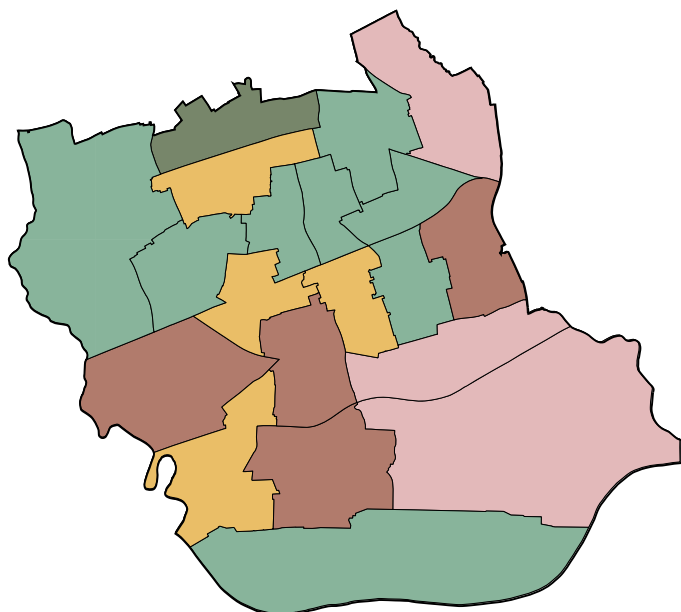
- £1,627 - £1,655
- £1,569 - £1,627
- £1,496 - £1,569
- £1,421 - £1,496
- £1,317 - £1,421



Average Rental Value psf (2020-2021)
(Source: Realuse, 2021)

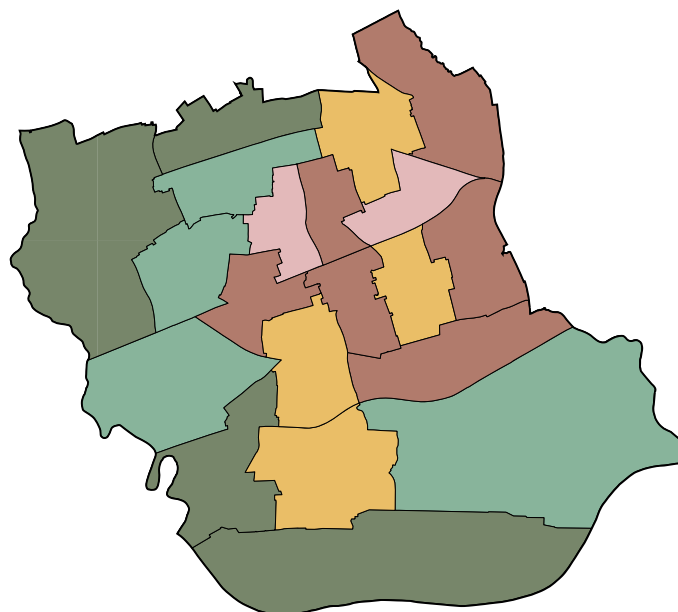
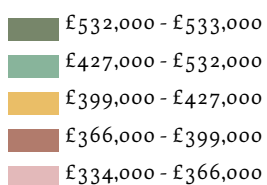
- £27 - £29
- £26 - £27
- £25 - £26
- £24 - £25
- £22 - £23

NEWHAM AVERAGE RESIDENTIAL SALES



Average Sale Price (2020-2021)

(Source: Realuse, 2021)

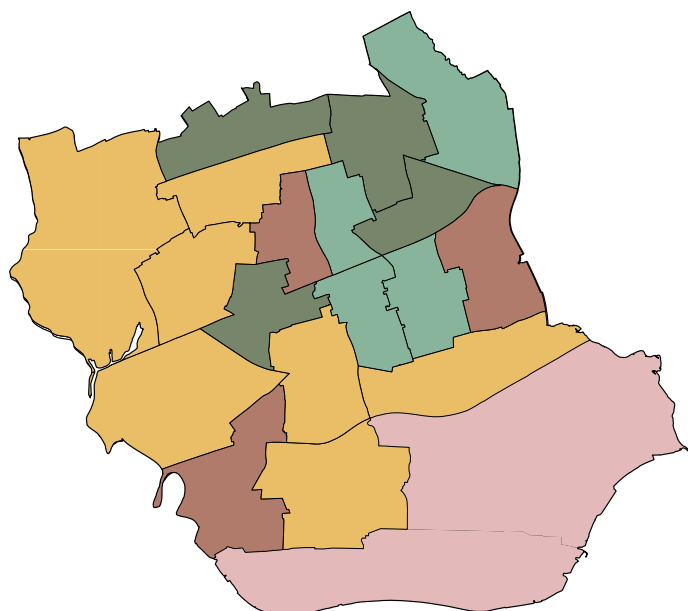


Average Sales Value psf (2020-2021)

(Source: Realuse, 2021)

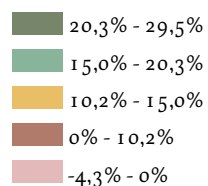


NEWHAM AVERAGE RESIDENTIAL SALE PRICE CHANGE



Average Sale Price Percentage Change (2016-2021)

(Source: Realuse, 2021)

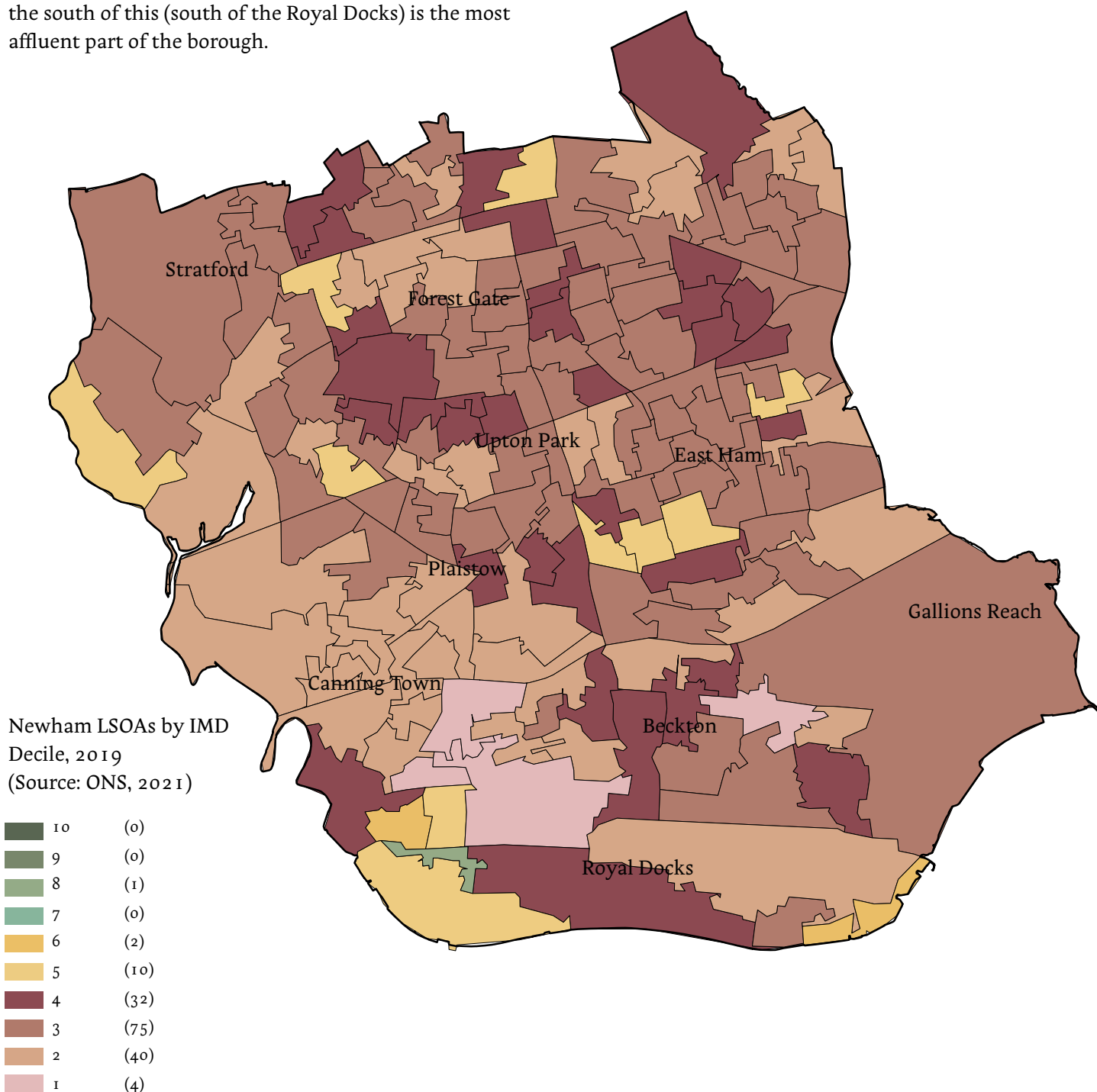


NEWHAM IMD DECILES

The Indices of Multiple Deprivation (IMD) map shows the level of deprivation across the board in Newham. This is shown by the fact that just 1 (0.6%) of the 164 LSOAs are in the top 4 deciles and only 3 LSOAs (1.8%) are in the top half of least deprived LSOAs in the country.

There are, however, very few in the lowest 10% of LSOA nationally (just 4 LSOAs) but this is countered by the fact that 72.5% (119 LSOAs) are in the lowest 3 deciles showing material deprivation across the whole borough.

The most deprived areas of the borough where the darkest red is on the map do appear to be in the west and south west around Canning Town; although just to the south of this (south of the Royal Docks) is the most affluent part of the borough.



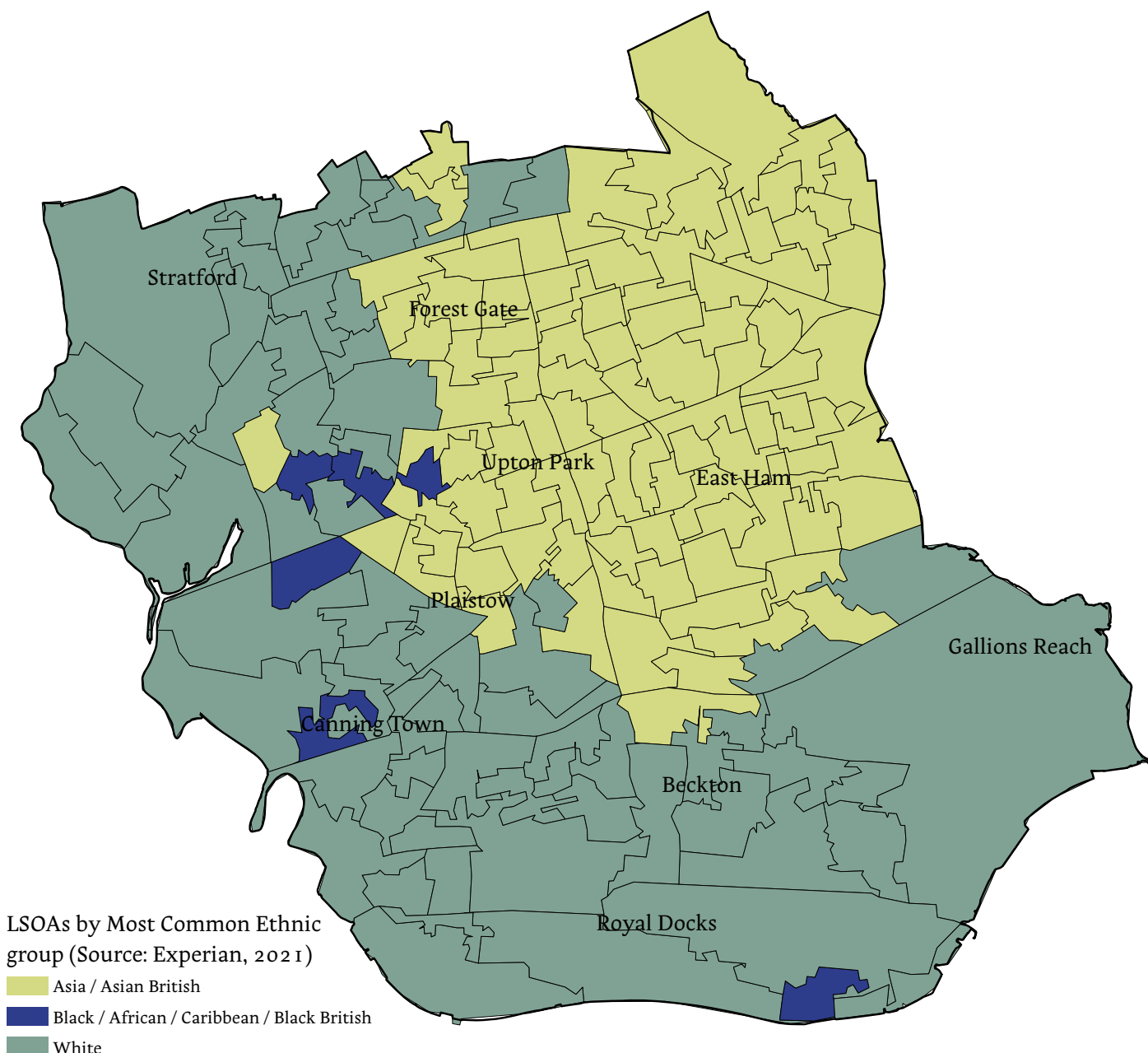
NEWHAM PREDOMINANT ETHNICITY

Mapping the predominant ethnicity in an Lower Layer Super Output Area (LSOA); based on Experian forecasting; shows the ethnically diverse area that Newham is.

The mapping shows that the North East of the borough has a predominantly Asian / Asian British population. In fact 93 of the 164 LSOAs fall into this category. Therefore it is important to consider this different demographic to most of the UK.

The southern and western parts of the borough have mostly White (65 LSOAs) as the most common ethnicity with small pockets (6 LSOAs) which have more Black / African / Caribbean / Black British persons than any other ethnicity.

Interestingly, whilst just 3.7% of LSOAs have Black / African / Caribbean / Black British persons as the most common ethnicity. This ethnic group actually makes up 20.6% of the overall population in this location, which whilst the third largest overall is a lot closer to the proportion of the other two ethnicities (Asian / Asian British (40.8%) and White (30.1%)). This suggests a more even spread across the borough but less than the other two ethnic groups which are more proportionally concentrated.



NEWHAM MOSAIC CLASSIFICATION

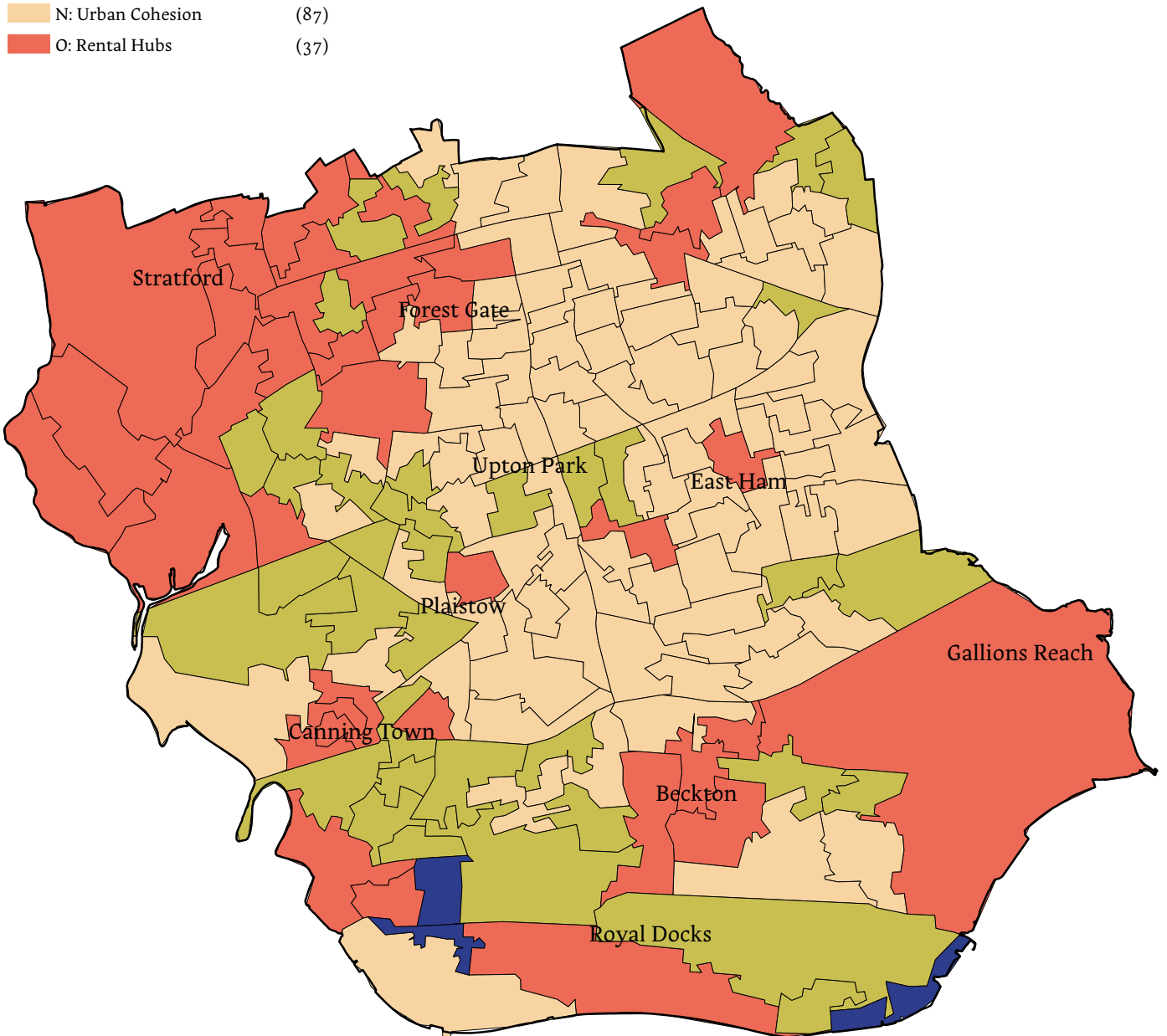
Mosaic is a consumer profiling tool put together by Experian, utilising various demographic, market and activity sources to develop a broad profile socio-economic, demographic and consumer preference characteristics of every LSOA in the country. The nature of the data is such that it naturally generalises complex population dynamics and it therefore, on its own, has limitations as a basis for drawing detailed characteristics of an area and its population. However, the data does provide a useful insight into prevailing characteristics which can, as part of a wider spectrum of information, help to establish what the existing and future needs of a population might be. This is especially relevant for a range of retail, leisure and cultural provision but also helps identify potential demand for workspace and other commercial activity.

Data is presented as a series of population 'characterisations' within the Experian dataset, and for this Study we have drawn out the predominant classifications present in the borough. Experian describes each of these as follows:

- **A: City Prosperity** – City Prosperity work in high status positions. Commanding substantial salaries they are able to afford expensive urban homes. They live and work predominantly in London, with many found in and around the City or in locations a short commute away. Well-educated, confident and ambitious, this elite group is able to enjoy their wealth and the advantages of living in a world-class capital to the full.
- **H: Aspiring Homemakers** – Aspiring Homemakers are younger households who have, often, only recently set up home. They usually own their homes in private suburbs, which they have chosen to fit their budget.
- **I: Family Basics** – Family Basics are families with children who have limited budgets and can struggle to make ends meet. Their homes are low cost and are often found in areas with fewer employment options.
- **K: Municipal Tenants** – Municipal Tenants are long-term social renters living in low-value multi-storey flats in urban locations, or small terraces on outlying estates. These are challenged neighbourhoods with limited employment options and correspondingly low household incomes.
- **N: Urban Cohesion** – Urban Cohesion are settled extended families and older people who live in multicultural city suburbs. Most have bought their own homes and have been settled in these neighbourhoods for many years, enjoying the sense of community they feel there.
- **O: Rental Hubs** refers to predominantly young people in their 20s and 30s who live in urban locations and rent their homes whilst pursuing studies or in the early stages of their careers.

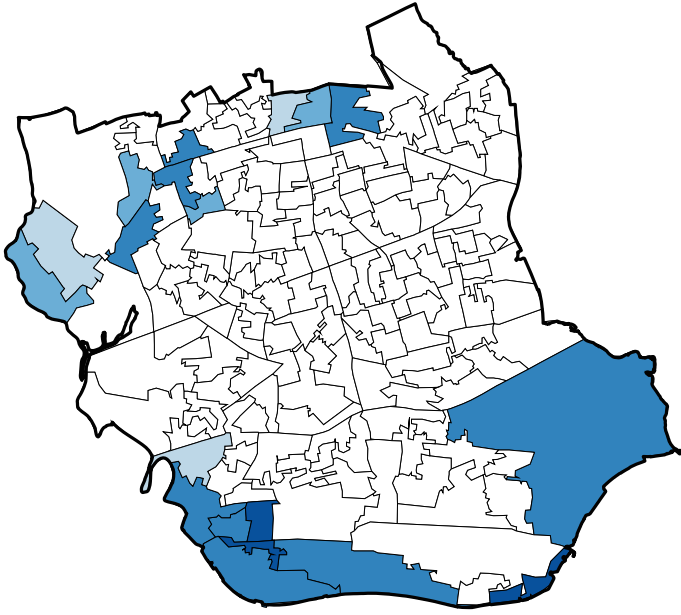
Predominant Mosaic Group in each Newham LSOA
(Source: Experian, 2021)

- A: City Prosperity (3)
- K: Municipal Tenants (37)
- N: Urban Cohesion (87)
- O: Rental Hubs (37)

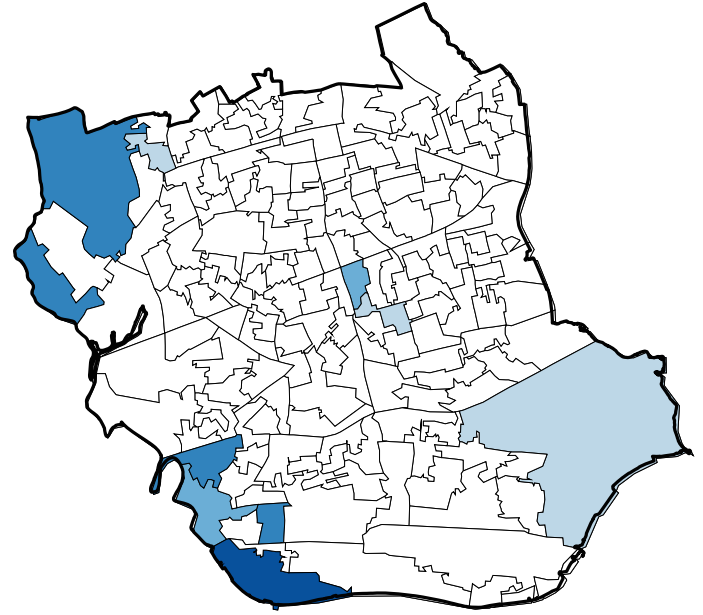
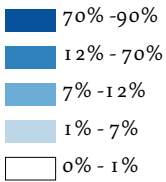


NEWHAM MOSAIC CLASSIFICATION

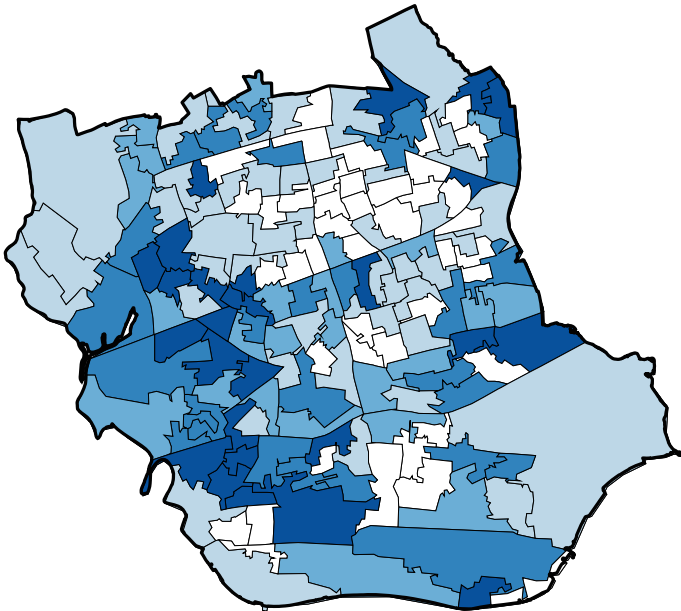
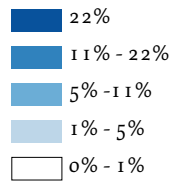
(Data source: Experian, 2021)



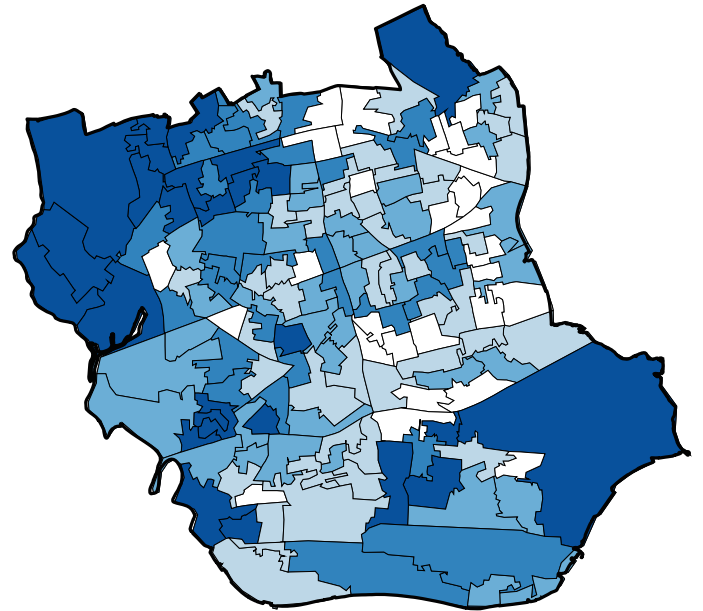
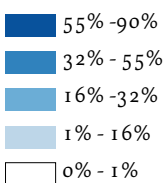
A: City Prosperity (Percentage of Households)
(Source: Experian, 2021)



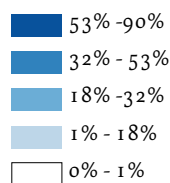
H: Aspiring Homemakers (Percentage of Households)

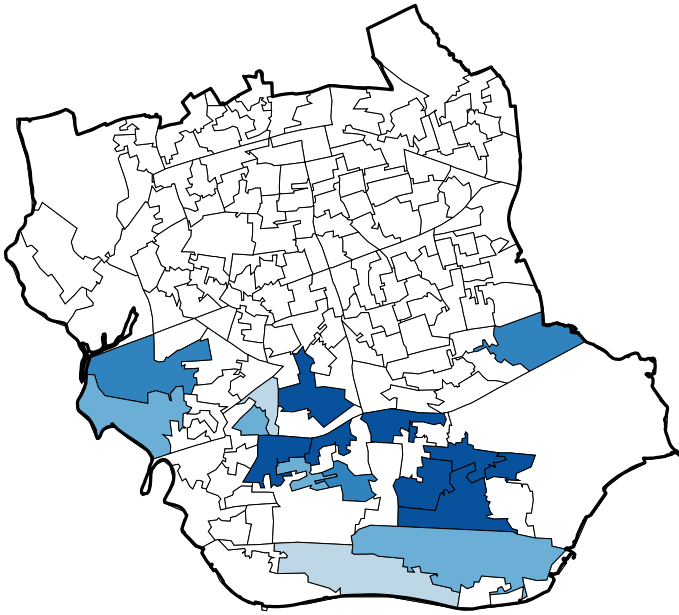


K: Municipal Tenants (Percentage of Households)
(Source: Experian, 2021)

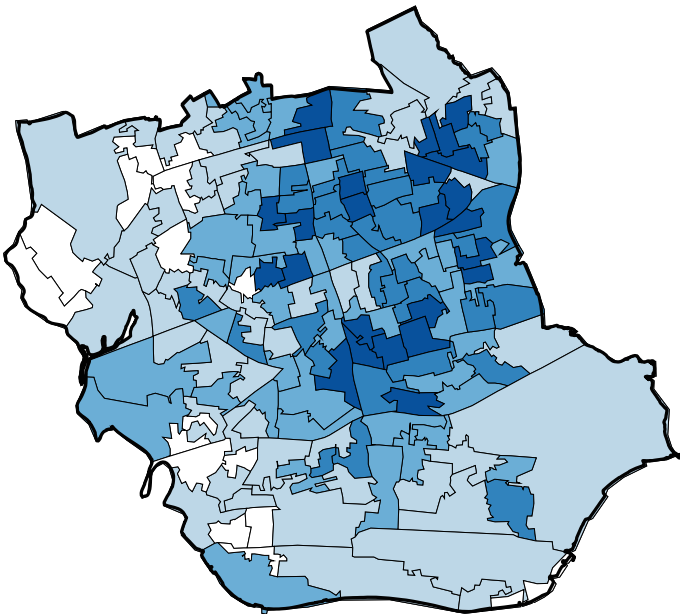
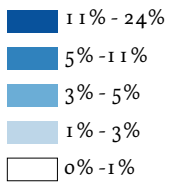


O: Rental Hubs (Percentage of Households)
(Source: Experian, 2021)

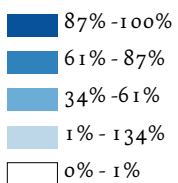




I: Family Basics (Percentage of Households)
 (Source: Experian, 2021)

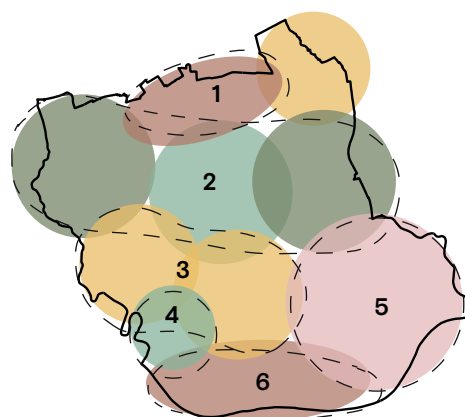
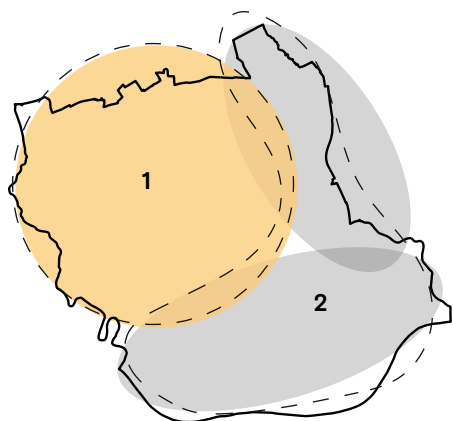


N: Urban Cohesion (Percentage of Households)
 (Source: Experian, 2021)



Summary of trends and patterns

The diagrams and commentary on the following pages illustrate key messages about trends and the ways in which large parts or small pockets of the borough are similar or different to one another.

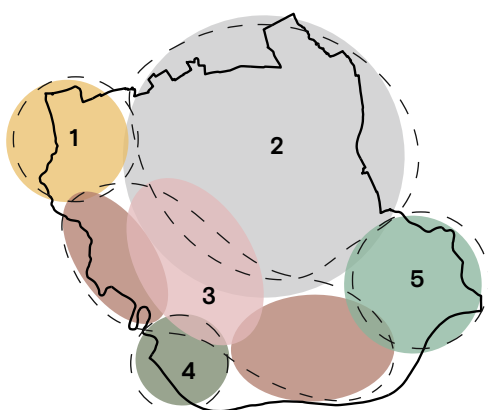


High Streets

This plan illustrates the relative absence of high streets within the south and eastern most parts of the borough (2). Whilst town centres can be found in these places, high streets differ in their form, mix and inherent role as conduits for mobility, resilience and cultural exchange. Indeed, high streets transgress strict policy definitions and represent important components of social and economic fabric. This plan suggests plans for the regeneration of existing town centres e.g. East Beckton and new town centres e.g. Beckton Riverside should focus on establishing a high street condition in terms of form, unit size, mix and connectivity.

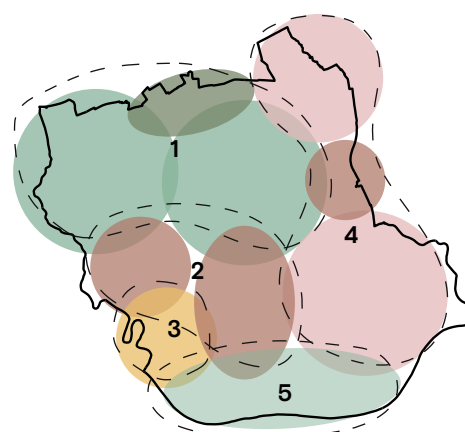
Residential rental values

This plan illustrates banding of similar residential rental values achieved across the borough. This suggests the north east, central and west of the borough (2) is an attractive prospect for renters, likely owing to a combination of good public transport, mixed housing options and proximity to resources such as open spaces and high streets. Areas performing less well (1, 3, 5 and 6) should consider diversification of services and resources to help address desirability while providing a mix of housing tenures and facilities for local residents that ensures the area remains affordable.



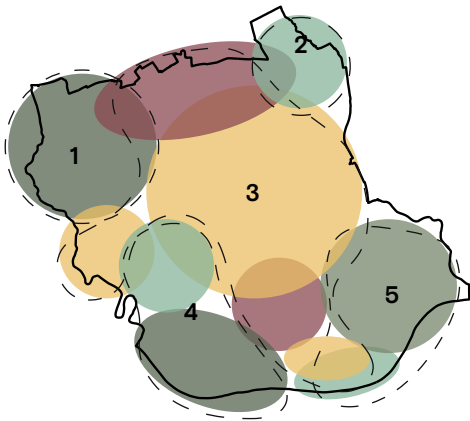
Retail spend

This plan illustrates the disparity in average annual retail spend per household across the borough. The plan suggests the central and north eastern part of the borough (2) is relatively mixed, whereas the west to south swathe (3) is characterised by a fairly consistent spend. Concentrations of higher spend are found at the borough's edge (1, 4 and 5). One interpretation of this analysis suggests centres and high streets in areas of lower spend should focus on diversifying uses towards community facilities and infrastructure.



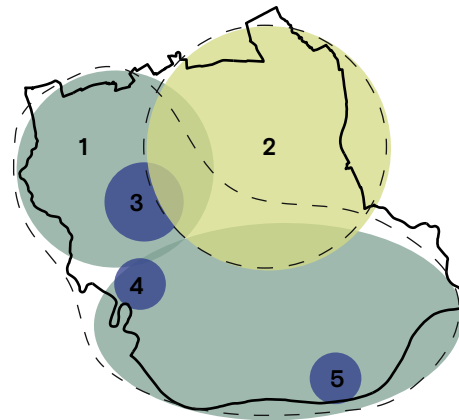
Residential sales values

This plan indicates how residential sales values perform relatively well across the north eastern, central and southern most parts of the borough (1 and 5). Other parts of the borough struggle with lower values which could be down to a lack of housing options (parts of 2), poor public transport accessibility (4). In these areas investment in infrastructure and more diverse housing stock could be appropriate.



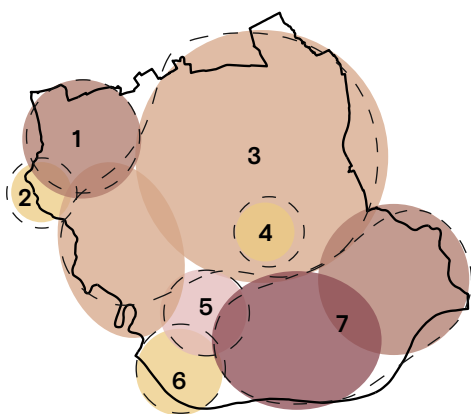
Population change

This plan illustrates the relative population change 2011-2019, with parts of the borough remaining fairly consistent (3) whilst others have experienced increased rates (1, 2, 4 and 5). This is reflective of the increased housing delivery over the past 8 years or so, suggesting a mix of community resources and facilities could be needed in these areas experiencing population growth.



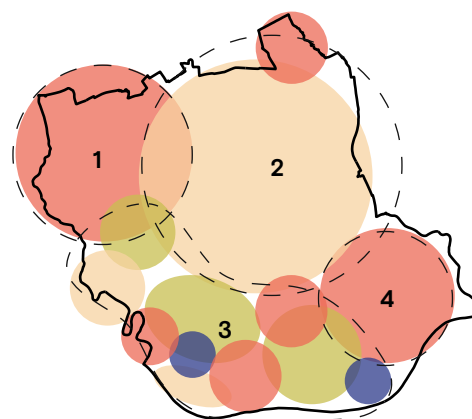
Ethnicity

The centre and north east of the borough (2) see Asian / Asian British as the most common ethnicity, the north east and south of the borough (1) see White as most common, whilst only small concentrations (3, 4 and 5) see Black / African / Caribbean / Black British as the most common. This is despite the fact the latter actually comprise 20% of Newham's overall population. This reveals how different parts of the borough are and could provide the basis for more detailed conversations about planning for cultural infrastructure need.



Indices of Multiple Deprivation

This plan illustrates how the majority of the borough can be considered materially deprived (1, 3 and 7), with a particular pocket of extreme deprivation found near Canning Town (5). This analysis is comprised of seven individual domains of deprivation, with this weighted most heavily towards income and employment (22.5% each) and education and health (13.5% each). This suggests improved local employment opportunities and air pollution mitigation could be appropriate measures in the borough.



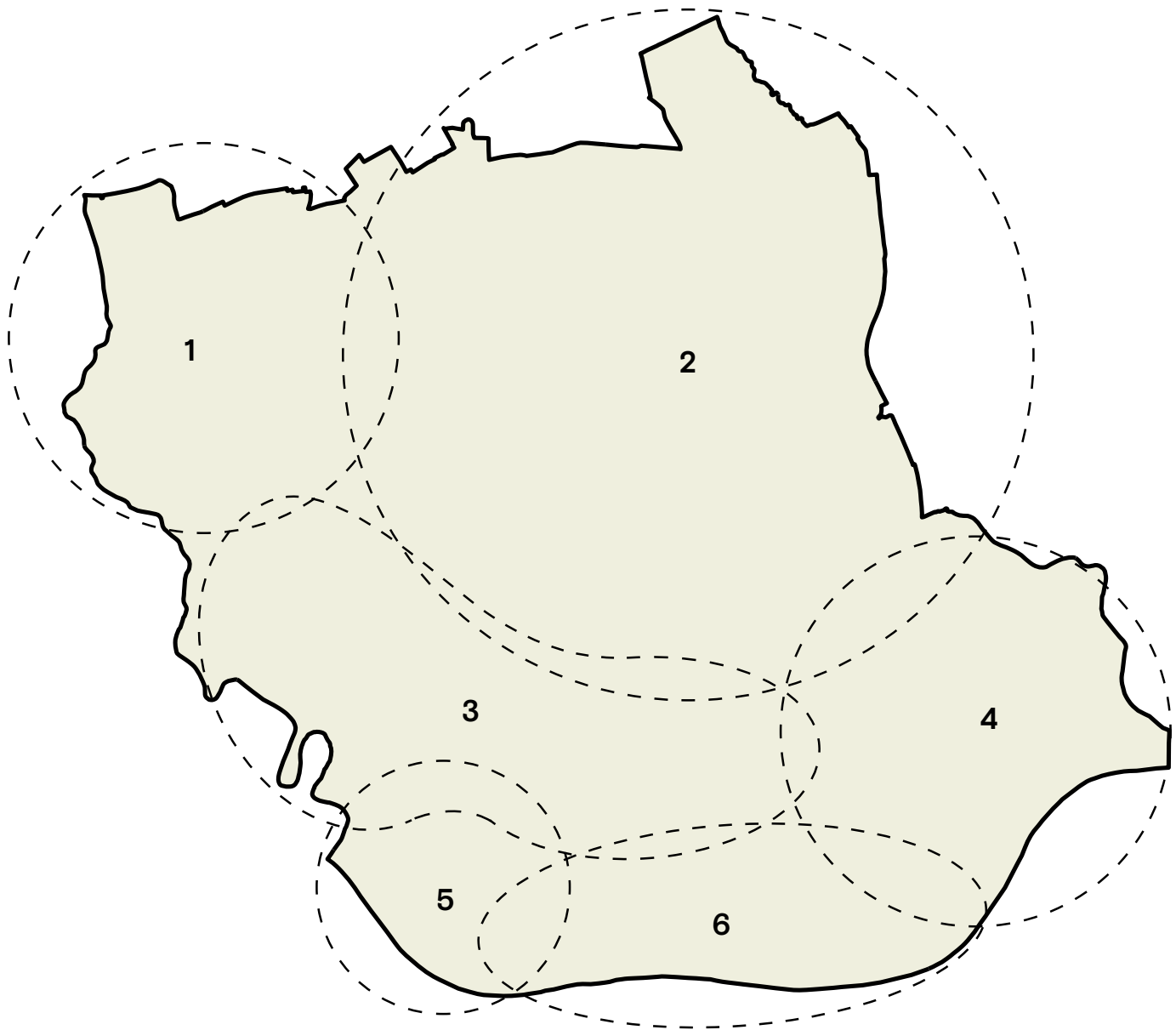
Socio-economic classification (Mosaic)

A large proportion in the north west and south east comprise students or young professionals found in 'Rental Hubs' (1 and 4), whereas settled and extended families are found in the north, centre and west of the borough (2) in 'Urban Cohesion'. Smaller concentrations of 'City Prosperity' high status professionals and 'Municipal Tenant' long-term social renters in the east and south (3). This provides very broad cues as to the desirable mix of uses each prevailing group might need. For instance, workspace and food and beverage (1, 4), health facilities (3) and community uses (2).

Strategic trends and patterns

The diagram opposite comprises a simplified summary of how different socio-economic trends reveal a strategic socio-economic structure across Newham. Each identified area can be discerned as spatially distinct from another, based on patterns prevalent in the socio-economic analysis in the previous pages. The following commentary provides an overview of six spatially distinct parts of the borough.

1. This area is spatially distinct across several socio-economic indicators owing to its moderate retail spend, high residential values, great population change, young professional socio-economic classification (Rental Hubs, Mosaic) and considerable deprivation.
2. This area comprises a large part of the borough and is defined by its widely consistently unified pattern across a number of socio-economic indicators including stable population change, considerable deprivation, prevalent Asian / British Asian ethnicity and family-oriented socio-economic classification (Urban Cohesion, Mosaic).
3. This area performs differently across the socio-economic indicators but is defined by its finer grain pattern, suggesting it is an area of many stark characters, but as a whole is distinct from its wider setting. It has a generally low retail spend, achieves good to moderate residential values, experiencing stable or slightly growing population change, has pockets of particular deprivation and comprises a wide variety of both comfortable and more challenged socio-economic classifications in close proximity (Rental Hubs and Municipal Tenants, Mosaic).
4. This area is distinctive as a recurring spatial trend in across a number of indicators including high retail spend, lower retail values, increasing population change and young professional oriented socio-economic classification (Rental Hubs, Mosaic).
5. This area comprises a number of different characters but feels spatially distinct from its surrounds owing to its high levels of retail spend, moderate to high residential values, growing population, mixed socio-economic classification (Rental Hubs, Urban Cohesion and City Prosperity, Mosaic) and relative level of non-deprivation (when compared with the borough as a whole).
6. This area comprises the south of the borough and is distinctive in its lack of high streets and weak retail spend, mixed residential values, increasing population change, prevalent levels of deprivation and wide variety of both affluent and more challenged socio-economic classifications in close proximity (City Prosperity, Rental Hubs and Municipal Tenants, Mosaic).



An concept diagram illustrating common spatial trends and patterns identified across a number of socio-economic indicators



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XYHEAL
HYPERBARIC OXYGEN THERAPY



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SSR Thangamali
எஸ் எஸ் ஆர் தங்கமாலிகை

