

London's population could decline in 2021 for the first time this century.

Here's why people are leaving

The population of the U.K.'s capital city could fall in 2021 for the first time in more than 30 years, according to new research, as the economic fallout from the coronavirus pandemic prompts people to reconsider big-city life.

5 The prediction was one of several in a U.K. economic outlook report by professional services firm PwC, released this week.

"Covid-19 has fundamentally changed the way we view cities," PwC said in the report.

"City-dwellers¹ are now rethinking their living situations in light of the pandemic, and re-evaluating the importance of larger homes, green spaces and connections with the local community," it added.

10 Jamie Girvan, a 26-year-old financial advisor, decided to leave Silvertown in east London during the first U.K. coronavirus lockdown in April last year to move in with his parents on the southeast coast of England.

"The lockdown in a small flat (apartment) in London with a housemate, both of us who have jobs in finance... kind of (meant) very busy, long hours stuck inside without that additional space (which) was really, really rough," he told CNBC over the phone.

15 Girvan and his girlfriend, Natalie, who had also temporarily gone back to living with family during the first lockdown, then decided to make their move out of the capital more permanent. They bought their first house in Sittingbourne, Kent, in the summer and moved into their home in December.

20 Girvan said they had previously been planning to buy in London to be closer to work but said "it was a gamechanger" to have more outdoor space for walks in lockdown. He said the pandemic had shifted their priorities for a home, particularly given that the move to working remotely was likely to continue over the coming months.

PwC cited a survey from August 2020 by the London Assembly governmental body, which found 4.5% of the 450 Londoners it polled — what would be the equivalent of 416,000 city dwellers — said they would definitely move out of the city within the next 12 months.

25 Before the pandemic, the U.K.'s Office for National Statistics had predicted that London's population would grow by 56,000 people to 9,095,459 between 2020 and 2021. But PwC calculated that if just 14% of its forecast came to fruition, then it would erase this predicted growth.

'Just not really for us anymore'

30 Victoria Garratt, a 29-year-old lettings agent, said she and her husband had talked about moving out of London over the last couple years but the pandemic had accelerated that decision.

"We both love living in London but (we're) kind of a bit over it now," Garratt, told CNBC over the phone.

They left Ladbroke Grove in northwest London late last year, after also buying their first house in the small village of Silsoe, Bedfordshire, in central England.

35 Data from U.K. estate agents showed that of the 4,247 prospective buyer enquiries it had to its Bedfordshire branches in 2020, one in eight were from people living in London.

Garratt said strict public health measures had meant they'd missed trips to the local pub or having friends over for dinner. In addition, "going into Covent Garden or central London — (it's) just not really for us anymore."

40 Tom Ellis, a 26-year-old editor, told CNBC that he and his girlfriend had just handed in their notice on the apartment they rent in Limehouse, east London.

They also planned to move to the countryside but had yet to settle on a location. Ellis said that they'd contemplated moving abroad while they could still work remotely but that "Brexit and the lockdown kind of put paid to² all those ideas."

45 Ellis said their move to the countryside might only be for three to six months but it still offered a brief escape from working remotely in a small apartment.

PwC also said in its report that it expected a decline of college graduates moving into London in 2021.

50 "Primarily driven by job opportunities, this pattern of graduate migration may be disrupted in 2021 as jobs are harder to find," PwC said, adding that increased working from home could mean that living in London "may no longer be seen as a necessity for finding high-skilled, high-paid jobs."

Concerns about Brexit and the U.K. economy may also encourage migration out of London, PwC said.

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1. people who live in cities
2. put an end to