# London’s outdated census data threatens fair funding amid population rebounding



London’s reliance on the 2021 Census data to define ‘fair’ funding is raising significant concerns, as the population figures are widely believed to underestimate the true size of the capital’s population by nearly 300,000 people. This discrepancy stems largely from the unique circumstances under which the census was conducted—during the third national lockdown of the Covid-19 pandemic—a period marked by an unprecedented exodus from the city.

During the extended lockdown phases, many Londoners, from students to migrant workers, temporarily relocated out of the capital, seeking more space or to be closer to family. This phenomenon, often described as the “race for space,” saw London’s once-bustling streets and homes emptied out. While this trend has now largely reversed, the census figures remain frozen in time, failing to reflect the subsequent return of many residents. Consequently, funding formulas and allocations for critical public services risk being based on outdated and inaccurate population data.

London Councils, representing all 33 of the capital’s local authorities, has been vocal in warning that the 2021 Census undercounted the population. They emphasize that recording 8.8 million residents—some 300,000 fewer than previous forecasts—could severely impact future funding for essential services such as the NHS, policing, and fire departments. Such services rely heavily on accurate population data to assess needs and distribute resources, and an undercount could translate into underfunding just as demand for these public services is rising.

The pandemic-induced population shift is corroborated by independent reports. For example, a report by PwC highlighted a predicted population decline of over 300,000 in 2021, a drop not seen since 1988. This dip was attributed not only to people relocating temporarily but also to broader socioeconomic consequences of the pandemic, including fewer graduates moving to London, reduced job prospects, and the combined effects of Brexit and Covid-19 on migration patterns.

However, it is important to note that more recent analyses indicate London’s population has since rebounded, with some estimates suggesting it now exceeds pre-pandemic levels. The Centre for Cities reported a pandemic-related drop of 75,000 residents, primarily to the countryside, but underscored a subsequent population bounce back. Despite this recovery, the 2021 Census snapshot captures a moment of significant upheaval rather than the capital’s enduring demographic reality.

As the city’s funding formulas remain tied to these static and arguably outdated census figures, questions are mounting about the fairness and adequacy of resource distribution. Local authorities and service providers warn that unless adjustments are made to account for the true current population, Londoners could face the consequences of strained public services and insufficient investment precisely when the capital is striving to recover and thrive post-pandemic.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.standard.co.uk/business/london-fair-funding-review-sadiq-khan-b1249288.html), [[2]](https://www.onlondon.co.uk/census-figures-for-london-should-be-treated-with-extreme-caution-says-cross-party-body/), [[5]](https://london-tv.co.uk/londons-census-figures-must-be-treated-with-extreme-caution-boroughs-warn/)
* Paragraph 2 – [[1]](https://www.standard.co.uk/business/london-fair-funding-review-sadiq-khan-b1249288.html), [[2]](https://www.onlondon.co.uk/census-figures-for-london-should-be-treated-with-extreme-caution-says-cross-party-body/), [[3]](https://www.governmentbusiness.co.uk/news/29062022/councils-warn-missing-londoners-census-data), [[6]](https://www.themj.co.uk/inaccurate-census-cost-londoners)
* Paragraph 3 – [[4]](https://www.theguardian.com/uk-news/2021/jan/07/london-population-decline-first-time-since-1988-report-covid-home-working), [[1]](https://www.standard.co.uk/business/london-fair-funding-review-sadiq-khan-b1249288.html)
* Paragraph 4 – [[7]](https://www.bbc.com/news/uk-england-london-68598622), [[1]](https://www.standard.co.uk/business/london-fair-funding-review-sadiq-khan-b1249288.html)
* Paragraph 5 – [[1]](https://www.standard.co.uk/business/london-fair-funding-review-sadiq-khan-b1249288.html), [[2]](https://www.onlondon.co.uk/census-figures-for-london-should-be-treated-with-extreme-caution-says-cross-party-body/), [[3]](https://www.governmentbusiness.co.uk/news/29062022/councils-warn-missing-londoners-census-data), [[6]](https://www.themj.co.uk/inaccurate-census-cost-londoners)

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.standard.co.uk/business/london-fair-funding-review-sadiq-khan-b1249288.html> - Please view link - unable to able to access data
2. <https://www.onlondon.co.uk/census-figures-for-london-should-be-treated-with-extreme-caution-says-cross-party-body/> - London Councils, representing the capital's 33 local authorities, has expressed concerns that the 2021 Census significantly undercounted London's population. The census recorded 8.8 million residents, nearly 300,000 fewer than previous projections. This undercount is attributed to the census being conducted during the third national lockdown, when many residents, especially students and migrant workers, may have temporarily moved outside the capital. The undercount could impact future funding allocations for public services in London.
3. <https://www.governmentbusiness.co.uk/news/29062022/councils-warn-missing-londoners-census-data> - London boroughs have cautioned that the 2021 Census data may have significantly undercounted London's population, potentially leading to issues in future funding allocations. The census recorded London's population as almost 300,000 lower than the Office for National Statistics' previous prediction for 2021. London Councils, representing all 32 boroughs and the City of London Corporation, warned that this undercount could affect funding for public services such as the NHS, police, and fire services.
4. <https://www.theguardian.com/uk-news/2021/jan/07/london-population-decline-first-time-since-1988-report-covid-home-working> - A report by PwC forecasts that London's population could decline by over 300,000 in 2021, marking the first annual drop since 1988. The decline is attributed to the economic impact of the COVID-19 pandemic and the rise of home working, prompting residents to reassess their living situations. Factors include fewer graduates moving to London, reduced job opportunities, and lower international migration due to the pandemic and Brexit.
5. <https://london-tv.co.uk/londons-census-figures-must-be-treated-with-extreme-caution-boroughs-warn/> - London Councils has warned that the 2021 Census data on London's population should be treated with 'extreme caution'. The census recorded a population of 8.8 million, almost 300,000 lower than previous projections. This undercount is attributed to the census being conducted during the third national lockdown, when many residents may have temporarily relocated outside the capital. The undercount could have significant implications for future funding allocations for public services in London.
6. <https://www.themj.co.uk/inaccurate-census-cost-londoners> - Council leaders have warned that the 2021 Census data underestimates London's population, potentially leading to significant underfunding for public services. The census recorded London's population as almost 300,000 lower than previous projections. London Councils, representing the capital's local authorities, attributed this undercount to residents moving out of the city during the COVID-19 lockdown. The undercount could impact future funding allocations for services such as the NHS, police, and fire services.
7. <https://www.bbc.com/news/uk-england-london-68598622> - A report by Centre for Cities found that London's population fell by 75,000 during the COVID-19 pandemic but has since 'bounced back'. The decline was attributed to 191,000 people leaving London for the countryside during the pandemic. The report highlighted that people aged 30 to 45 left London in 'abnormally large numbers' within that year. Despite the decline, London's population is now thought to be higher than ever.