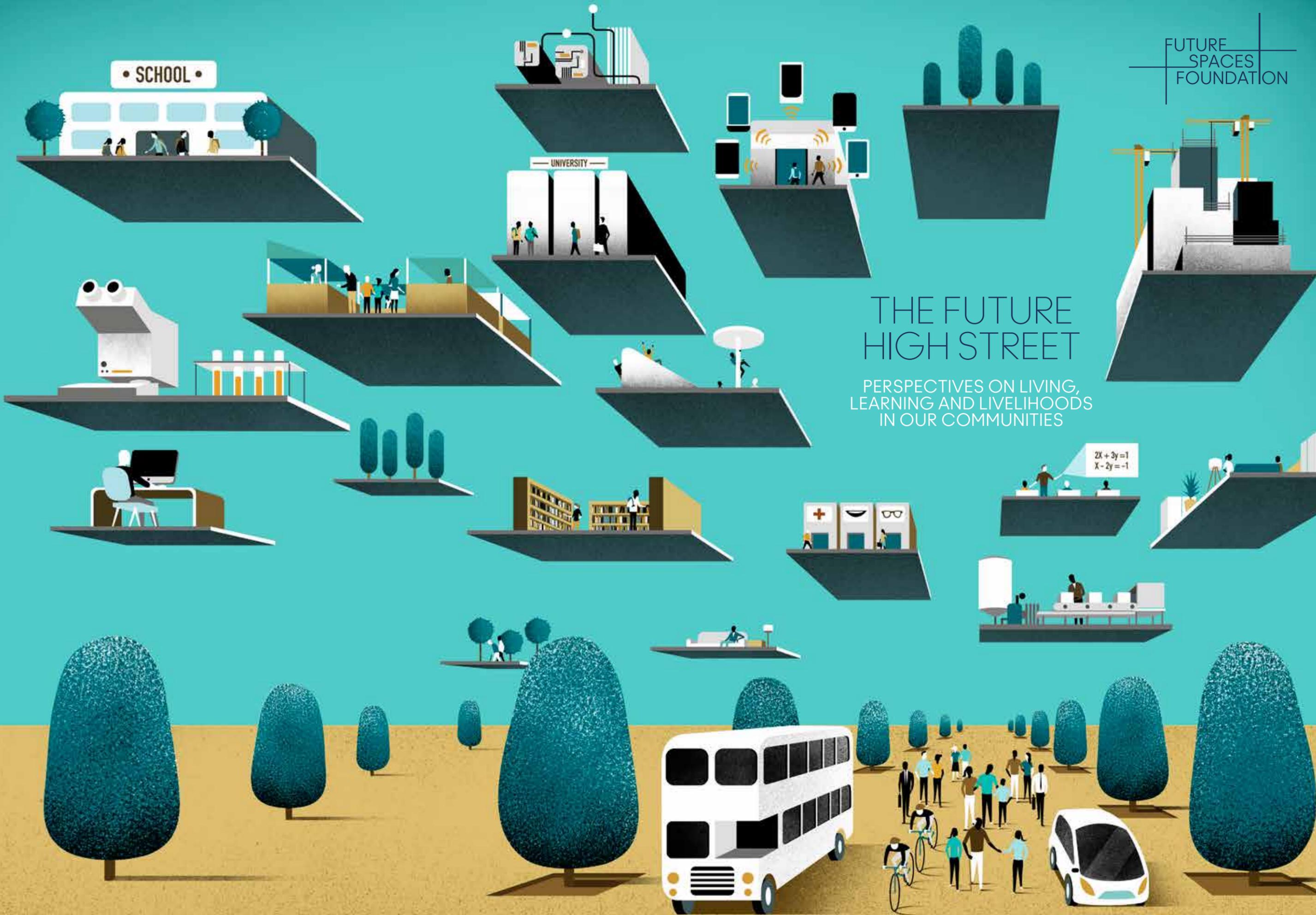


THE FUTURE HIGH STREET

PERSPECTIVES ON LIVING,
LEARNING AND LIVELIHOODS
IN OUR COMMUNITIES



ABOUT FUTURE SPACES FOUNDATION

The Future Spaces Foundation was established in 2013 by Ken Shuttleworth, founder of Make Architects, to undertake new thinking to inform the future of the spaces we live in.

The Foundation is made up of an independent panel of experts convened from diverse fields, including economics, design, psychology, sociology, arts and culture and transport. The diverse nature of the panel means that the Foundation can explore a wide range of socio-economic, demographic and technological factors that affect the way we live and work and the impact they have on the spaces we live in.

The Foundation adds to existing debates, but also looks beyond short-term solutions, using the diverse experience of the panel to generate new ideas. Ultimately, the Foundation hopes to create an environment where smart design enables strong communities and allows people to live and work in first class spaces.

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FOREWORD

At Make, the architecture practice I founded in 2004, everything we do is supported by a desire to make sure the spaces we create play a significant role in positively shaping the way people live. We passionately believe that architecture should go beyond pure functionality and make people's lives better. This belief has always been fundamental to the way we design our spaces, and it was out of this spirit of innovation and forward-thinking that the Future Spaces Foundation was born.

The Future Spaces Foundation, the independent panel of thinkers behind this report, provides a forum for new and diverse perspectives to be developed about creating social and economic opportunity through transforming spaces. Comprised of experts drawn from backgrounds including retail, economics, academia, community groups, arts and culture, psychology and transport, the Foundation aims to explore the different factors that affect the way we live and work and the impact they have on the spaces around us. By looking beyond short-term solutions and employing the diverse experience of our panel, we hope to generate thinking that will inform the building of better spaces for all in the future.

And where better to begin than the UK high street? The problems in our town centres have been well documented through recent publications, such as the Portas and Grimsey Reviews, and various taskforces all striving to find an answer to the woes of the nation's retailers, as a proxy for bringing people back to the high street.

But what happens if we look beyond retail and think about how else we can rejuvenate these public spaces to make them places where people want to be? Our expert panel has examined the high street debate from a more holistic stance, exploring the full spectrum

of socio-economic, demographic and technological factors that impact the way we interact with our high streets today.

By challenging the role of retail in the regeneration of the high street, we believe we have built a more comprehensive picture of the future challenges that will shape where and how we live, work and spend our free time. This, in turn, allows us to develop responses, which will help to ensure that better spaces are provided in the future. Furthermore, we have taken these challenges, trends and insights and begun to apply them to new approaches, designs and models for how we can support stronger communities and economic performance in the future.

The Future Spaces Foundation's ultimate aim is to encourage an environment where smart design enables strong communities and allows people to live and work in first class spaces – we hope that this, our inaugural report, is the first step forward in bringing this mission to life.



DR KEN SHUTTLEWORTH
FOUNDER, MAKE ARCHITECTS
AND CHAIR OF THE FUTURE
SPACES FOUNDATION

THE FUTURE SPACES FOUNDATION: AN INTRODUCTION

A NEW APPROACH TO SAFEGUARDING THE FUTURE OF THE HIGH STREET



DR KEN SHUTTLEWORTH
FOUNDER, MAKE

By attracting people to high streets these spaces will become more vibrant and lively, which in turn will lead to an increased demand for a variety of services, including retail outlets, cafes and libraries. To do this, we need to abandon our predilection for large scale office complexes in the suburbs and instead build them in town centres to generate increased footfall. This doesn't make retail obsolete; if you attract people to an area, retailers will inevitably follow.



For at least 100 years, high streets and town centres in the UK have been focal points for business and social life. Historically, high streets have provided a range of uses, but in the post-war decades in particular, many high streets within town centres have become primarily thought of as the principal shopping areas for most towns and cities. A focus on retail has meant that the continuing role played by high streets¹ in providing high concentrations of office-based employment, as well as social, public service and leisure facilities, has been regularly overlooked or downplayed.

There is abundant evidence indicating that the role of the high street is changing and there is also widespread recognition that significant numbers of high streets in the UK are in decline. Change – and in some cases deterioration – has been driven by a number of long-term factors, including economic, business, demographic, social and technological trends, as well as short-term economic pressures.

In recent years there has been prominent debate about the future of the high street which has led to a variety of national planning policy changes, including a compelling argument against new out-of-town developments. However, despite these endeavours on the part of the government and local authorities, high streets have continued to lose ground.

In May 2011 the coalition announced a review of the future of the high street, led by retail consultant Mary Portas. A key recommendation was the creation of ‘Town Teams’ to bring together local coalitions of interests and to agree and manage the implementation of locally developed strategies.² However, there has been some concern that the towns selected as ‘Portas pilots’ have continued to lose occupiers, and Mary Portas has appeared to criticise the government for a lack of commitment to the high street. Meanwhile, there have been a number of other responses to the decline of the high street, including the alternative strategy published by retailer Bill Grimsey and his team, together with a variety of other diagnoses of the problem from think-tanks and commentators with technology most recently being positioned as a potential solution, through the government Technology Strategy Board’s ‘Re-imagining the high street’ competition.³

1/ It is worth clarifying that when we refer to the high street throughout this report we are focusing on the principal shopping area of a town. Within this, it is critical to emphasise that the urban core has always provided other business, wider economic and social functions, and we prefer to talk about ‘high streets’ when focusing on this broader role
2/ The Portas Review: An independent review into the future of our high streets, 2011
3/ https://www.innovateuk.org/competition-display-page/-/asset_publisher/RqEt2AKmEBhi/content/re-imagining-the-high-street



It would seem that the British high street is facing an identity crisis. Online retail, which is expected to account for almost a quarter of all sales by 2016⁴, is challenging what has always been the heartland of the nation's town centres – bricks and mortar retail – and as a result a large number of British high streets are losing their purpose, becoming increasingly populated by empty premises and soulless chain stores. But what is the solution to this crisis? How can the UK's high streets find themselves again? Clearly new approaches and models are needed to halt or even reverse these now well-established trajectories.

The ethos of the Future Spaces Foundation (FSF) was not to follow a well-trodden path but to bring respected thinkers together to explore alternative strategies to issues of place and space, in this instance, reinvigorating the British high street. Therefore, while acknowledging the plight of retail, the Foundation aims to look beyond retail, being bold and exploring more holistic and medium term, 5–10 year alternatives, to overcome this identity crisis and ultimately help to revive the high street.

In this report we will be exploring a variety of ways that place and space across the nation's high streets can be remodelled for future generations, rather than trying to force outdated models of land use on already declining high streets. Retail will of course play its part but it will not be a driver, as noted by a recent report by the Centre for Cities:

“If a city centre lacks jobs, residents and/or leisure amenities – the primary functions of city centres – this will shrink the size of the market that secondary activity such as retail can serve.”⁵

Indeed, the Foundation believes that the evident decline of retailing may be symptomatic of a more general deterioration in the economic competitiveness of those places rather than being the prime cause. While it could be argued that it is provocative to claim that retail is a secondary rather than primary function of a town or city centre, it is irrefutable that retailing is but one of the key functions of our urban centres, alongside the provision of commercial offices, headquarters for civic governance, public service facilities such as job centres and libraries, entertainment and leisure facilities, nodal public transport infrastructure and homes.

Ultimately, the ambition of the Foundation for this report is to uncover opportunities and possible solutions to long-standing problems and challenges faced by the high street, recommending a bold approach to safeguard and improve these spaces for future generations.

OUR APPROACH AND METHODOLOGY

In late 2013, the Foundation assembled a diverse panel of experts from fields including retail, but also economics, academia, community groups, arts and culture, psychology and transport to debate the future of the high street. The discussion was structured around areas including community and social cohesion, commercial drivers and employment, retail and public services and transport and accessibility.

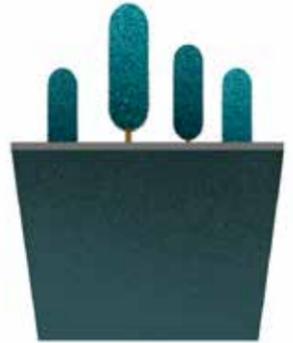
One of the core objectives of the Foundation right from the outset was for the panel session to provide tangible outputs. In this vein, the ideas generated by the panel have been combined with existing socio-economic research to transform them into forecasts of expected future trends and performance. These have been worked up into alternative assumptions and scenarios to showcase the potential of the Foundation's creative thinking and ultimately, influence decision makers. This process has been complemented by designs and economic modelling to identify, isolate and illustrate the unique contribution that high quality design and architecture can make in tackling some of today's challenges.

The report goes on to quantify the potential impact of these challenges on metrics of socio-economic performance, and sets out a number of recommendations for future changes in policy. These include planning, design, and more effective partnerships between key stakeholders such as retailers, landowners, local authorities and national government. This thinking is brought together through case studies of three contrasting towns, Barnsley, Stoke-on-Trent and Swindon to demonstrate how some of the solutions within this report can be applied in reality.



4/ Boston Consulting Group, Jan 2012
 5/ Centre for Cities: Beyond the High Street, September 2013, page 3

SITUATIONAL ANALYSIS: CURRENT AND FUTURE CHALLENGES FOR THE UK HIGH STREET



High streets have been changing for centuries, but the process appears to have accelerated in recent decades, and it is possible that the pace of change will accelerate yet further due to a combination of demographic shifts, technological advances and variations in consumer preferences. The following are among the key factors likely to significantly affect the performance and role of UK town centres over the next 5 – 10 years:

ECONOMIC AND DEMOGRAPHIC CHANGE: The UK population is at the same time growing, ageing and becoming more ethnically diverse, which may present opportunities for parts of some town centres to specialise in provision of services to these diverse populations. Another factor to consider is the continued national housing shortage due to a combination of population growth and a decrease in average household size. There may therefore be a need to recycle land from current town centre uses (such as retail) to help address the need for living space for a growing population.

CONSUMER PURCHASING POWER AND CONFIDENCE: In the short-to-medium term, growth in overall retail sales may continue to be held back by a sluggish return of consumer confidence, especially in parts of the country where public sector employment accounts for a greater proportion of the total. During times of low consumer confidence, households tend to focus on repaying debt and saving, and spending on non-essentials tends to be postponed. Consumer spending power is being eroded by tax rises and above-inflation increases in energy prices and transport costs. In addition, pay rises of 0.9% reported by the ONS are significantly lower than the rate of inflation, recorded at 2.2%⁶ in December 2013.

CONSUMER PREFERENCES: Meanwhile, retailers also have to come to terms with longer-term changes in consumer preferences. This is especially manifested in areas where the product has become digital, such as in music, books and newspapers. The decline of sales affecting music stores, bookstores and newsagents has been especially pronounced over the past five years, and these trends are expected to continue. For example, it is easy to imagine that in five years' time the majority of our national newspapers will be available as online editions only, by which time many more newsagents will no longer be trading, unless they have found a new role within the communities they serve.

TECHNOLOGY: The UK has been at the forefront of the international trends in favour of use of online shopping platforms. Data from The Organisation for Economic Co-operation and Development (OECD, 2011) indicates that the share of online retail in the UK was around 12%, which was a greater share than any other European country as well as the US and Japan.⁷ The share of online retail in the UK over the past decade has grown by an average of around 1 percentage point per year. Some commentators expect an acceleration of online penetration, and there are predictions that by 2020 the share of online sales could reach 25%.⁸

Further growth of the online share of retail spending is also being driven by the advent of new digital applications and mobile devices: in 2011 the share of 'm-commerce' was reported by Experian to be only 2% of all e-commerce, but by 2016 they expect it to be 7% (and, of course, this will be a larger share of a much larger market, as e-commerce is set to grow at pace).⁹

PROPERTY DYNAMICS: The pressure that 'bricks and mortar' retailers are under has resulted in significant downward pressures on rents that retail businesses can pay. In addition, the number of vacant units has approximately doubled over the same period. Where tenants have gone out of business, the landlord becomes responsible for business rates paid on those properties. The decline in rental incomes and the increase in voids along the high street and across town centres have significantly reduced the value of those properties. Overall downward trends in retail property values also makes redevelopment more challenging in towns and cities that are still awaiting substantial reinvestment in modern retail premises in order to compete more effectively with out-of-town retail parks. A number of high profile retail developments that were planned at the time of the onset of the recession were, understandably, mothballed and even when the macro-economic climate improves substantially it is doubtful whether some of these redevelopments could take place, at least at the scale originally envisaged.

LOCALISM: The coalition government has emphasised the importance of 'localism', and is committed to giving local authorities and communities more control over strategic planning policy and other decisions, as well as over financial resources. The trend towards localism implies more local responsibility as well as empowerment, but the potential exists to create local vehicles and to fund these through variations in approaches to the taxation of local business and through other means.



6/ ONS Statistical bulletin: Labour Market Statistics, December 2013
 7/ OECD: the future of the internet economy, June 2011
 8/ Centre for Retail Research: Retail Futures 2018, May 2013
 9/ Experian: Town Centre Futures 2020: September 2012

SO DOES THE HIGH STREET STILL MATTER?

Given the wealth of changes taking place now and in the future, is there still a place in British society for the high street? The Foundation believes that there is, albeit with some adaptation. Why is this? Simply put, because many people still attach a large amount of emotional importance to their high street. High streets and town centres have often retained buildings and structures with great historic value and many have retained important facilities – such as libraries, theatres, museums, galleries, etc. – that often have great community value, and can provide a sense of pride and belonging amongst those that use and spend time in these places.

High streets also have an increasingly important role in the knowledge-driven economy. This is because cities and towns are places where economic actors – including businesses, workers, education and research institutions, government agencies, etc. – are concentrated together and can interact with each other more efficiently and cost-effectively, a process known as ‘agglomeration’. Cities and larger town centres are particularly important locations for agglomeration benefits because they provide high densities of other businesses (such as customers, suppliers or collaborators) and also because they provide high levels of access to skilled workers. The latter is particularly important because many businesses in the knowledge economy are involved in a ‘war for talent’, and businesses located in town centres (with good access to public transport, especially rail) will have an advantage in their ability to recruit and retain staff.

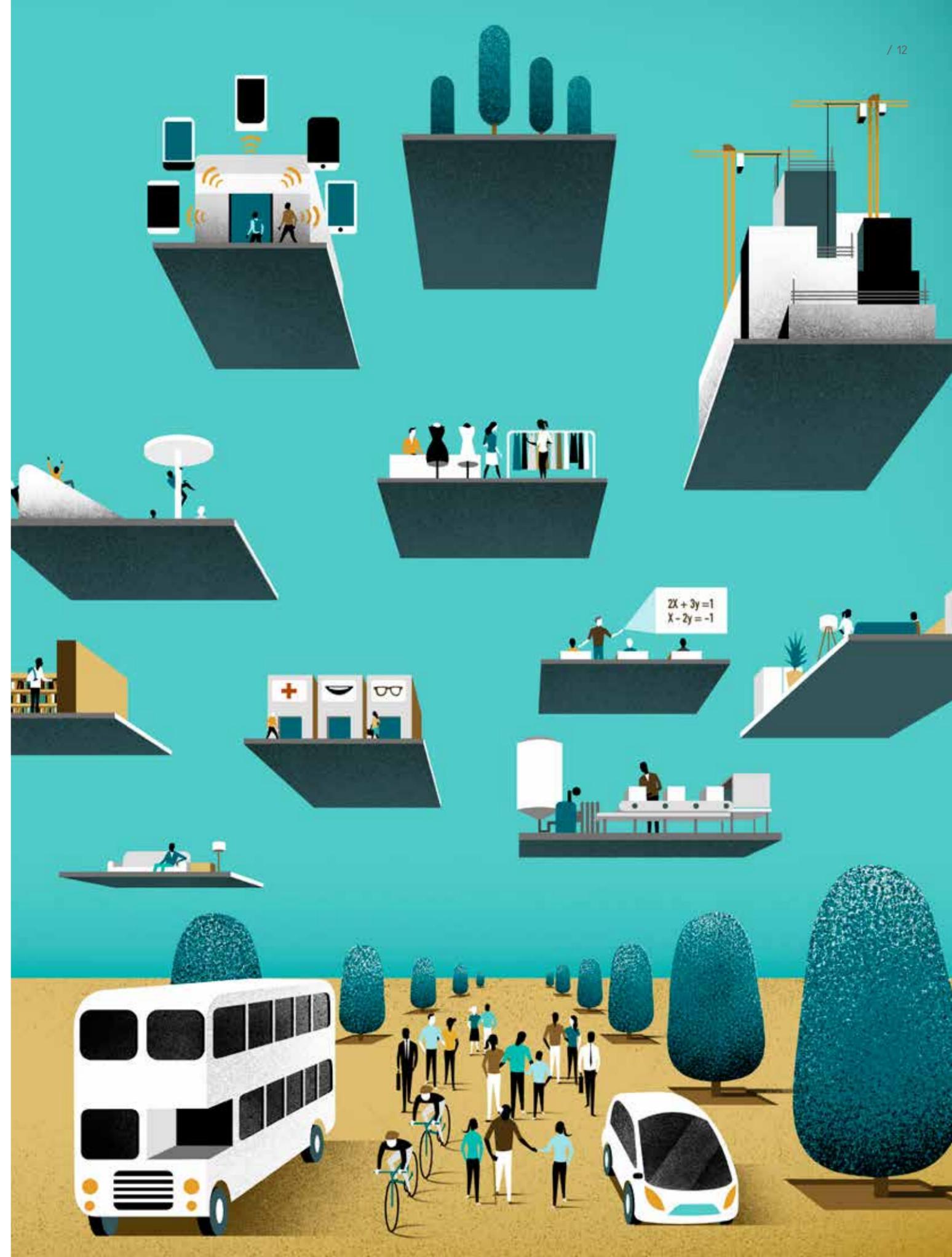
Another aspect of agglomeration benefits on the high street is the availability of ‘knowledge spill-overs’: these are the benefits that accrue through social interactions between different business managers and different skilled workers. These social interactions often take place in restaurants, coffee shops or pubs, and city centres are therefore particularly important as they provide a high density of attractive places for these interactions to occur.

High streets are also very important sources of revenue for government, and especially local governments. One aspect of this is local authority revenues from car parking, but even more significant is the contribution made by high streets as sources of non-domestic rates (i.e. business rates). It has been estimated that shops in the UK are responsible for over 23%¹⁰ of all business rate revenues in England. This is a remarkable total given that retail accounts for just under 7% of the English economy in terms of Gross Value Added. While this total cannot easily be broken down into rates revenues attributable to town centre vs. out-of-town retailers, it is clear that high street retailers are contributing a very significant share of this sector total.

This report will examine the topic of the high street from four different perspectives: public services & community cohesion, commercial drivers & employment, accessibility & transport, and wellbeing & health. Drawing on the expertise of the Foundation panel, the report will identify the considerations for the high street of the future through these four different lenses, helping the panel to come to an overarching conclusion on its recommendations for how to save the high street. These conclusions will be informed by and tested on three scenarios, where the considerations identified by the Foundation panel will be tested on three case study towns in different parts of the country.



10 / ONS Statistical bulletin: Labour Market Statistics, December 2013



CHAPTER 1 PUBLIC SERVICES & COMMUNITY COHESION



HOW CAN WE PUT COMMUNITIES BACK AT THE HEART OF THE HIGH STREET IN THE FACE OF ACUTE FISCAL CHALLENGES?



ANNEMARIE NAYLOR
DIRECTOR, COMMON FUTURES

It all comes back to whether you can be more strategic about what remains of public sector assets in poorer communities, so they can act as a catalyst for regeneration and attract businesses in, rather than putting them out of town.



THE CONTEXT

The community spirit and cohesiveness of a high street is critical to everything that follows. Whilst of course economic activity is important, if people do not feel good about themselves or their surroundings and do not enjoy spending time in particular places, these spaces will suffer. Therefore, creating a strong community, supported by the right services and commercial drivers, is essential to the success of a high street.

As Annemarie Naylor notes adjacent, high streets are often associated with the delivery of a range of public and community services. These spaces have played a key role in ensuring access to important services such as health, education, transport, and culture for residents living around the high street and the wider area, especially for groups such as the elderly, the young and those on lower incomes, who generally find it more difficult to access services by private car. In areas where these services have been removed from the high street the consequences have been hugely damaging to the community cohesion of these areas.

With a growing but ageing population and increasing inequalities facing Britons, access to public services is as critical as ever. However, with such provision being threatened by public sector cuts and the issue of the decline of the high street as a place for public service provision persisting, the very foundations on which to build a vibrant high street for the future are at risk.



THE CHALLENGES

PUBLIC SECTOR CONTRACTION

Since the 2010 election, a severe squeeze on public spending and, subsequently, public services has occurred as the government has attempted to bring public spending under control. The outlook is not set to improve in the short term either, as Gavin Kelly of the Resolution Foundation notes that by 2015 there will be £40 billion less in the public sector. Indeed, this is backed up by the most recent budget in the 2015-16 Spending Review, which highlights local government as one of the biggest impacted areas of the public sector, facing £2.6 billion in cuts to its funding, having already been subject to a 27% cut in funding over the last few years.

The loss of public services that will accompany such financial contraction will undoubtedly affect community cohesion on high streets. For instance, the loss of facilities such as libraries, museums, swimming pools and cultural events can be detrimental to a high street as these are facilities that provide a high street with a unique selling point and competitive advantage over alternatives such as out-of-town retail parks or shopping malls.

Public sector budgets, however, are not the only thing driving change across communities. Indeed, longer-term trends are already changing the nature and level of demand for public services. These long-term trends include domestic factors such as an ageing population, entrenched inequalities such as youth unemployment, changes in expectations of the population, and changes in family structures and household organisation¹¹. At the same time, there is a rising demand from service users and how these demands will be met remains uncertain. These combined factors are likely to result in an uncertain future for many of us.

POPULATION

The population of England is expected to increase by 4.5 million (8.5%) between 2011 and 2021¹² and over 2 million (45%) of this increase will be accounted for by people aged 65 and over. Most people today live longer and look forward to a long and healthy retirement, and the challenge for communities and councils is to be inclusive and “help older people stay healthy and active and encourage contribution to community”¹³. This means investing in opportunities and services for older people in order to do this¹⁴.

Whilst there may be a rise in spending on food and drink, health, recreational and cultural activities on high streets as a result of the ‘grey pound’ there will be an increase in people that have limited mobility and high care needs¹⁵. Access to high streets for elderly people will be important to ensure they do not become socially isolated or struggle to access services as public transport is reduced or ceases altogether. In accessing high streets older people will also want to feel safe and be able to interact confidently with other community members.

Young people also face multiple challenges today, with high unemployment, risk of poverty and low participation in society. There is a perception that young people are in danger of facing exclusion and isolation, something which is noted by Community and Anti-Gang Worker and Author Emeka Egbuonu, who states: “If services continue to disappear and there is not enough space to socialise and meet new people, it will be difficult to expand the minds and mindset of young people. Providing access to a variety of different spaces where young people can grow is really important.”

THE CURSE OF THE OUT-OF-TOWN LOCATIONS

There has been a trend in recent years for back office and non-public facing elements of public services to move to out-of-town locations. The decision-making process behind this trend has undermined high streets as key economic, service and transport hubs. An example of this continued behaviour by the public sector can be found in the rationalisation of HMRC’s estate in the North East, which proposes to close the department’s two offices in Sunderland city centre, moving the jobs to its out-of-town sites in Sunderland and Newcastle, which will inevitably have an impact on footfall on the high street¹⁶.

Commenting on this trend, Annemarie Naylor provides her view on the impacts of such public sector strategies: “Public sector assets are too often being moved out of town centres in the search for modern office space which is environmentally proficient. This produces a domino effect with both the flight of retailers to the internet and the public sector withdrawal which is absolutely devastating to what were spaces for interaction.”

In the face of these not insignificant challenges, particularly the economic ones, it is difficult to retain a positive outlook on the future community spirit and cohesiveness of our high streets. However, these challenges simply demonstrate that solutions and strategies for injecting our high streets and local communities with a cohesive and tight-knit feel will require creative and totally new approaches. Relying on incremental changes, which are based on outdated approaches, simply will not cut through in today’s tough social and economic climate.



11 / 2020 Public Services Trust: Scoping the Challenges for 2020 Public Services, A Brief History of Public Sector Reform, 2009

12 / ONS 2011-based Sub-national Population Projections (2012)

13 / Audit Commission: Older people – independence and well-being. The challenge for public services. 2004

14 / Ibid

15 / Genecon: Understanding High Street Performance, December 2011

16 / Centre for Cities: Beyond the High Street, September 2013

REINTRODUCING COHESION TO OUR HIGH STREETS



The Foundation sees four important changes in community policy that must be implemented in order to ensure town centres are places that people want to live, shop and work:

1.

A RE-CONCENTRATION OF PUBLIC SERVICES IN AND AROUND THE HIGH STREET TO HARNESS AGGLOMERATION BENEFITS

2.

A REDESIGN OF EDUCATION WITHIN THE COMMUNITY IN AN EFFORT TO RE-ENGAGE YOUNG PEOPLE AND PROVIDE PRACTICAL OPPORTUNITIES FOR ADULT LEARNING

3.

DIVERSIFICATION OF COMMUNITY SPACE - CHALLENGING THE TRADITIONAL ROLES OF LIBRARIES, PUBS, MUSEUMS ETC. BEYOND THEIR TRADITIONAL FUNCTIONS

4.

COMMUNITY EMPOWERMENT AS AN ALTERNATIVE TO PUBLIC SECTOR-LED DEVELOPMENT

HOW DO WE GET THERE?

1. A RE-CONCENTRATION OF PUBLIC SERVICES IN AND AROUND THE HIGH STREET

It is without doubt that resources, especially public sector resources, will continue to be squeezed. However, it is the location of the remaining public services that has the potential to make, or break, any rejuvenation of the high street, given their ability to strengthen high streets as key economic, service and transport hubs.

Indeed, Paul Swinney of Centre for Cities articulates the situation quite clearly when he states: “Some of this rationalisation is an opportunity to bring some of these services back into the city centre.” An example of where this is happening is in proposals being made by Coventry City Council¹⁷. The council in Coventry has recognised the role that they can play, not just from a service perspective but also from an agglomeration perspective of bringing people and therefore money back to the high street. The council plans to consolidate its activities in the centre of the city, including selling buildings that are based out of town, in a move which will involve relocating around 350 jobs back into the city centre.

Building on this, the Built Environment Industry Expert, Keith Clarke CBE references the damage that has been done by the location of services beyond the high street. “The suburbanisation of services has disenfranchised whole swathes of community but reversing this trend can provide the glue communities so desperately need.” Dr Ken Shuttleworth, Founder of Make Architects, adds to Keith’s point with a categorical view that business parks are very much a part of the problem: “The era of the business park is over. We need to focus our efforts on bringing people back to the high street through smart design whilst business parks should be mothballed or, ideally, turned into parks.”



To make this relocation of public sector assets work as hard as possible, Annemarie Naylor argues that we need to ensure that our public services work as hard as possible for communities: “We must be more strategic about where we place what remains of our public sector assets. Placing these services at the very heart of poorer communities can act as a catalyst for local regeneration and attract businesses in.” She adds to this by warning against a sector-led regeneration strategy, “...if you look at poorer communities, they often only attract retail regeneration and struggle to diversify beyond retail. The only way to buck this trend is to put something in there that starts to open up other sustainable regeneration opportunities for such communities.” This analysis, put simply, places a huge responsibility at the door of the public sector as a catalyst for reinvigorating communities around the high street.

By way of an example of the critical importance of individual services, Peter Jones, Professor of Transport and Sustainability, University College London recounts how a market town in Scotland was planning to relocate

all health services away from the high street and put them on an out-of-town site. “We found that 70% of people who came to the high street were also going to the dentist, the doctor, the opticians or other health related services.” He says. “Therefore if all these services went out of town there was a real concern it would pull the rug from under the entire high street. The health centre had no sense of how important they were to the local community and local economy.” This short anecdote makes a very important point. Not only do we need to lobby the public sector to relocate their out-of-town services back to the high street and once there ensure they stay there for the long term, we also need to continually remind and demonstrate the critical role they play. In any one community it can take just a single service to move elsewhere, to set off a chain reaction, which has the potential to rip the heart out of that local community. However, on a more positive note, there are indications that we will see a rise in other services on the high street and town centres, with diagnostic medical centres for non-serious medical concerns (particularly with an even larger ageing population imminent) police services in post offices and libraries acting as community centres for all manner of purposes¹⁸.

Indeed, in the same way that agglomeration benefits can arise for business so can they for public services. Critical mass can help ensure a depth of services, resources and skills and clustering, which means in turn that all the services individuals need (but cannot be accessed digitally) are closer to transport links. This means they can avoid travel journeys to different areas for different needs.

The benefits of this type of agglomeration include the possibility for synergies with other services and providers to arise, collaborative working and easier referrals. It is also more cost effective and means better use of space and facilities. For service users, there are savings in time, cost, travel, and an improvement in local confidence and direct user input for the development of services and activities. For the community, this approach places a key focus on the centre, which helps to foster social inclusion.



17 / Centre for Cities: Beyond the High Street, September 2013

18 / <http://www.towncentred.com/ideas-1/future-of-high-streets-and-town-centres>

2.

A REDESIGN OF
EDUCATION
WITHIN THE
COMMUNITY

In a more resource-constrained future, could quality accommodation for learning be provided by reusing the existing resources of town centre premises?

Creating a learning environment in town centres where universities, colleges and schools can provide practical education and learning services is an opportunity. Indeed, a clustering of knowledge-related public and community services can offer students, the public and businesses significant opportunities.

For different reasons it is important for both young people and adult learners to be able to access what we have termed 'semi-formal community education' on, or close to, the high street. Amid high transport costs, young people need to be able to access these opportunities easily, whilst adult learners need to be able to reach these opportunities in areas close to the principal areas of employment. This allows them to use such services in the evening after a day at work. These requirements are explained by Keith Clarke: "Further education colleges need to be located at the heart of urban communities to ensure students can afford to travel (in time or money) to their classes."

Annemarie Naylor goes further by explaining that it is not only the location of the services, but also the physical setting and design of the education space that is central to the success of an educational programme. She goes on to articulate the challenge and why we need to rethink the traditional model of education: "We lack the kind of spaces where young people can interact with technology. On the one hand we are saying we have a STEM skills shortage that will impact our economic prospects greatly but on the other hand we don't actually have places for young people to go and acquire and develop those skills after they leave school at 16."



Providing practical education space in an informal setting on the high street, particularly for young people who have left school, focusing on, for instance, science, technology, engineering and maths, serves multiple purposes. In the first instance it increases the skill base of the local community. Perhaps less tangible, but no less important, is the impact that these types of educational spaces could have for the cohesion of local communities, especially amongst the young people within these communities.

Emeka Egbuonu brings this to life with an example from Hackney, East London, which demonstrates the importance of access to space for young people, both for education and recreational purposes: "We had a big space. It was an old school that was transformed for young people. It was open for about six years before private investors bought the space and turned it into university accommodation. We found ourselves with a different space which could hold just 20 or 30 young people, compared to a capacity for 200-300 which we were used to. This affected the community a great deal. I am not sure if it is a direct correlation but gang activity peaked in 2004/2005, shortly after the centre closed."

Re-engaging young people in semi-formal education, helping them develop skills which maybe they did not absorb during their school education not only provides them with employment opportunities but also provides a purpose which, without such facilities, can be lacking in communities and subsequently damage community cohesion.

From an industry perspective, Keith Clarke adds that in his experience "one of the big problems has been the decline of apprenticeships, part-time, block release. Those who complete apprenticeships are about 80% more likely to stay in their career as an engineer or in construction, so it really works."

Thus, there are obviously a multitude of benefits to such semi-formal community based education programmes and the design of the space for these activities is certainly an important element in the potential success of such schemes. The spaces available for such endeavours will obviously vary from high street to high street, but the Foundation message is that providing access to places where young people can gain exposure to key skills, particularly STEM skills, can have a broad range of positive implications from an employment perspective but also in terms of community cohesion.



3.
DIVERSIFICATION
OF COMMUNITY
SPACE

During the recent public sector cuts, 523 libraries were due to close as part of cuts of 30-40% to councils' £1 billion library budget. When libraries are discussed as part of the future of the high street, their value and potential has been regularly undervalued. As Keith Clarke notes: "Libraries were places where people did their homework for part-time study when they couldn't do it at home because it was too cramped, too cold or they could not afford the electricity."

Looking to the future and exploring the critical role that libraries (and other local bricks-and-mortar assets) have to play, Alan Davey, Chief Executive of the Arts Council England adds: "Libraries have a really important role in the town centres of the future. This isn't only about the number of books they have, but more about what libraries could be doing."

funding responsibility) for libraries and has been looking at libraries' role in the future. On this point Alan Davey calls for a change of mindset around the use of these rich community resources: "We have shown how libraries in the future will be community and cultural hubs, with the potential to bring new ideas that build on the traditional uses around books and reading. But we all need to change our mindset and be open to these new possibilities"

The future role of the library, and of other local assets such as pubs or museums, could look very different in the near future. Already we are seeing cultural sites such as the Royal Festival Hall in London serving a diverse set of roles within the community. Clarke comments, "If you go to the Royal Festival Hall any morning of the working week, the foyer is full of people doing business." Alan Davey adds, "And at about 4 o'clock it is full of kids doing homework."

The debate, however, isn't just about the use of libraries. There are a variety of community spaces which have the potential to reinvent themselves in the future high street. As people continue to work more locally and the notion of working 9-5 is adapted for more flexible working patterns, new work spaces will be required. Futurologist James Bellini notes: "As time goes by we will work more locally, or at places of our choosing, and we will have to have the infrastructure for that. We will not go to an office but we will go somewhere. I have friends who have offices in the next street because they feel they need to go to a place but they will not go a long way. Church halls are another one as are pubs. They should be selling space. They should be selling the experience of that place."

Meanwhile, in the US, libraries are already housing Maker Labs¹⁹ (3D printers, laser cutters and others) that can be used for repairs, making and education services and similar initiatives are starting to appear in the UK²⁰. They have been attracted towards libraries as spaces that are usually available and offer room for alternative uses. The Arts Council is the development agency (but does not hold



ALAN DAVEY
CHIEF EXECUTIVE OF THE ARTS COUNCIL ENGLAND

LIBRARIES AND THE
FUTURE OF LIBRARIES
AND THEIR POSSIBLE
ROLE IN TOWN CENTRES
IS REALLY IMPORTANT.



19 / Cybersalon: From UK High Street to Networked High Street: Retail Technologies, August 2013
20 / <http://st-botolphs.org/give-get-library>

4. COMMUNITY EMPOWERMENT

Given the diminishing role that we expect the public sector to be able to play in our communities and high streets, alternative strategies and approaches will be required. Gavin Kelly notes: *“It is a challenging time to be thinking creatively about the public sector. I am not saying that as an excuse, and sometimes it takes a crisis to think differently..., but the reality is that the public sector is only just getting used to how bad it is going to be.”* However, Annemarie Naylor suggests that whilst there are obvious challenges, there are also opportunities ahead: *“I think that the effect is going to be enormous, it already has been, but it presumes that communities cannot do anything differently and that we are waiting for somebody to do it for us. A lot of the good stuff that has happened over the last ten years has led to empowering communities in a range of ways.”* For this type of progress, there is a requirement for people to buy into something that they want to happen.

The horizon is changing in town centres as more space is becoming available and on those high streets with strong communities opportunities remain, regardless of the plight of the public sector. Annemarie adds, *“Local authorities have the power to give people free reign to stimulate employment and social capital and so now it is about giving people that opportunity. In many instances this means getting communities more interested in actually owning and taking a leadership role and shaping their environment.”*

Given the constraints on public finances, local investment vehicles are already being created as alternative funding sources. The capacity of local people and organisations to invest financially is also being enhanced, for example, through community share issues. Elaborating on this trend Annemarie Naylor comments, *“The local authority pension funds could work differently, particularly in the North, and invest in long-term infrastructure for their own communities. There are a variety of investment types, not just the traditional, and these should be explored as ways to rejuvenate local economies.”*

Communities are also taking ownership and running what were once public services. As a recent report from Genecon states: *“Community land trusts are a model of community ownership that could be applied to town centres”*²¹. A recent programme of work by the Joseph Rowntree Foundation found that despite a loss of public funding, there was a real opportunity for community organisations to own and manage local assets²². In centres across the country, local people are losing, or likely to lose, locally valued assets, such as town halls and libraries due to financial pressure faced by councils. The past decade has led to a desire to empower communities in different ways, and there is now a growing appetite for local engagement and ‘closeness’ to public services. The public want local public services, in fact ‘distance’²³ has been identified as very

important in the relationship they have and want to public services. ‘Scale’ is also key. The public want to be better informed, they want to engage and feel able to affect decision making in their area. People feel that they can have a say in how local services operate, but not so much at a national level²⁴.

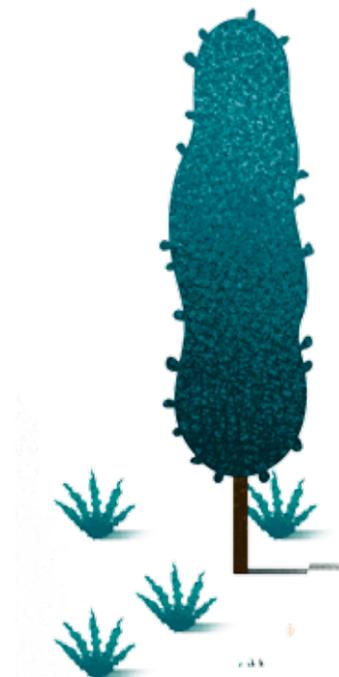
Initiatives such as those under Locality are supporting a national network of community organisations and local authorities exploring the transfer of library services and assets. For example, the Libraries Community Knowledge Hub provides an online platform and resource for the community library network, bringing together advice and guidance; peer networking; and access to a range of resources and remote support.

21 / Genecon: Understanding High Street Performance, December 2011

22 / Genecon: Understanding High Street Performance, December 2011

23 / 2020 Public Services Trust: What do people want, need and expect from public services? 2010

24 / 2020 Public Services Trust: What do people want, need and expect from public services? 2010



CONSIDERATIONS

The public purse is being squeezed like never before and therefore we need community cohesion initiatives to operate efficiently, acting as a stimulant for growth in our communities whilst ensuring our limited resources work as hard as possible for us. This chapter has examined four ways in which we can help improve the future of our high streets, through looking at solutions based on the realities of the public sector funding plight, whilst also examining the rich, and in some cases, under-utilised assets within our communities.

Delivering improved community cohesion across our high streets could go a long way to underpinning strong commercial and social growth but it is clear that a combination of policy changes and practical grass-roots action is required. The future high street will, no doubt, then start to look very different as some of the mainstays of our communities – the pub, the library, the museum and the medical provision – look to innovate and rebrand themselves as service providers beyond their traditional offerings of beer, books, artefacts or community care.

CHAPTER 2 COMMERCIAL DRIVERS & EMPLOYMENT



IF THE FUTURE ISN'T RETAIL – AT LEAST NOT AS WE KNOW IT – THEN HOW WILL WE GENERATE COMMERCIAL AND EMPLOYMENT OPPORTUNITIES IN OUR HIGH STREETS IN THE COMING YEARS?



PAUL SWINNEY
SENIOR ECONOMIST, CENTRE FOR CITIES

Retail is a secondary activity within city centres. Primary activities are things like work, residential living, tourism and leisure. If you do not have that footfall, then there is no market for retailers.



One of the central premises of this report, and one that all of our panellists agreed on, is that the future of the high street depends on economic and commercial activities beyond retail. As Paul Swinney's quote neatly encapsulates, retail, while it certainly has a role to play, is to a large extent the symptom of a vibrant and well-attended town centre or high street – not the only cause of it.

From the various policy initiatives that have been devised and implemented over the last 20 years, and more recently especially, it is clear that the main focus has been on high streets as locations for retail. The wider role of high streets as the hub of infrastructure supporting a modern knowledge-driven economy and driving employment opportunities is comparatively neglected and it is the aim of the Foundation to think differently about these challenges.

The way urban areas drive the modern economy is by providing places and infrastructure where interactions between businesses, workers and other people can take place, either formally or informally. Formal interactions take place in locations such as conference centres, university seminar rooms or offices. Informal interactions, which are likely to be at least as important, occur in pubs, restaurants and cafes. Informal interactions are particularly important because they enable the establishment and reinforcement of trust and understanding between different people, thereby easing and accelerating the path for the sharing and creation of knowledge and the evolution of business advantage.

The changing geography and context of work is an important point here. James Bellini, Futurologist, says: "We are developing a free agent culture, and increasingly people don't work for anyone in particular and they certainly don't work in a fixed-place environment. This will continue over the next 10-15 years and I don't think people will commute every morning, they will work more locally."

This could mean that there is an opportunity for locations like pubs and coffee shops to take on a more formalised role as workspaces, with this being offered as a core part of their service during working hours.

In this chapter the Foundation has set out to look at how high streets can foster these kinds of interactions by exploring the potential of some alternative or emerging employment and commercial models. In compiling this, the Foundation has taken inspiration from emerging technologies and trends, and without neglecting retail, developed new thinking that could help support existing approaches to commerce, whilst allowing a dynamic and flexible approach that can equally embrace new ones.

Before outlining this new thinking, however, it is important to describe the context and challenges ahead for the models currently in existence, as well as the emerging trends that are likely to catalyse a seismic shift in the way these high street economies operate:

- **ONLINE RETAIL BOOM:** The share of retail sales captured by high street retailers has continued to fall: from around 50% in 2000 to just over 40% currently. By early 2012 online sales were estimated to be just under 13% of total retail sales in the UK. Over the past decade this proportion has steadily grown by around 1 percentage point each year²⁵.

- **THE RISE OF MOBILE COMMERCE:** UK consumers are also pioneering the use of m-commerce, transactions undertaken using mobile devices online. The spread of m-commerce is linked to the growing popularity of accessing social media using mobile devices, and is expected to receive a further significant boost following the introduction of 4G networks and devices. According to Experian, m-commerce accounted for just 2% of e-commerce in 2011, but they expect this to increase to 7% by 2016.
- **DECLINE OF PUBLIC SECTOR JOBS:** It is notable that some of the locations that have displayed greater rates of urban-centre, private-sector job decline include Cambridge (-5%), Oxford (-12%) and York (-17%), where planning policies have encouraged decentralised office development in order to protect the heritage values of the central areas of those places.
- **IMPORTANCE OF KNOWLEDGE-BASED ECONOMIES:** Working in parallel with centres of learning excellence, it is possible to create a virtuous circle of learning and employment. Cities such as Sheffield and Manchester are good examples of best practice in this respect, as they have been successful in attracting employment not only associated with a world-class research institution, but also employment in the associated knowledge economies into the area.

WHAT DOES THE FUTURE LOOK LIKE FOR COMMERCIAL ACTIVITY AND EMPLOYMENT IN OUR TOWN CENTRES AND CITIES?



The Foundation sees three major opportunities that could be implemented in order to ensure high streets are places that can support thriving economies and employment opportunities:

1.
A SMALL-SCALE, HIGH-TECH MANUFACTURING RENAISSANCE, POSSIBLY BASED ON MASS-CUSTOMISATION

2.
A MOBILE-ENABLED HIGH STREET

3.
FLEXIBLE USE OF SPACE TO MIX RETAIL, LEISURE AND WORK DYNAMICALLY TO SUIT MODERN PATTERNS OF USAGE



HOW DO WE GET THERE?

1.

MANUFACTURING RENAISSANCE

Micro-brewing is just one good example of an industry experiencing a growth boom – according to the Campaign for Real Ale (CAMRA) there are now over 1,100 breweries in the UK – double the number recorded a decade ago. This industry is well suited to the high street, given its relatively small-scale production, which does not require an extensive or large property base. The industry would also benefit from the strong network of retail outlets that the high street provides within close proximity.

Yet it is not just about the re-emergence or re-invention of traditional industries; new technologies also lend themselves to driving resurgence in local manufacturing within town and city centres, as Keith Clarke discusses: *“If you use 3D printing then you can be a local manufacturer, because it removes the need for transportation. If you are looking 20 years ahead, it is quite likely that a lot of manufacturing will be happening very locally – maybe not of large products like your TV, but there is certainly scope for a lot of items.”*

The economic advantages of 3D printing lend themselves well to high streets, by creating potential hubs for mass-customisation with the ability to respond quickly to consumer demand and remove the need for lengthy ordering and transport processes.

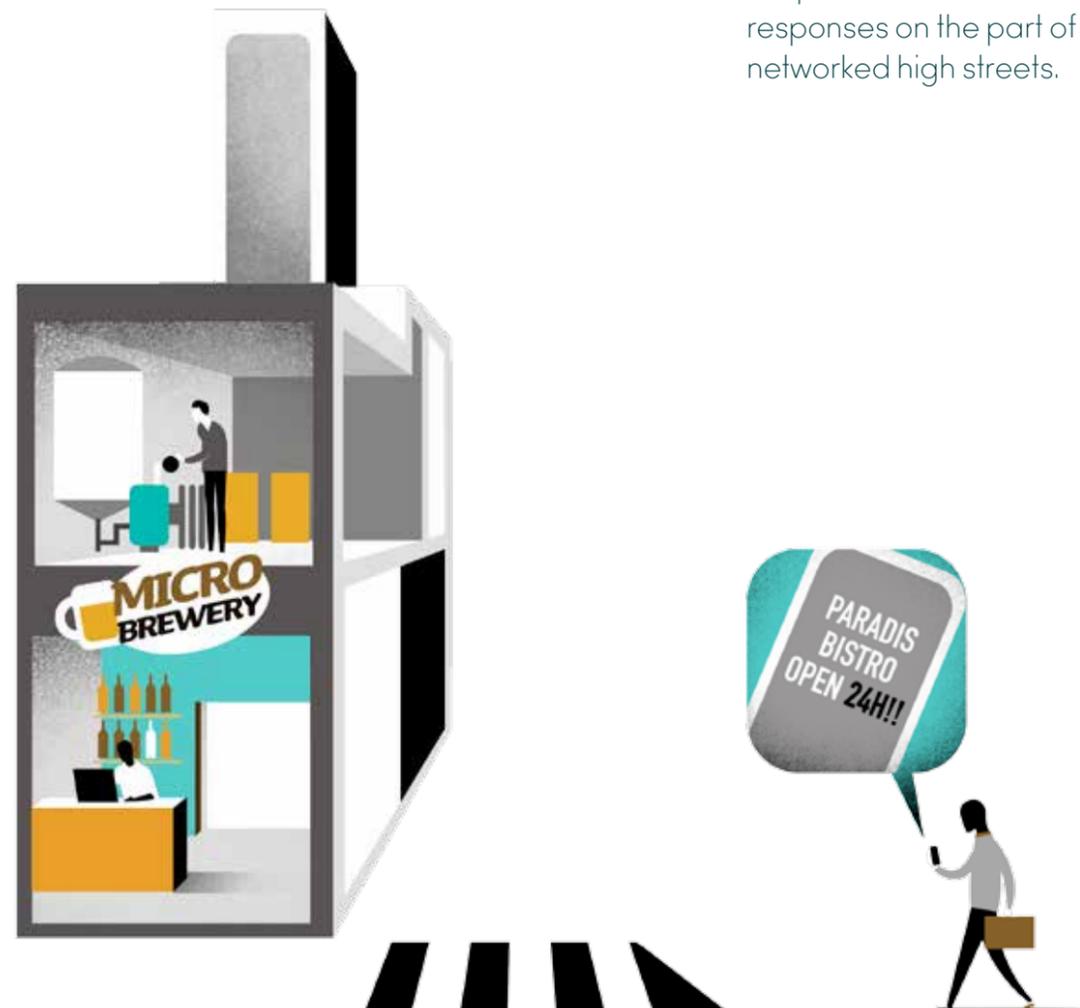
This has the potential to create new markets, comments Peter Jones: *“Once you have 3D printing you can customise it, so you can print out a unique product and even if that costs the same or slightly more that would be very attractive. You can have it within a few hours rather than a few weeks.”*

Furthermore, this might even create the ability to completely transform and streamline retail models, according to Paul Swinney: *“The potential for 3D printing is that you could walk into a shop and say, ‘I want this’ and then they press a button and the product is created in the shop there and then. I wonder whether there is any sort of cost advantage here, because you don’t need to hold the products, although you have to have printing raw materials and some cartridges but there is a potential cost saving which changes retail models.”*

What is clear from the discussion is that these new technologies enable manufacturing to be brought back into the heart of the town or city centre – bringing it closer to its final market and perhaps even collapsing the idea of manufacturing being at all separate from retail.

Bringing such activity back into the heart of the urban centre creates a more intense and vital space where a greater number of connections between suppliers and markets can be fostered and strengthened.

The manufacturing heritage of the UK is rich, and whilst declining, there have been recent trends towards revival of traditional processes, small-scale production and local sourcing.



2.

A MOBILE-ENABLED HIGH STREET

The near ubiquity of mobile devices and the propensity of their owners to use them whilst shopping create the potential for localised responses on the part of networked high streets.

High street occupiers and other stakeholders need to identify and develop rival offerings to those of individual online retailers. This would provide additional value for visitors and would-be customers and new incentives and reasons for people in the catchment areas to physically visit their high streets, particularly during times when additional visitors are needed.

UK consumers are pioneering the use of m-commerce which is, in turn, linked to the growing popularity of accessing social media using mobile devices and is expected to receive a further significant boost, following the introduction of 4G networks and devices. According to Experian:

- Over 70% of connected smartphone users use their phone while shopping
- Over 70% of smartphone users regularly search to find information about goods and services after seeing advertising
- m-commerce accounted for just 2% of e-commerce in 2011, but this is expected to increase to 7% by 2016.

A potentially hugely important opportunity then is the creation of locally networked high streets providing information, tailored discounts and other customised services to users via their mobile devices. This may require local authorities or local coalitions to invest in high-speed, localised Wi-Fi network infrastructure to underpin the provision of these services to visitors and town centre workers.

In order for retailers to survive and thrive in an increasingly competitive environment, they will be required to develop ‘multi-channel’ approaches, whereby customers buy their purchases online but are encouraged (or incentivised) to collect from the store, thereby creating opportunities for additional sales for that retailer plus ‘linked-trip’ spillover spend that could benefit other town centre businesses. This approach requires substantial investment in IT and marketing on the part of the retailer, which is likely to be beyond the means of independent and smaller retailers.

However, there may be opportunities for networks of smaller retailers to collaborate with local authorities and other stakeholders to provide an offer to compete with supermarkets and other national retailers. Opportunities also exist to integrate such offerings with the near ubiquity of mobile devices and the greater use of social media.

Andrew Stevenson, Senior Lecturer for the Department of Psychology at Manchester Metropolitan University, talks about how these links between technology and retailers on the high street are benefiting his community at a local level: *“I know an example of a record shop in Manchester called Eastern Bloc, which looked doomed to me in the 1990s. They have made their record shop into a coffee shop that also sells records. It is a lovely place to go now and you can get something there which is also quite niche. So there are things that some shops, against all the odds, can do.”*

Technology is developing apace and currently only the most innovative companies, some of the world’s largest brands, are beginning to realise the full possibilities of integrating the mobile experience with shopping. However, there is scope for smaller independent retailers to do more, perhaps by working together within their local high street to develop new ways of attracting and engaging consumers as they pass through.



3.

FLEXIBLE SPACES FOR RETAIL, LEISURE AND WORK

Andrew's quote leads neatly to the next consideration of the Foundation, which is about understanding how, in an age of technology and communication, we actually use the spaces in high streets more dynamically and allow or enable more flexibility in terms of the activities that can take place in different town and city centre spaces.

Sean Gillies, Executive Director of Retail at Savills, has clear views on some of the constraints impacting more dynamic models of modern retail: "Most high streets are covered by the Use Classes Order, which was brought in in the 1980s to stop proliferation of financial services, insurance companies and banks expanding into the high street. However, this planning framework doesn't work for today's high street. For example, Metro Bank, who trade from about seven in the morning until nine at night, want to expand and locate in more areas, but are restrained by this framework. This is just one example, but by relaxing the Use Classes Order we would make it a lot easier to attract a diverse range of retailers back to the high street."

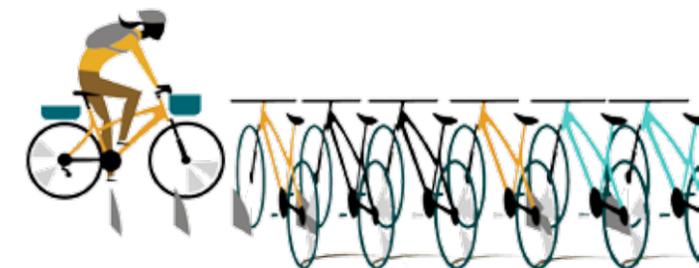
It is clear that the long-hours culture and 'always-on' demands of modern life are placing pressure on the ways that retail is delivered to adapt and change to better suit the needs of consumers. In the case of the above example, this is about longer opening hours for banks – of course this is also a very relevant area of exploration, if you also consider the need for more flexible opening hours for public services such as doctor's surgeries and childcare.

Flexible opening hours are just one way that models need to adapt, as Keith Clarke identifies when he describes how emerging models of 'experiential retail' might continue to evolve: "Activity-based shopping is not shopping as we define it now where you go out and buy stuff, instead it is all about acquiring knowledge. It is also where 'borrowing' or 'renting' items is common place. You can already see this trend in some areas for example, youngsters are renting vehicles, and in fact renting tools to a far greater degree than they ever have before."

Obviously there are models in city centres with huge brands already delivering these types of didactic and immersive retailing experiences very effectively, as Andrew Stevenson discusses: "Apple is very good at this. Everybody knows what they sell, but they also offer training and technical health and they do short courses. I think that is a reason to go to the Apple shop to buy something that you could buy online."

What is clear is that in places where an over-supply of shops is accepted, steps to address the over-supply should be seen as an opportunity to redesign and reconfigure our town centres to make them attractive for the modern economy, to safeguard what can be kept, and to provide places for other things for which space will be needed.

For example, in some towns, space may be needed to accommodate additional (or consolidated) leisure, cultural or public service activities, and space no longer needed for retailing may provide this opportunity.



CONSIDERATIONS

Policy initiatives to revive the high street in recent years have focused on high streets as principal locations for retail, seeing the revival of retail as akin to the revival of the high street as a whole. However, the Foundation believes this focus is too narrow. While retail is undoubtedly an important factor to consider, it should be seen as more of a symptom of a rejuvenated high street rather than the solution for the rejuvenation itself. The Foundation believes the main focus should instead be on first bringing people in to our town centres for economic and commercial activity beyond retail – by creating opportunities for formal and informal interactions in a modern, knowledge-driven economy on our high streets, the rest will inevitably follow.

In order to nurture this type of environment, the Foundation sees alternative employment and commercial models emerging on our high streets, both through the renaissance of traditional industries such as manufacturing and through capitalising on new technologies such as 3D printing. In addition to this, the Foundation sees m-commerce playing an important commercial role in the high street of the future, and lean towards more dynamic, flexible use of space on the high street in terms of the activities that can take place in different town and city centre spaces.

IN THE FUTURE... HOW WILL WE GET TO, AND AROUND, OUR TOWNS AND CITIES?



PETER JONES
PROFESSOR OF TRANSPORT AND SUSTAINABILITY,
UNIVERSITY COLLEGE LONDON

Primarily, it is physical accessibility that determines the viability of our towns and city centres.



We have now examined how building better spaces can help us to drive commercial and employment opportunities in the future, and how the built environment can have an effect on community cohesion.

However, if you cannot get people into and around town and city centres with a degree of ease, then any attempts to harness the positive effects of these are rendered useless. For this reason, the Foundation panel felt it important to focus on the existing transport infrastructure in our towns and cities, examining how what we need from these systems will change in the future and what solutions must be sought to fulfil these.

The opinion articulated by Peter Jones above is one shared by fellow panellist, Paul Swinney, Senior Economist at Centre for Cities: “For city centres, generally in policy terms, transport has too often been out on its own and it is the end rather than being a means to an end. When you start to think about how you can improve or sustain the performance of the city centre economy, you have to think about transport.”

These opinions are not wrong – there are several types of potential positive impacts that stand to be gained from additional investment in transport accessibility in urban centres. These include:

- **BUSINESS EFFICIENCY GAINS:** transport accessibility investment can deliver cost savings to town centre business through reductions in journey time and cost, and improvements to the reliability of the delivery of goods and for business travel by staff
- **BUSINESS INVESTMENT:** business savings and efficiency benefits can also lead to enhanced or accelerated investment in productive capacity in town centres, including investment in new or upgraded premises
- **CLUSTERS AND AGGLOMERATION:** accessibility investment can lead to more efficient interactions between different companies and organisations (or staff within the same organisation) in the same functional economy
- **LABOUR MARKET EFFICIENCIES:** accessibility investment can influence recruitment and retention of staff for businesses, and lead to improved job choices and enhanced incomes for individuals
- **ALTERNATIVE LAND USE:** release of locked land currently being used by car parking and road narrowing schemes to allow improved public realm for pedestrians or space given over to cyclists to provide a more attractive transport environment

- **ENHANCED SOCIAL INCLUSION:** accessibility investment can lead to better links between high streets as locations of economic opportunity (jobs, training) in areas with above average levels of unemployment and economic inactivity
- **LINKS TO NATIONAL TRANSPORT NETWORKS:** accessibility investment can lead to more efficient movement of goods and people to key regional and national markets, resulting in greater levels of competition and overall economic efficiency
- **IMAGE AND REPUTATION:** accessibility investment can encourage additional investment by non-local businesses, and additional spending by non-local visitors

On this basis, strategies to enhance accessibility are important for the future competitive position of urban centres and their ability to attract business investment, knowledge economy workers and discretionary users, such as tourists, shoppers and leisure visitors from further afield.

Traditionally, the most popular mode of transport for getting around the town centre has been the car, and this is set to remain the case for the significant future. However, there are environmental, sustainability and health issues associated with a reliance on the car as a mode of transport, as well as a continuing population swell that makes private transport an increasingly less viable option. This means that urban planners increasingly need to look towards encouraging use of public transport, as well as improving the ‘walkability’ and ‘cyclability’ of the nation’s towns and cities.



WHAT DOES THE FUTURE LOOK LIKE FOR PUBLIC TRANSPORT IN OUR TOWNS AND CITIES?



The Foundation sees four major important changes in public transport policy that must be implemented in order to ensure town centres and high streets are places that people want to live, shop and work in:

1.

A DE-STIGMATISATION OF BUS TRAVEL, BRINGING IT TO EQUAL, IF NOT SUPERIOR, LEVEL WITH THE CAR AS A MODE OF TRANSPORT – PARTICULARLY IN SMALLER TOWNS AND CITIES

2.

AN OVERHAUL OF CAR PARKING POLICY

3.

A FOCUS ON DESIGN TO ACCOMMODATE PEDESTRIANS AND CYCLISTS

4.

TRANSPORT INFRASTRUCTURE DESIGNED WITH MULTIPLE USES TO GIVE IT A MORE FLUID ROLE IN THE TOWN CENTRE



HOW DO WE GET THERE?

1.

A DE-STIGMATISATION OF BUS TRAVEL

Currently, the car remains the main mode of transport in the UK, representing 84% of passenger miles travelled. 60% of shopping trips are made by car. Car use has seen a slight decline in recent years, but the total distance travelled by car is forecast to rise significantly in the longer term.

Car travel is likely to continue to be the preferred mode of travel due to convenience in most places (although there are exceptions, such as London). The forecasts suggest that the cost of car travel will fall as fuel efficiency outweighs the increase in the cost of fuel, with journey times increasing in all types of areas (London, large urban and other urban).²⁶

However, this trend varies depending on the size of the town in question and the provision and quality of public transport. For instance, shuttle buses, light rail and high quality buses have been on the increase in cities across the UK:

- In **LARGER CITIES** (such as London, Manchester, Sheffield etc.) residents and visitors typically make greater use of public transport to get to the high street, partly because they are better served by a wider range of public transport. In particular, the combination of heavy rail, trams and quality buses (such as shuttle buses) provide good accessibility to the city centre and around the central high street locations. Cities have also experienced significant investment

in the physical realm to develop high quality environments in particular quarters. There has also been investment in city shopping centres to bring them up to a standard found in out-of-town centres.

- **HISTORIC TOWNS AND CITIES** (such as Chester, Bath, York etc.) have a strong tourism offering to attract visitors, but there are often physical constraints in terms of space for access points, such as car parks or bus stations, which are overcome by providing good access through park and ride schemes or cycling. However, the reason for the success of such schemes is that car access and parking can be particularly constrained, which tips the balance away from the car providing the most convenient mode of transport.

- **SMALLER CITIES AND TOWNS** are served by regular buses and the number of car parking spaces is usually generally sufficient, but there is much variability around cost, which does not appear to be related to the scale or quality of the high street. For these towns, the car is likely to continue to be the preferred mode of travel to the high street.

Despite the relationship between high-quality public transport infrastructure and greater take-up of these services, traditionally buses have suffered underinvestment, with over half of people indicating they would only use them if there is no alternative²⁷.



This reliance on the car rather than public transport is concerning for Paul Swinney: “With an increasing number of jobs being based in city centres, in particular high value jobs, clearly it is not sustainable to have people coming in by private transport.”

Road congestion on key routes getting to town centres and high streets is likely to increase under the Department for Transport (DfT) predicted car use scenarios. Indeed, in many cases there is a lack of attractive alternative options for visitors to smaller town centres, with public transport still not a preferred mode of transport outside of the main cities. Clearly, better investment needs to be made in our public transport systems in order to ensure that people continue to be able to access the services needed for them to live and work in the future.

Keith Clarke sees buses in particular as an effective mode of public transport, due to their flexibility within a town or city centre: “Buses are wonderful things because you can move them very quickly... Trams, I think, have a role, just like heavy metros do, but they are pretty fixed. You are taking a 50-year bet with them, whereas buses you are taking a 10-minute bet.”

Luckily, it is likely that over the next decade the focus will be on improving the attractiveness of buses for users. This will include additional investment in vehicles, information systems and on priority access for buses on roadways: in many locations these investments will be packaged into “Quality Bus Corridors”.

However, one of the major hurdles which policy makers must overcome is the stigma that still exists around buses, as Peter Jones articulates: “Outside London there is still a stigma against using buses. Quite often in focus groups, people will say to me, ‘I never use the bus, I drive everywhere. Mind you, if I go to Oxford or York I always take the park and ride but I never use a bus’. Well, is that not a bus? It is interesting, is it not? It is positioned differently in the market.”

Park and ride schemes demonstrate that presenting buses differently can address negative perceptions held of them by those who would otherwise prefer to use their car. This may be particularly significant given that simultaneously, cars are beginning to lose their role as a status symbol. Peter Jones adds: “If we look at the mid-2000s compared with the mid-1990s, then the average car-driving mileage of men in their 20s has gone down by nearly 2,000 miles a year. There are a number of reasons for this, but one is whereas a decade or two ago people in their teens and early 20s would very much display their status and affluence by owning a car, there are now different ways in which people can actually show that they are plugged in, such as by owning the latest consumer goods.”

It is clear that our slavish relationship with the car, which is currently the status quo, is not sustainable for the future. In line with this, significant investment must be made to bring public transport, specifically bus services, up to a level of quality where people find them sufficiently convenient, and socially acceptable, to consider them as a viable alternative to private transport.

Without these adaptations to make our town and city centres more accessible, it is impossible to imagine how Britain’s high streets can begin a process of revival.

2. AN OVERHAUL OF CAR PARKING POLICY

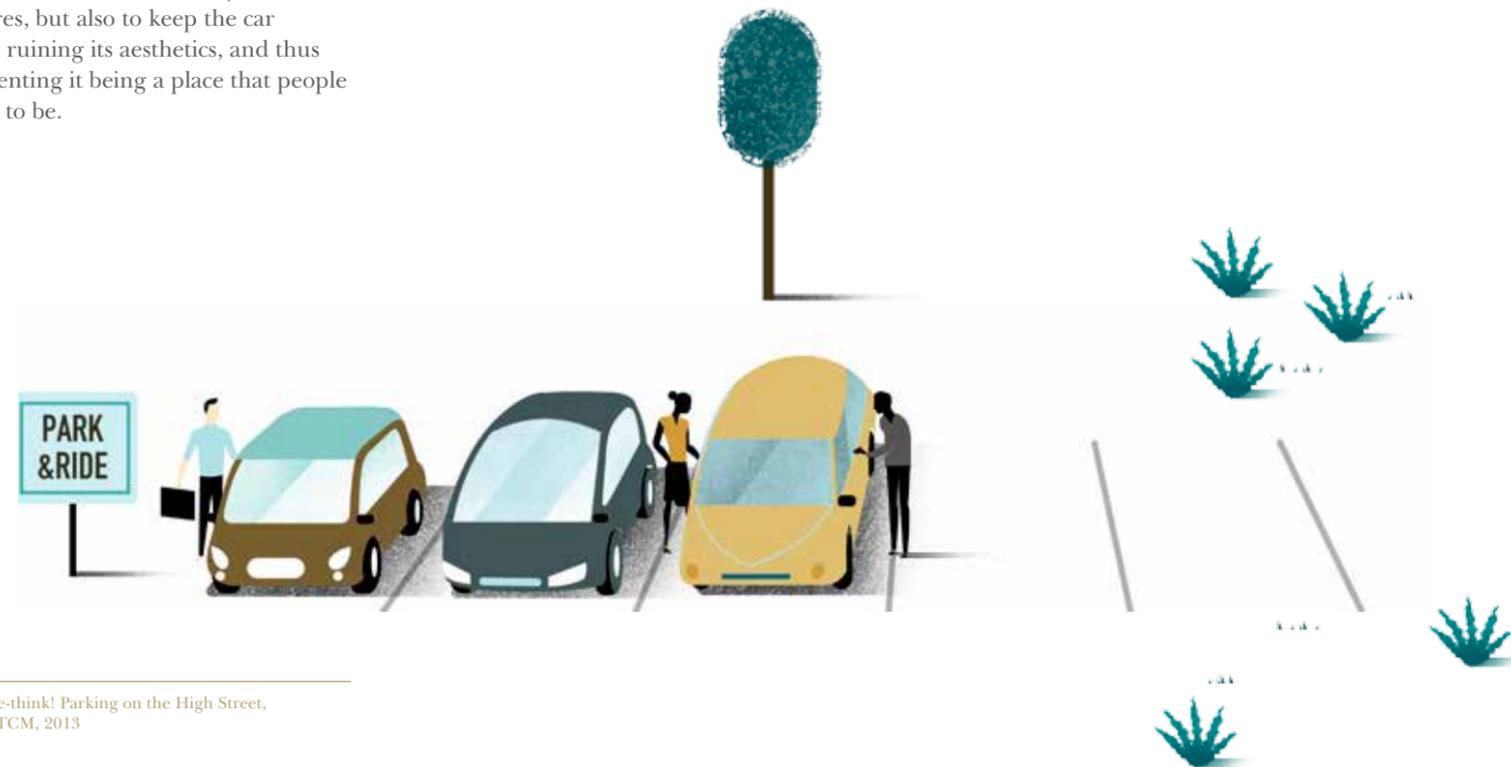
Despite the importance of promoting greater use of public transport, it is unrealistic to think that the use of the car in our town and city centres will completely disappear. For this reason, when planning the town and city centres of the future, parking should still be an important consideration. The current focus of ministers at both the DfT and Department for Communities and Local Government (DCLG) is on improving access to town centres by car. For example, there is currently a major push to reduce the cost of car parking in town centres and increase the amount of free parking.

Parking can have a major effect on bringing business into a city economy, according to Paul Swinney: *“When we talk to businesses and to cities themselves, they tend to say that the big office blocks on the edge of town are quite attractive from an employment point of view because of parking, primarily.”* But is the DfT and DCLG’s current approach the right one?

Currently there is no clear relationship between car parking charges (set by parking owners/operators) and the amenities on offer in a location, with some mid-range and smaller centres charging more than what is consistent with the national average. There is also evidence to suggest these mid-range and smaller centres with higher-than-average parking charges suffered a higher-than-average decline in footfall for 2011²⁸.

There have been a range of initiatives by local authorities to adapt their parking policies to meet demand. For example, in Stoke-on-Trent, analysis found that there was a drop in footfall in the early evening, but high levels of visitors later in the evening. The parking strategy was altered to provide free parking in early evening and introduce charges for those coming in later at night. Flexible policies such as these may hold the key to enabling more people to come into the city centre to socialise and work in the future.

Parking presents further considerations than just trying to make it more cost-effective for those who use it, however. The topic currently presents a dilemma for policy makers, as clearly, local authorities are usually trying to find a balance between encouraging shorter visits to sustain local shops and services, while also attempting to encourage greater use of public transport and other sustainable modes (including walking and cycling). Car parking needs to be managed to maximise the accessibility of town centres, but also to keep the car from ruining its aesthetics, and thus preventing it being a place that people want to be.



28 / Re-think! Parking on the High Street, ATCM, 2013

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PETER JONES
PROFESSOR OF TRANSPORT AND SUSTAINABILITY,
UNIVERSITY COLLEGE LONDON

ALTHOUGH PEOPLE LIKE TO GET TO THE CITY CENTRE BY CAR, IN MANY CASES, THEY DON'T REALLY WANT TO SEE THE CAR ONCE THEY ARE THERE...

”

As Peter Jones points out, the paradox is that *“although people like to get to the city centre by car, in many cases, they don’t really want to see the car once they are there.”* An extension of the park and ride system, or a similar public-private transport hybrid solution, where people can reach the city by car, but leave their vehicles out of sight once they reach their destination, could be a way to strike this balance.

A further challenge for policy makers with regard to parking is the need to accommodate developments in technology that are forecast for the future. For instance, future trends in car usage may require additional investment in infrastructure in car parks, such as recharging points for electric vehicles, pay machines that accept travel cards/contactless payments, and adapted spaces for developments such as single-seater cars, which James Bellini sees as the car of the future: *“I think so much product design in the 20th century was based around the notion of the nuclear family, and that is the sole reason I can think of why cars have four seats in them traditionally. Family sized packs of cornflakes and sliced bread and all that stuff, I think, is seen in the long run as a very 20th century thing, as I think the car itself will also soon be seen as a 20th century hangover.”*

While there is clearly a greater need for more investment in public transport, the car is likely to remain the most popular and convenient mode of transport for the significant future. Therefore, it is important that in conjunction with public transport policies, policy makers think creatively to see how we can improve the experience of accessing the town and city centre for private transport users. Without this, it is unlikely that the town centre of the future will be a place that people want to live, work and ultimately, spend money.

3.

A FOCUS ON
DESIGN TO
ACCOMMODATE
PEDESTRIANS
AND CYCLISTS

As we have seen in the preceding two sections, despite attempts to reduce its dominance, the car is still very much king in the high street. This is reflected in the design of the majority of our towns and cities - physical barriers still remain to moving around town centres for pedestrians, including severance, lack of signage, excessive street clutter and lack of investment in the environment that creates a poor impression and are a deterrent to users in many town centres. However, in a country in which the majority of people are overweight or obese, and where pollutants from cars and other vehicles are destroying both our planet and our own health through the air we breathe in, is this really sustainable?

Keith Clarke sees pedestrian infrastructure as crucial to the viability of our towns and cities: *"It sounds stupid but planning pavements can hold the key to helping town centres to arrive at better quality outcomes overall. Pavements are usually what is left over after someone has done a road scheme."*

Keith Clarke underlined the importance of pavements, saying they should be thought of as the constant in a transient community: *"If you want one thing, plan your pavements, but plan them as an integrator between other things that will come and go, and that lasts forever."*

Key to improving the aesthetics of pavements is not only using better materials and increasing their width, but also installing features such as trees and removing clutter.

So should we be looking at a move towards totally pedestrianising our cities? Not according to Keith Clarke, who sees the solution as simply changing the balance of priorities in our high streets between the car and the pedestrian. He says: *"Take Kensington in London, they have taken the pedestrian circulation and made it dominant; it is pavement with cars, as opposed to the other way round. I do think you need traffic because you want movement, but this can be adapted at different times of the day. You can have cars on a Thursday afternoon but you may not want them on a Saturday afternoon."*

"The great thing about our ability to change traffic lights intelligently is you can make public spaces become demonstration places at the weekend or food markets. For instance, Times Square in New York now works because it is part pedestrianised, enabling them to balance different priorities."

Fellow panellist Peter Jones sees pavements and carriageways becoming more fluid in the town centres of the future: *"In this country, traffic engineers are experimenting with shared spaces to see if you can actually blur the distinction between what is the carriageway and what is the footway. In some places, for example, New Road, Brighton, that has proved successful."*

Cycling to work remains a minority activity, but rates vary considerably between cities, with around 2% of all people cycling to work and 3% cycling at least five times a week. The cities that have the highest proportion of commuters using bikes are typically those where the residential areas are relatively close to the high street, such as Cambridge, Oxford, York, Portsmouth, Hull, Bristol and Norwich.

Despite urban design thinking increasingly focusing on accommodating a range of transport modes, Andrew Stevenson believes we still have a long way to go:

"Part of the reason why the Dutch model is so successful is that the people that are on the bikes are on a separate cycle path which is not part of the road, which is safer for them. One of the things that we do in Britain is that we tend to have cycle paths as an afterthought. It is just a green stripe in the gutter."

John Prevc, Partner at Make Architects, also points to other models where cycling has been given an important role in the design of a city as a blueprint for the town and city centres of the future: *"Copenhagen is another place that I would cite where someone like Jan Gehl, a well-known urbanist, has transformed the way in which the car has been demoted and the cycle put on a pedestal, and they are having trouble parking bicycles now."*

Another important consideration is an integrated transport system, looking at how we link cyclists and pedestrians with the town centre through public transport, something Andrew Stevenson also touches on: *"One point about the tram system in Manchester, in a lot of cases the new tram route lines they have been building over the last 10 or 15 years have been superimposed on existing rail route lines - but whereas on the old train line you could take your bike, now it is a tram you cannot. That both amuses and angers me."*

It is well-documented that local authorities will increasingly have to move emphasis away from planning town and city centres for cars and other vehicular methods of transport and towards giving cities better 'walkability' and 'cyclability' for reasons of environmental sustainability and prevention of obesity. However, as we will come on to in our final pillar, this type of planning will be absolutely essential to the town centres of the future due to the major effect better-designed cities can have on the psychological well-being of their residents and visitors.



4.

TRANSPORT INFRASTRUCTURE
DESIGNED WITH MULTIPLE USES
TO GIVE IT A MORE FLUID ROLE IN
THE TOWN CENTRE

Travel time is increasingly being seen as 'dead time'. But what if the journey to the town centre was the beginning of your interaction with its amenities?

As Andrew Stevenson notes: *"Sometimes I think there is so much emphasis on the design of locations, destinations, almost a kind of tourist itinerary, to make sure we make those nice, that sometimes the ambient qualities and multi-sensory nature of the routes that connect them are relegated. Unless the journeys between places are as rewarding as the experiences at those places, I think we are developing a very fragmented city. I do think that the dominance of the car has had some influence on this loaded perception, because cars offer excellent transport between places but they also offer us transport in a very fragmented and removed interaction with the places between places."*

Annemarie Naylor points to an American model where this is already the case: *"Why are we not trained to think also about how you extend the spaces that you are talking about in town centres digitally via the use of the public transport system? In New York you can read a book online whilst riding the subway, swipe the first five pages when you come out and a book can be sold to you or you can borrow it from the library. This means your time on public transport is something that becomes really exciting because actually it is an extension to the cultural experience of the town centre. You are already coming into contact with the town centre before you have even arrived."*

So, as part of trying to encourage more use of public transport, we need to simultaneously think about how we can make this mode of transport a more enriching experience. Digital infrastructure such as high speed broadband and Wi-Fi access is improving rapidly and the accessibility of information is moving at a rapid pace, which is improving the experience for the visitor to the town centre. So why not move this infrastructure one step further away from the town centre, on to the modes of transport that are bringing people in?

As discussed earlier in this report, multiple retailers are now embracing e-commerce and don't need a store in as many locations as previously required. Larger retailers are also embracing m-commerce and the rise of multi-channel retailing through a click and collect model. Some commentators, such as Deloitte, predict that by 2020, some retailers physical stores will exist only as "showrooms" for the retailer's products to help with the research phase of the purchase journey²⁹. This is something we are already seeing being extended to public transport – Asda has recently launched a pilot with Transport for London to open click-and-collect points in the car parks of six London Underground stations. This service allows shoppers to order their groceries online from their desk, and pick them up on their way home from work.



29 / Deloitte: The changing face of retail. The store of the future: the new role of the store in a multichannel environment (2011)

This doesn't have to stop at public transport however. Interaction with the physical and public realm aspects of digital technologies (way-finding signage, traffic controls, information displays, public Wi-Fi etc.) can add a layer of functionality to high streets through location-based wireless services. For example, visitors may be able to exclusively access information related to stores, history, tours, and nearby restaurants at certain sites or on certain streets. This enhances the pedestrian experience, making it more attractive and functional for people who might otherwise have relied on the car to get around the town centre.



CONSIDERATIONS

This chapter has examined four ways in which we can help improve the fortunes of our towns and cities in the future, looking at solutions based on public, private and pedestrian/cycling methods of transport. It is clear that our current situation is not sustainable, and unless we think creatively about our transport systems, we will soon see the number of people able to access our towns and city centres dwindling yet further. Although as our experts have articulated, transport is often thought of as an add-on for urban planners, it is in fact fundamental to any town or city. Without a steady flow of people coming into these spaces, we can never expect to inject them with the sense of vitality that makes them places people want to be. By approaching these problems from a new angle, we hope that we will be able to make our town and city centres not only spaces that are easier to reach, but also spaces that are good for us, a theme we will explore further in the subsequent pillar.



CHAPTER 4 WELLBEING & HEALTH



HOW CAN WE MAKE HIGH STREETS THAT ARE BETTER FOR US?

Whilst the community, economic and accessibility factors that we have looked at so far are undeniably crucial to the future health of the high street, the Foundation recognises that a fundamental role of high streets is to provide a space where people want to come and spend time. After all, people value living in or being close to spaces that are well-designed and managed, and that provide them with access not only to essential services and functions but also to social and community networks.

This 'quality of place' is a fundamental principle and can create 'democratic spaces' used by all sections of society; from local residents and communities, to workers, businesses and potentially visitors from further afield. Many of these aspects are also applicable to the objective of helping urban centres become more successful locations for commercial activity, which is relevant to the knowledge economy. Urban centres are highly significant to this theme, due to the role that they can play in helping facilitate interactions between entrepreneurs, skilled workers and other agents. Better designed and managed urban centres assist such interactions by:

- Increasing the prestige of towns and cities, making them more attractive as places to locate knowledge economy enterprises
- Enhancing the appeal, interest and 'buzz' of urban centres, thereby making it easier for occupiers to attract and retain highly skilled workers and to compete more effectively in the 'war for talent'

In this final chapter, we look at some of the factors that could make high streets work better for us; inspiring and improving the lives of the people who spend time there and creating economic opportunity, against a backdrop of significant demographic and population shifts.

One of the most important factors identified in shaping the high street for future communities is the demographic change the UK expects to see in the next decade. Britain continues to experience profound demographic and social change, including the growth and ageing of the population and the development of more diverse local communities.

As mentioned in the first part of this report, England's overall population is expected to increase by 8.6% between 2011 and 2021, but the population of over-65s is expected to increase by nearly 24%. Expressed another way, of the overall 4.5 million population increase in England expected over the 10 years to 2021, nearly half (45%) will be accounted for by an increase in the 65 and over population³⁰.

There are also other demographic shifts at play; the fastest growing household type in the UK is the single-person household, with the proportion of adults (aged 16 and over) living alone in 2011 almost double the proportion found in 1973 (16% compared with 9%³¹). James Bellini points out that these households are not just young people who are not in relationships, they also consist of older people, those who are divorced or separated and the elderly who may have lost their spouses or partners.

This shift will be particularly relevant to housing, which will need to accommodate this population growth and change. The ageing of the UK population, reflecting both the progression of the baby-boom population bubble coupled with a long-term decline in the fertility rate, means that not only more, but different types of housing are likely to be required in the future. People are living longer, but medical advances means they are also living more healthily and independently into old age. We are therefore likely to need large numbers of small houses, and in addition we are likely to need additional investment in assisted-living and planned-care accommodation for a proportion of our elderly population.

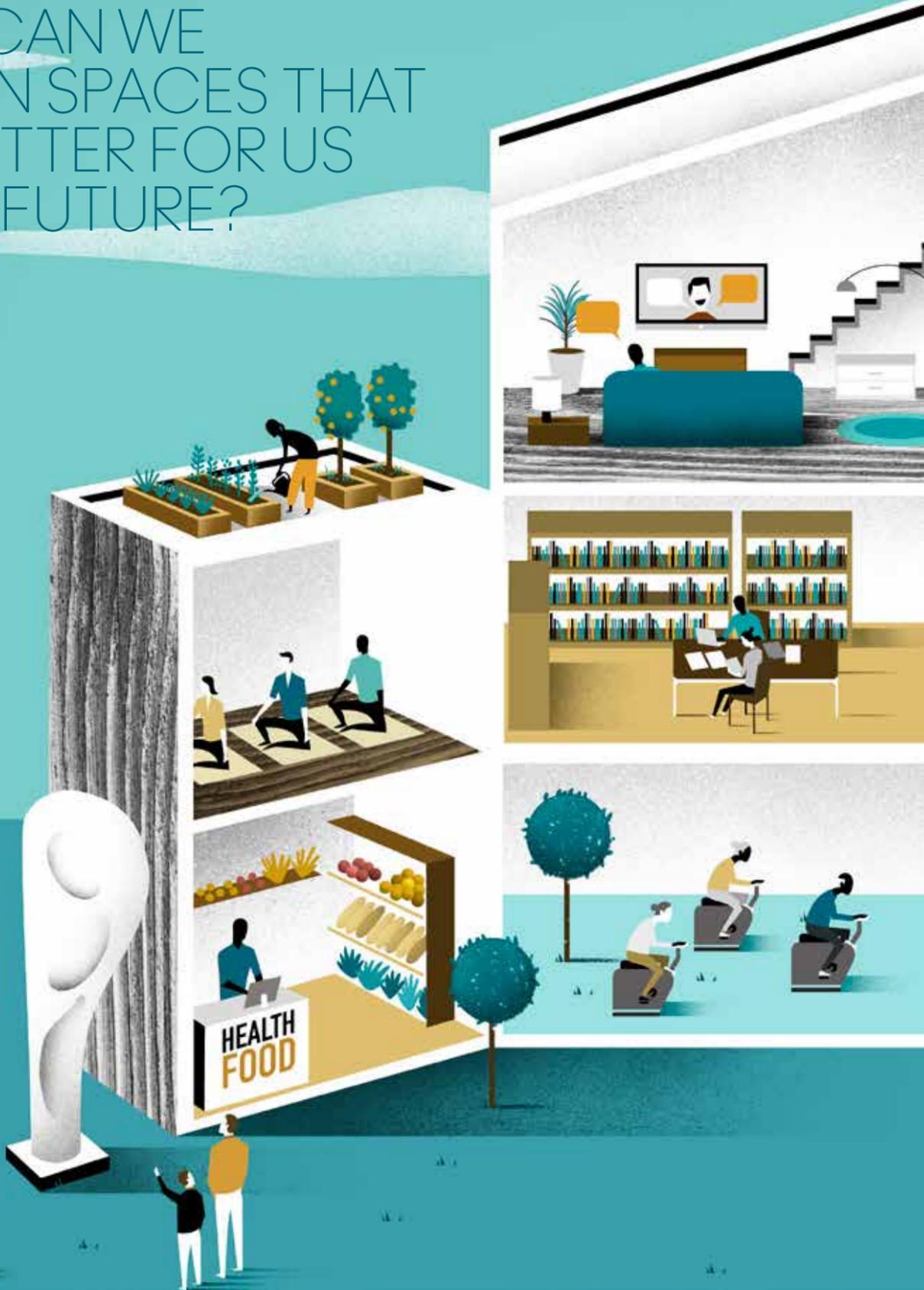


JAMES BELLINI
FUTUROLOGIST

Our rapidly changing population demographic is something that we have never faced before. It is the first time that we have had to confront a society where the fastest growing age group is the over 90s and the first Briton to live to 125 is probably already born. The young people of today will live into the next century. So public spaces have to reflect that.



HOW CAN WE DESIGN SPACES THAT ARE BETTER FOR US IN THE FUTURE?



The Foundation has identified three important areas for design to focus on in the future in order to ensure we build spaces that are better for everyone:

1. HOUSING
2. FACILITATING SHARED EXPERIENCES
3. HEALTH SERVICES



HOW DO WE GET THERE?

1. HOUSING

In Britain there has been a tendency to locate assisted-living and planned-care environments for older people in suburban areas, but in a number of European countries – including the Netherlands and Finland – such developments have been successfully located within or near to town centres or along key urban transport routes (providing good access to public transport).

The advantage of such location is that older people can be encouraged to stay active longer, visiting town centres for leisure and recreation as well as access to shops and other services. Keith Clarke points out that older people may be increasingly looking to move to town centres, as they want to live somewhere without needing to drive to access services, whether this is a personal choice or enforced by declining health concerns.

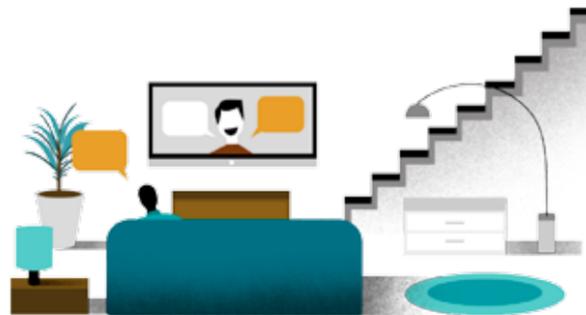
For many urban areas part of the solution to the growing national housing crisis will need to be found within, and adjacent to, our existing urban centres. The introduction, or further densification, of housing in many town centres could therefore become a key part of the forward strategy for these places, coupled with the development of high-quality, medium-density housing on edge-of-urban-centre sites, and along key public transport routes into the urban centre from the wider hinterland.

Growing the existing, or developing new, town centre residential populations could have a very helpful effect on the viability of town centre businesses and retail, and create opportunities for new businesses catering to the needs and demands of a residential population.

Greater use of sites in urban centres for accommodating our growing population stands to deliver substantial benefits in terms of quality of life, economic productivity and environmental sustainability, and there are a number of benefits that could be gained from this:

- Efficient use of scarce urban space from medium-density residential development on and adjacent to high streets, and along key public transport corridors serving those high streets, thereby easing development pressures on greenfield land
- More efficient use of existing investment in energy, transport, telecoms and other infrastructure
- Enhanced customer base for existing retail and other private sector services located in or near to town centres

- The application of good urban design principles in residential and mixed-use developments, such as high-quality public realm, clear definition between public and private space and active street frontages, etc. would contribute to the enhanced quality of urban space
- A proportion of the accommodation provided would be earmarked as affordable housing (through social rent and other mechanisms), thereby helping to address the backlog of demand for affordable accommodation and newly arising need
- The delivery of high-quality, mixed-use developments in town centres would result in greater accessibility to local services, work and recreation opportunities



2. FACILITATING SHARED EXPERIENCES

The Foundation believes that these demographic shifts present a need for a review of how communities and high streets live and work together in harmony. James Bellini says that they could move the high street back to an older iteration of itself, with a focus on services that can be used by a cross-section of the community: *“The rise of the single-person household raises the question – what is the role of the community going to be in the future? People living alone need a different kind of community from the family, which is in decline. A single-person society will need a different kind of community around it.”*

Annemarie Naylor talks about an emphasis on ensuring that residential communities are served: *“There are some new developments in city centres where you cannot find any public services – from a bar to a doctor’s surgery. There is nowhere for people to meet. People are going home and locking their doors and then going back to work the next morning. We need to think about how we mix housing with community space and places for social interaction more effectively.”*

High streets and town centres, and the buildings and spaces within them, need to meet a range of everyday needs: a ‘feel-good’ buzz from being part of a busy street scene; the therapeutic benefits of quiet time on a park bench; and a place where people can display their culture and identities and develop an awareness of diversity and difference.

The contribution that the arts can play in helping revitalise and re-position town centres is widely recognised: one survey found that around 80% of town centre Business Improvement Districts in the UK were utilising arts projects and events as part of a wider strategy to enhance the competitiveness of town centres.³² Of these, 40% reported that arts projects had generated positive impacts on visitor/customer satisfaction and 36% reported a linked increase in town centre footfall and turnover.

Alan Davey agrees that the culture sector has an important role to play. Despite a shift to online – from retail through to leisure activities and social networks – he says that people still want tangible, real experiences that can be shared, and this only becomes more important as the number of single-person households increases: *“What we find in the culture sector is that increased use of technology and availability of digital content and experiences has not lessened the desire for experiencing something with other people. They still want to share ideas and talk about them. Cultural organisations no longer exist in isolation from their surroundings; the interaction with the community is the key and we have to think about the role of cultural organisations in the future. It is not just about introducing culture, it is about creating connections.”*



ALAN DAVEY
CHIEF EXECUTIVE, THE ARTS COUNCIL ENGLAND

What we found in the culture sector is that increased use of technology and availability of digital content and experiences has not lessened the desire for experiencing something with other people.

3. HEALTH SERVICES

Despite our growing and ageing population, with increased life expectancy for many, there is also evidence that health inequalities in the UK are increasing. The recent **Marmot Review of Health Inequalities, Fair Society, Health Lives**, identifies improvements to the built environment as a key policy objective to reduce health inequalities. Planning can embrace this challenge and consciously work to improve active travel, the amount and quality of open and green spaces that are provided, and access to energy-efficient housing in all areas.

As we have seen in previous chapters, the Foundation recognises the need to design spaces for pedestrians, to encourage accessibility and manage traffic flows. Equally, it is recognised that strategies to enhance the ‘walkability’ of high streets can play a role in improving health and well-being for urban populations. James Bellini agrees that *“walking is now the wonder drug, and I think we have to get used to that.”*

Also linked to improving health and well-being is the provision of well-managed green spaces. Public open space – especially green spaces – can provide a range of health and therapeutic functions, as places to undertake exercise, to relax, and as places where people can meet and undertake shared activities. Green spaces can also be places that have benefits for mental health, as places to unwind, to participate in informal leisure activities, to be with friends or to be alone.

John Prevc believes that high streets need to be safe places for people to walk and meet people in, and it is increasingly recognised that the objective for principal streets in town centres is to create high-quality, traffic-calmed streets with continuous active frontages, providing activity and interest at street level and a safe, people-welcoming and vibrant pedestrian environment. Generous pavement widths impinging on the road traffic corridor not only helps to slow down and calm traffic, but it also creates more space for pedestrian and user-friendly activities, such as outdoor seating areas for cafes, bars and restaurants. As Peter Jones puts it: *“The actual enjoyment of the street is spending your time there. It is providing space. It is a footway for actually being able to stop, linger, look, talk to people.”*

As mentioned when we looked at accessibility, the removal of unnecessary clutter on town centre streets – such as excessive number of signposts, bollards, railings, kerbs and other accumulated features – can have a liberating effect on the appearance and feel of streets, help to make town centres more distinctive and make them better places for pedestrians, cyclists and other users. Keith Clarke believes that better planning of pavements can have a big effect on the feeling of a space: *“The pavements are often the public spaces where you find things that identify the quality of a place, such as floral displays or public art.”*

However, whatever the purpose and objectives for public realm and democratic space, are the most effective designs those that are designed with significant degrees of community involvement? As the public sector continues to reduce services, there will be ongoing pressures on communities to do more for themselves. Public services already rely on voluntary support more than ever before³³. For example, in the case of Citizens Advice, volunteers make up 75% of the total workforce³⁴. But do we take this one step further and invite people into the running of their communities right from the start?

³³ / <http://www.opm.co.uk/changing-times-with-professor-ted-cantle-cbe/>

³⁴ / http://www.citizensadvice.org.uk/press_20110531

³⁵ / Joseph Rowntree Foundation, *The social value of public spaces*, page 9

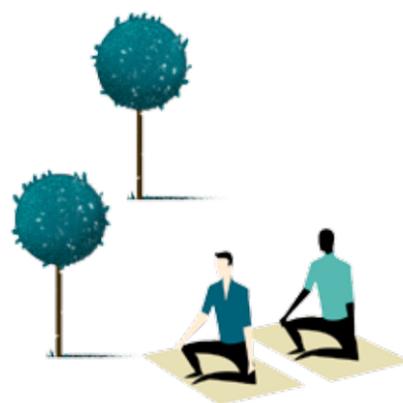
The Foundation questions whether communities should be far more engaged in the design and planning of high streets and town centres. As John Prevc notes: *“If it is going to be democratic space, then surely it belongs to them? Should we help them to facilitate their own agendas?”* Annemarie Naylor agrees, and talks about communities taking the lead. Architects and planners can facilitate the process, but communities can make the decision about what they want from their space: *“Actually work from the outset with the community and ask them ‘does that work?’”*

Research undertaken by the Joseph Rowntree Foundation identified that one of the main features of successful urban spaces was an avoidance of over-regulation, as safety is considered to derive more effectively from active use.³⁵ For instance, some town centres have experimented with alcohol-free zones in town centres to curb anti-social behaviour, but this may risk alienating young people from our town centres. Annemarie goes further to suggest a mechanism whereby communities identify areas of their public space that they would like to be improved or fixed, to give them a role in enhancing things that are making their space unattractive or unappealing in some way. She concludes: *“Who is ‘we’ and who is ‘us’? This is terribly important. Are you designing something for somebody else rather than with them or on their behalf? Do we need to ask the question ‘what do you want out of your town centre and how would you like this to work here?’ It is, for me, user-centric, and I think your communities will be better for being in your town centre if it is designed by them, effectively.”*



CONSIDERATIONS

This chapter has examined the ways in which demographic and population change will impact the way we use, and what we need from our high streets and town centres in the future. It is clear that the social and community aspects of these spaces are key to maintaining a vibrant and healthy community, but the community as we know it will go through some radical changes. By addressing the needs of the local community, taking into account their generational make-up, it will be possible to create spaces that meet the needs of their changing populations. This will enable an emphasis on providing the services and settings required to meet their lifestyle needs. But moreover, should we consider that the spaces that are best for us are those that are democratic; designed by communities, for communities. The health and wellbeing benefits that public spaces can bring will inevitably mean different things to different people - but it is clear that as the population changes, our public spaces must change with them or risk eroding social and community networks.



CHAPTER 5

CONCLUSIONS AND CONCEPTS IN PRACTICE

“

DR KEN SHUTTLEWORTH
FOUNDER, MAKE

The current system is broken. Time and again we have seen outdated models of regeneration fail to revitalise our high streets and town centres. It is time to go right to the crux of the issue, identify all of the elements that contribute to a vibrant space and then in a logical but creative way rebuild the heart of our communities.

”

WHAT CREDIBLE ALTERNATIVES EXIST FOR TOWN CENTRES THAT ARE CURRENTLY STRUGGLING, OR FOR TOWN CENTRES THAT ARE CURRENTLY STABLE BUT ARE AT RISK?

The UK high street has long provided the foundation on which our communities are built. However, as we have seen throughout this report, in recent years many of our high streets have experienced severe or even terminal decline, which in turn has challenged the social fabric of our communities. By examining the problems on the high street from multiple perspectives, one thing has become abundantly clear: an over-dependence on retail has led to a situation where many of our high streets have become mono-functional areas, vulnerable to changes and advances in technologies and consumer preferences and failing to effectively serve the fundamental needs of the local population. For this reason, the Foundation is definitive in its conclusion that whilst there is still a critical future role for the high street, we need to adopt different approaches to realise its full potential.

We have outlined a number of considerations within this report, including the importance of community cohesion and organised local action, especially at a time when the public sector is contracting. Retail undoubtedly has a role to play and the future of this is explored later in this chapter, but the Foundation is of the opinion that to drive significant and sustainable solutions, other strategies to bring people back to the high street are required. This could, for example, place a focus on generating more employment opportunities at the heart of our communities (as opposed to out-of-town locations) in an effort to stimulate the broader local economy. The economic modelling which follows in this chapter provides some quantitative evidence of the positive impact such an approach could have. However, encouraging more people to the high street will, undoubtedly, put increased pressure on transport infrastructure. Therefore, transport planning must be at the heart of future developments to ensure people can easily access these employment opportunities and associated services, which would make such an approach viable.

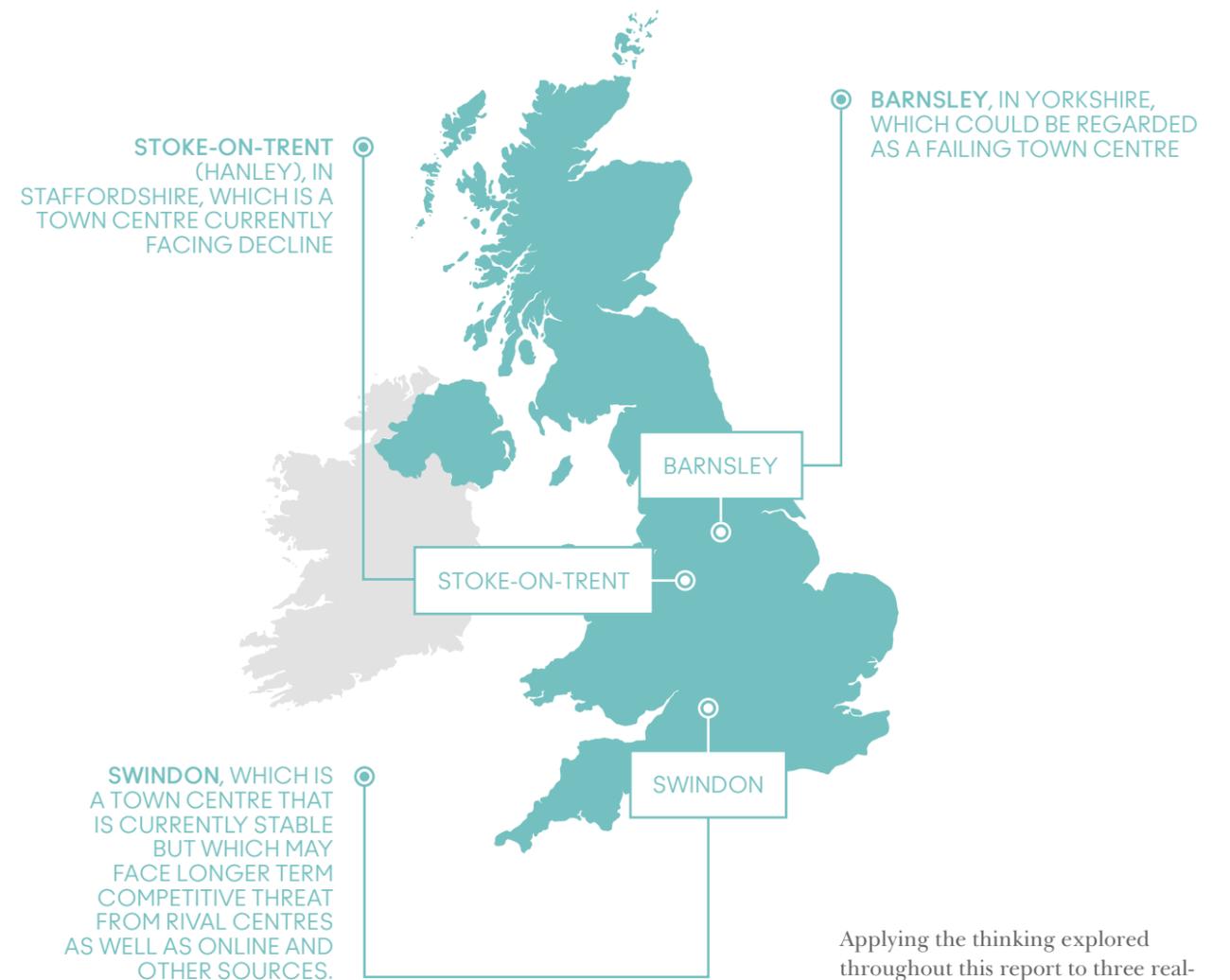
In our final chapter we will outline some practical steps for change, but first, we wanted to demonstrate what the future of the high street could look like if the current high street trends continue up to 2021, and what it could mean economically if the status quo is disrupted. To do this, the Foundation firstly developed a baseline economic model which assumed that online retail will continue to grow as a proportion of overall retail and the number of non-retail private sector jobs in town centres will continue to decline (see appendix for full details of this benchmark model).

From this benchmark three additional scenarios were then developed, drawn from the thinking detailed in this report. These explored what the future could look like depending on how a range of key influencing factors evolve in the future.

THE THREE ALTERNATIVE SCENARIOS ARE:

SCENARIO 1	SCENARIO 2	SCENARIO 3
<p>A BUSINESS SERVICES AND KNOWLEDGE ECONOMY LED SCENARIO, WHERE IT IS ASSUMED THAT A GREATER PROPORTION (COMPARED TO THE CURRENT TREND) OF PROFESSIONAL AND BUSINESS SERVICES ACTIVITY - TAKES PLACE IN OUR TOWN CENTRES</p>	<p>A HOUSING LED SCENARIO, WHERE TOWN CENTRES BECOME MUCH MORE IMPORTANT AS PLACES TO ACCOMMODATE THE GROWING NATIONAL POPULATION</p>	<p>A RETAIL RECOVERY SCENARIO, WHERE TOWN CENTRES RECOVER A ROLE AS PLACES WHERE SHOPPING AND RELATED LEISURE ACTIVITY ARE ONCE AGAIN THE PRIMARY USE</p>

To explore each scenario even further, we quantified their potential impacts in three UK town centres located in different parts of the country (see appendix for full details):



Applying the thinking explored throughout this report to three real-life situations demonstrates what the tangible effect of each scenario would be, and as such, what the best direction is for policy to take to rejuvenate the high street in the future.

EACH OF THESE SCENARIOS IS CONSIDERED IN TURN OVERLEAF.



SCENARIO 1

EMPHASIS ON BUSINESS SERVICES AND KNOWLEDGE ECONOMY SCENARIO

Under this scenario the emphasis is on the re-invention of urban centres as the principal locations in the UK economy for office-based activity. The scenario assumes this activity to take place in the private sector in areas such as professional and business services. Across the UK economy as a whole, long term econometric forecasts from a wide range of sources predict that the majority of future net job creation and additional economic output over the next 10-20 years will be attributable to sectors such as business and professional services, many of which will be linked to knowledge economy activities.

LIGHT INDUSTRY

As well as encouraging the hosting of a greater proportion of office-based activity in town centres, this scenario could also include encouragement for some forms of very light industry in town centres. In particular, this would focus on those that have the potential to be closely related to professional and other service sector activity. Examples of appropriate industrial activity could include new forms of industry enabled by technologies such as 3D printing and making, or that have links to leisure and recreation, such as micro-brewing. This latter possibility would also create opportunities for additional business activity in providing supporting services, such as hotels, bars, restaurants and some forms of retailing.

OFFICE DEVELOPMENT

The business services/knowledge economy scenario is especially relevant to town centres that have already commenced a process of decline, and where encouragement is needed to boost the presence of higher value, non-retail business functions in order to occupy space vacated by retail or as part of a process of stimulating additional development in town centres.

The advantage of office developments is that they generally provide around twice as many workers per unit of floor space compared to shops or restaurants at street level. Additionally, of course offices can operate just as effectively on floors that are above street level whereas shops and food businesses generally rely on street level visibility to attract potential users. On this basis, town

centre office developments can provide many more workers/users per unit area compared to other forms of town centre commercial use.

Critically, the expected national annual growth rate in employment in professional and business services typically lies between 2.5% and 3.5% per annum. This is a much higher annualised rate of growth compared to sectors such as retailing (up to 1% p.a., including out-of-town retailing) and leisure/food & drink³⁶.

³⁶ / Oxford Economics: regional economic growth rates 2013-2022, September 2013 (available via subscription).



LEVELS OF PRODUCTIVITY PER WORKER ARE FAR HIGHER – BY A FACTOR OF 2-3 TIMES – FOR THE PROFESSIONAL AND BUSINESS SERVICES SECTORS THAN THEY ARE FOR RETAIL OR FOOD & DRINK.

PRODUCTIVITY

The other key factor from an economic point of view is that in terms of added value per worker, average levels of productivity per worker are far higher – by a factor of 2-3 times – for the professional and business services sectors than they are for retail or food & drink. Of course, this higher level of workforce productivity is also reflected in the average salary levels in professional and business services activities (e.g. legal, accountancy, property management, media, information technology, etc.) than average salary levels for shop or restaurant workers.

Hence, a town centre that has a greater proportion of its workforce in higher value sectors will also generate higher levels of average earnings per worker. This can then translate into higher levels of disposable income and spending power, which is then available to support other town centre businesses, including high quality shops, restaurants, cafes, pubs and other street-level commercial units.

CASE STUDIES

Examples of where cities have succeeded in bringing back high levels of commercial office-led density into their centres include the Brindleyplace development in Birmingham and the Spinningfields development in Manchester. Both of these schemes involved bringing back large office-led developments to the city centre, as a successful response to the increasing dominance of suburban/out of town centre office parks.

Both Brindleyplace and Spinningfields also succeeded in blending high quality restaurant/catering and leisure uses into the overall design mix and combining it with a very high quality and well managed public realm, including hard landscaping, green space and water features. Brindleyplace also incorporated new cultural attractions and high quality residential development into the mix.

Obviously, opportunities for the introduction of functions that might be available to regional cities like Birmingham and Manchester may not be available to smaller cities and towns. But, although the scale and ideal mix of function might be different, the principle of introducing higher value commercial uses will often be the same. Examples of the latter currently in the pipeline include the Friargate scheme next to Coventry railway station and the redevelopment of a business park next to Cambridge railway station.

THEORY IN PRACTICE

The modelling on our case study towns of Barnsley, Stoke-on-Trent (Hanley) and Swindon involved an assessment of the current levels of commercial sector employment, together with a future assessment of potential based on long term econometric forecasts and other indicators.

The results of the modelling for the business services/knowledge economy scenario was that substantial increases in town centre jobs (amounting to between 380 and 750 additional jobs) could be achieved through the development of a knowledge economy focused strategy. In some cases the job totals could be more significant than for other alternative strategies (such as a retail-led approach, discussed below), and that the potential increase in economic output was also more significant than for a retail-led approach.

In addition, the introduction of greater numbers of better paid workers should stimulate local business activity in local shops and leisure providers, leading to gains in employment, turnover and gross value for these sectors.

Moreover, some of the jobs stimulated through these 'knock-on' effects are likely to require lower levels of qualifications and experience than the majority of knowledge economy jobs, making them readily accessible to those without tertiary or similar education qualifications, including young people who are currently not in employment, education or training.



PROVIDE AROUND TWICE AS MANY WORKERS PER UNIT OF FLOOR SPACE COMPARED TO SHOPS OR RESTAURANTS AT STREET LEVEL.

SCENARIO 2

URBAN CENTRE
LIVING SCENARIO

Under this second scenario the emphasis would be on creating highly attractive living areas in our town centres.

This housing-led scenario is particularly relevant to town centres for which a new role needs to be found, for several reasons:

- Encouraging new residential development on town centre sites that have low demand for alternative uses can be more cost-effective than developing other brownfield sites (such as industrial sites that might have high levels of contamination from previous uses) and greenfield sites
- Town centres usually have good provision of infrastructure, such as public transport and high-density bus routes, providing convenient access to employment opportunities
- Introducing new residential populations can help to underpin demand for retail and other services in town centres that may be struggling from low footfall.

ADVANTAGES

There are also opportunities to use the increased density of town centre populations to underpin the use of the street level for shops and restaurants while the floors above accommodate housing. In many town centres development has traditionally been led by 2-3 storey schemes, but there are opportunities in British cities to emulate the continental style of 5-6 storey schemes that would offer even more potential to introduce resident spending power to town centres.

The advantage of introducing residential uses into town centres is that compared to most brownfield and virtually all greenfield development, comparatively little new major enabling infrastructure, such as roads, energy, water and telecoms infrastructure is needed. However, in order to serve substantially increased urban centre populations there may be a need for additional investment in health, education, leisure and other services.

THEORY IN PRACTICE

In terms of our case study towns of Barnsley, Stoke-on-Trent (Hanley) and Swindon, the modelling of this scenario focused more on the multiplier effects of introducing additional residential development rather than the direct impacts of additional commercial development.

The results of the modelling of this scenario were that significant levels of new job creation could still be achieved (ranging between 160 and 600 additional jobs for the case study towns) but that these jobs would result in lower overall levels of additional economic output compared to the business services/knowledge economy scenario.

SCENARIO 3

RECOVERED RETAIL
FOCUS SCENARIO

Under this scenario, there would be a continued emphasis on town centres as principal shopping areas, but with additional investment on the part of retailers, food & drink outlets and other leisure businesses to raise the quality and relevance of their offering so that town centres can compete more effectively.

CONSIDERATIONS

Some town centres – around 10% of the total – are currently failing, and in those locations this trajectory of failure (as a retail-led location) cannot realistically be turned around. In those situations, it will be necessary for the town centre to evolve in a different way, one that is not primarily retail focused.

In other cases, the importance of retailing as part of the mix of functions in the town centre will probably continue to decline, but less significantly, and shopping will stay an important part of the mix. Under this scenario, in these locations retail will form an important foundation for town centre recovery, but with emphasis also placed on the introduction or further development of other commercial uses such as offices, leisure and other services.

Where the town centre is currently stable or thriving, in this scenario the objective for these locations would be to continue to maintain the quality and the relevance of the town centre to existing and new users, to ensure that the town centre continues to be healthy and vibrant, and that a process of deterioration is not allowed to commence. Obviously, even in these locations there will continue to be a turnover of retail and other businesses, and the level of voids will rise and fall in line with the business cycle, but in these locations shopping will continue

to be a key function of the overall mix, even in the face of growing competition from online retailing.

ROLE OF LOCAL
GOVERNMENT

In this scenario there is also assumed to be additional supporting investment on the part of local government and other public authorities, such as improved parking and accessibility, improved public realm and other aspects that fall under the responsibility of the public sector. This activity could be funded through the introduction of innovative financing mechanisms that are available to local authorities as a result of the Localism Act.

THEORY IN PRACTICE

The results of this scenario's modelling was that substantial increases in employment could be achieved through the development of a retail focused strategy amounting to between 275 and 550 jobs across each of the three town centres that were considered. The increase in the value of additional economic output ranged from £8 million to £20 million per annum for each of the three towns.

Moreover, the increase in employment and economic value would not just benefit retail businesses – there were knock-on impacts for other town centre businesses and establishments, in particular in the leisure and food & drink sectors.

CONCLUSION

Taking into account the thinking that the Future Spaces Foundation introduced earlier in this report, this chapter has examined and modelled potential alternative future scenarios for UK town centres, and has focused on three exemplar towns to quantify the implications of each for future job growth and wealth generation. This has revealed that each of the three alternative scenarios proposed would be expected to deliver better sets of outcomes than a continuation of the current trends.

In many cases, a strategy that emphasises business services and the knowledge economy will deliver greater levels of new job creation and also the greatest amount of economic growth. However, where a business services-led scenario is not considered realistically attainable, for many town centres a residential development led scenario may deliver outcomes that are similar in magnitude. The lesson, therefore, is that local policy makers need to remain open-minded regarding the most productive strategy for their town centres, and that they should be prepared to embrace the strategic option that stands to deliver the best outcomes given local circumstances and opportunities.

CHAPTER 6

WHERE WE GO FROM HERE



DR KEN SHUTTLEWORTH
FOUNDER, MAKE

“Whilst many of the UK’s high streets may look the same, there are a number of factors which impact their ability to thrive or reinvent themselves. When thinking about how to create successful high streets for the future it is this diversity that poses the greatest challenge. However, at the Future Spaces Foundation we believe we have addressed some of the major challenges our high streets have faced in recent years and identified some critical strategies to help reinvigorate these spaces for the long term. By taking this approach, which looks at the impact of each of these unique factors, we are convinced that high streets can serve as the beating heart of our communities; bringing people together and driving economic growth.”



To guarantee the future vitality of our public spaces, decision and policy makers, and also communities themselves, need to be prepared to re-examine the core function, look and purpose of our high streets. There is no doubt that town centres will retain a crucial social importance, through the provision of facilities and infrastructure that are important and valuable to local communities. Town centres will in many cases become more important as places for people to live, and the growth of the knowledge economy in many town centres will also strengthen their economic position.

Taking into account all the findings of this report, **the Foundation makes three principal recommendations on a new way to approach the rejuvenation of our high streets.** These are:

- Effective community and youth engagement policies
- Using learning and education as drivers for change
- Flexible and effective planning



1. COMMUNITY ENGAGEMENT

Throughout this report high streets and town centres have emerged as the core of our communities, the site at which a diverse mix of interactions take place, both on a social and business level.

The days of heavy public sector investment may be over but the Foundation believes that local communities have a huge part to play in developing creative solutions to improving the physical and social fabric of the high street. However, to do this they need to be empowered, especially during any consultation processes. John Prevc of Make explains, *“As far as I see it, giving the empowerment of local people and communities a significant role in the future of the high street is a key way of ensuring not only positive development within these critical spaces but an end result which reflects the local requirements. In addition, the process of continuous improvement is likely to be much stronger when there is intellectual investment from the local people.”*

YOUTH ENGAGEMENT

When we talk about ‘future spaces’ we must consider how the young people of today will live and interact with their surroundings in the future. Therefore, when talking about the empowerment of our communities we must include young people in the processes and decision making that will shape these places. On this point Emeka Egbuonu comments, *“Young people are full of ideas and energy, and communities and decision makers more broadly need to harness and utilise this. Engaging young people right from the start of any planning process really helps to ensure that the spaces we plan will serve the needs of today but also those of tomorrow. Failing to do so not only jeopardises the potential for our future spaces being fit for purpose but also disenfranchises young people.”*

With this in mind, and to give young people a much-needed voice, the Foundation proposes introducing a youth panel as part of the consultation process for the development of high streets and town centres. The youth panels would work in communities throughout the country to bring the voice of young people to the fore when it comes to planning the future of the country’s high streets. Speaking about this initiative, Dr Ken Shuttleworth said, *“We have had too many false dawns to get it wrong again – the right people must be at the heart of the decision-making process. When speaking about the future of the high street and the future users of these spaces we are speaking about today’s young people. It is essential that we hear the voice of this group before we make sweeping changes to the way we plan and implement change to our urban centres.”*

CASE STUDY

THE POWER OF YOUNG PEOPLE

Trading Places is a workshop organised by a panel of young people from The Crib youth project in Hackney, London. The aim of the panel is to engage the police on issues surrounding stop and search, with the overall objective of building positive relationships with the police. The workshop consists of role playing different scenarios, with young people acting as the police and the police acting as young people, in order to help both parties understand the situation of the other one.

Similar work is being done by Hackney Council Volunteer Service (HCVS). Their stop and search monitoring group is made up of young people aged from 16-30. The group meets once a month to discuss with senior police officers how they can improve stop and search services. Since the start of the monitoring group, there have been significant improvements in stop and search numbers in Hackney, placing it amongst the best of all London Boroughs. A documentary about stop and search has also subsequently been commissioned to bring the concepts developed around stop and search by the monitoring group to a broader audience.

Emeka Egbuonu, who is involved with these projects, believes their success is all due to young people having a voice. He is currently working on a similar project called ‘speak up, speak out, don’t be spoken for’, which will bring together a team of young people to generate support to get young voters registered, with the aim of eventually approaching the Mayoral candidates with their proposals of what they want to see changed in Hackney.

2. LEARNING

During our panel session and throughout this report the importance of the knowledge economy has been very clear. Our modelling in the previous chapter revealed that, where possible, driving growth through business services and a knowledge economy has the potential to bring significant benefits to town centres and high streets.

The role that education, and specifically universities, can play in communities cannot be underestimated. In effect a university provides a virtuous circle of education, research and employment opportunities. As a result of this continuous circle of opportunities people are able to remain in towns and cities, and critically, this does not just apply to London and the largest regional cities but a range of urban areas spread across the country.

The positive impacts of universities as learning and employment hubs are felt most acutely when they are located right at the heart of communities, as opposed to in out-of-town sites. For that reason, the Foundation is calling for an end to universities, and other learning establishments, being situated away from the centre of our communities. Ensuring student populations are completely immersed in community life also strengthens their ties with the town or city, in turn making them more likely to remain there after graduation, building up the market of skilled talent, enterprise and employment opportunities.

In building their presence in the heart of communities, universities will also enjoy benefits ranging from business partnerships with local manufacturing, to increased take up of education and training services, to selling space for people to work or learn. Elaborating on this, John Prevc says, *“In cities like Coventry we see strong connections between the university, student population and the local community. This has led to economic benefits especially within the city centre. An influx of international students for example has resulted in shops and restaurants opening in otherwise vacant units, servicing both this and the local community. In contrast, where universities are located on the edge or outside of cities they retain the spend which is neither useful to the community and results in ghettoization.”*



3. FLEXIBLE AND EFFECTIVE PLANNING

Current planning guidance is overly complex, and the Foundation believes making the conversion of void retail space to leisure, offices or residential use should be easier for property owners. Therefore, underpinning the first two recommendations is a call for further reform of the planning system to enable town centre buildings and sites to be converted to uses that match demand.

As already noted, we are living in an age where the public purse is shrinking fast. Whilst local government can still play its part in revitalising town centres through the accelerated delivery of necessary infrastructure and the delivery of enhanced public realm, in today's economic climate, creative financing solutions may well also be required. One example of this may be, a more creative use of the financial powers contained in the Localism Act, including variants of the Tax Increment Financing approach – this has been used in the US to fund investment in town centre infrastructure since the 1960s. Some local authorities are already exploring the creation of 'local enterprise zones' in town centres, involving the delivery of simplified planning powers, and the offer of temporary (2-3 years) discounts on business rates for occupiers of properties vacant at the commencement of the scheme (i.e. targeting new occupiers rather than existing occupiers). Such thinking should be applauded and encouraged.

Residential planning applications have to incorporate a quota of affordable housing such as for key workers. The Foundation proposes taking this further with the inclusion of 'key spaces' within the development process. 'Key spaces' would include services, education and retail facilities for the community, ensuring that new development areas serve the community as a whole and add value to existing spaces – not just from a housing perspective – but right across the spectrum. This proposal could also incorporate arts and culture regeneration projects, to provide young people with further opportunities to engage with and have a say in the spaces around them. These 'key spaces' must also incorporate safe, well managed access to public transport.

Speaking about the concept of 'key spaces', Dr Ken Shuttleworth comments, *“we all read about the importance of affordable housing as part of any new development but it seems bizarre that the stringent requirements around housing types doesn't stretch further. Our high streets are crying out for better planning processes. Don't get me wrong, I'm not calling for more red tape, far from it, but every time a new development is being planned we must think, 'how can we enhance the local community as part of this development and provide 'key spaces'? Only when this becomes a regular part of the planning process will we see our high streets fulfilling their potential.”*

“Whilst many of the UK's high streets may look the same, there are a number of factors which impact their ability to thrive or reinvent themselves. When thinking about how to create successful high streets for the future it is this diversity that poses the greatest challenge. However, at the Future Spaces Foundation we believe we have addressed some of the major challenges our high streets have faced in recent years and identified some critical strategies to help reinvigorate these spaces for the long term. By taking this approach, which looks at the impact of each of these unique factors, we are convinced that high streets can serve as the beating heart of our communities; bringing people together and driving economic growth.”



APPENDIX THE SCENARIOS

The assessment of the challenges, threats and opportunities facing the UK's town centres points to a number of potential future scenarios for urban centres in Britain, in particular for those that are perceived to be failing, declining or potentially under threat of destabilisation.

These scenarios – which are relevant to each of the Pillars – are introduced in brief below:

BASELINE TRAJECTORY SCENARIO (SCENARIO A)

I.e. a 'carry on as we are scenario': This scenario is presented as a 'reference case'; it is what we would expect to occur in town centres if current trends carry on as expected, and if the current thrust of Government policy in support of town centre retailing (such as the National Planning Policy Framework) continues. For example, under this scenario we would expect to see the steady increase of the share of on-line retailing as a proportion of all retailing, and we would also expect to see a continued fall in the proportion of non-retail private sector jobs found in town centres.

BUSINESS SERVICES AND KNOWLEDGE ECONOMY FOCUS SCENARIO (SCENARIO B)

Under this scenario, the emphasis is much more on re-inventing (where necessary) urban centres as principal locations for office-based activity for private sector employers, such as in professional, business and financial services activity. This scenario could possibly also include the encouragement for some forms of very light industry in some town centres, especially those

types of light industry that could have relationships with services activity: examples might include new forms of industry enabled by technologies such as 3D printing, or that have links to leisure and recreation (such as micro-brewing). This scenario would also create opportunities for additional business activity in providing supporting services, such as hotels, bars, restaurants and some forms of retailing.

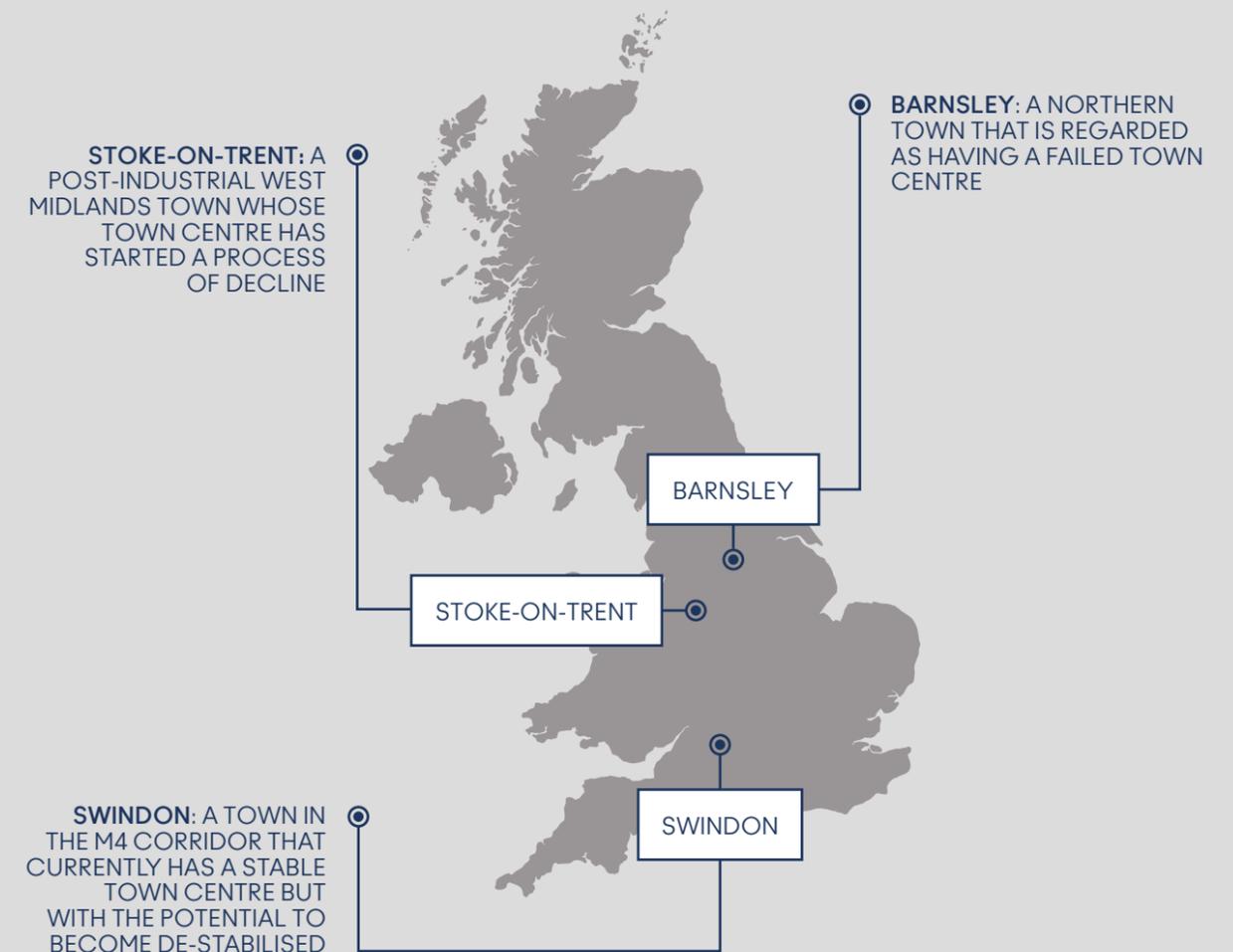
URBAN CENTRE LIVING SCENARIO (SCENARIO C):

Under this scenario the emphasis is on creating highly attractive living areas in our town centres, especially in secondary locations that serve sub-regions where the projected numbers of future population growth and household formation is especially significant. This scenario also assumes that there would be complementary additional investment in supporting services and infrastructures, such as those required to provide health, education, leisure and other services to a growing population diverse in terms of age, family structure and ethnicity.

RECOVERED RETAIL FOCUS WITH SUPPORTING SERVICES AND INFRASTRUCTURE SCENARIO (SCENARIO D)

A 'Portas+' scenario: under this scenario, there is a continued emphasis on town centres as principal shopping areas, but with additional investment on the part of retailers and other linked town centre commercial service providers (such as food & drink and other leisure businesses) to raise the quality and relevance of their offering so that town centres can compete more effectively. There is also assumed to be additional supporting investment on the part of local government and other public authorities, such as in improved parking and accessibility, improved public realm and other aspects that fall under the responsibility of the public sector which could be funded through the introduction of tax increment financing (TIF) approaches to local development and regeneration financing.

To bring the scenarios alive, we have focused attention on three towns located in different parts of the country and facing potentially different futures under baseline trajectory conditions. The towns are briefly described below:



The process of scenario development has involved a number of steps, including the following:

- An assessment of the current overall breakdown of employment and economic output for each location, together with an assessment of the proportion of employment accounted for by town centre business and establishments vs. jobs located elsewhere in the town/local authority area
- An assessment of likely overall future employment trends for each of the urban areas, based on econometric forecasts published by Oxford Economics
- Data on 2011 levels of employment sourced from ONS
- Data on average contributions of Gross Value Added by sector, based on data at a sub-regional level published by ONS.

THE SCENARIO RESULTS FOR EACH TOWN ARE DISCUSSED IN BRIEF OVERLEAF. >>

STOKE-ON-TRENT



Stoke-on-Trent possesses an employment base of around 110,000 persons with around 13% of the workforce still employed in manufacturing. Under the baseline trajectory, the town is expected to add a further overall 5,000 jobs to its employment base over the 2011-2021 period, with the majority of new jobs contributed by business services. Stoke-on-Trent has a polycentric urban geography, but the local authority's strategy has been to concentrate town centre functions (such as retailing) in Hanley.

The scenarios focus on expected change in town centre (i.e. Hanley) based employment focusing on five broad sectors that are most capable of being influenced by the scenarios, which are:

- Retailing
- Restaurants and hotels
- Financial services
- Professional and business services
- Public administration¹

The assumed future growth rates for town centre based employment vary by sector under the various scenarios, as follows:

TABLE A-1
STOKE-ON-TRENT: SECTOR BASED GROWTH RATES: ANNUAL AVERAGES 2011-2021

SECTOR	SCENARIO A BASELINE	SCENARIO B KNOWLEDGE	SCENARIO C URBAN LIVING	SCENARIO D RETAIL FOCUS
RETAIL	-0.60%	0.10%	0.50%	0.30%
FOOD, DRINK, HOTELS	0.98%	1.10%	1.20%	0.98%
FINANCIAL SERVICES	0.04%	0.11%	0.04%	0.06%
BUSINESS SERVICES	3.03%	3.50%	3.13%	3.03%
PUBLIC ADMINISTRATION	-1.32%	-1.10%	-0.60%	-1.20%

The results of the scenarios for Stoke-on-Trent, focusing on the potential change in town centre employment and output over the 2011-2021 period, are set out below:

TABLE A-2
STOKE-ON-TRENT SCENARIOS: CHANGE IN TOWN CENTRE JOBS/GVA 2011-2021

SECTOR	SCENARIO A BASELINE	SCENARIO B KNOWLEDGE	SCENARIO C URBAN LIVING	SCENARIO D RETAIL FOCUS
RETAIL JOBS	-282	52	325	176
FOOD, DRINK, HOTELS JOBS	24	55	30	24
FINANCIAL SERVICES JOBS	0	3	0	1
BUSINESS SERVICES JOBS	273	643	283	273
PUBLIC ADMIN JOBS	-133	-112	-78	-121
JOB CHANGE TOTAL	-117	642	561	352
TOWN CENTRE JOBS AS PROPORTION OF URBAN AREA TOTAL	6.3%	8.4%	8.6%	7.7%
TOWN CENTRE GVA CHANGE (P.A.) TOTAL, BY 2021²	£2.8 million	£30.3 million	£23.4 million	£17.9 million

Under the baseline trajectory, town centre employment is expected to fall by around 120 jobs by 2021; however, the expected growth in business services jobs (+273 jobs) masks the scale of expected decline in retail jobs (-282) and public administration jobs (-133). Under the alternative scenarios, the expected overall fall in job numbers under Scenario A is reversed, by 640 jobs under Scenario B, 560 jobs under Scenario C, and by 350 jobs under Scenario D.

The contribution to overall growth in jobs varies by scenario, but it is notable that public administration employment falls under every scenario, but that the decline is minimised under Scenario C. It should also be noted that the existing level of financial services employment is very low in Stoke-on-Trent, so none of the scenarios show much change in the contribution expected to be provided in future by that sector.

The scenarios also produce a wide range of outcomes in terms of the change in annual Gross Value added attributable to town centre commercial activities. This ranges from an increase of £2.8 million per annum (by 2021) under Scenario A, through to £30.3 million per annum under Scenario B. The increase under Scenario B is significantly greater because of the emphasis under that Scenario on knowledge intensive business and professional services activities.

1/ It is recognised that additional employment could also occur in town centres in other sectors, such as manufacturing, transportation, education and arts/recreation. However, data on the current levels of employment located in the town centre for these sectors is limited, and it not considered that the potential changes in these sectors are as significant as those listed above

2/ Excludes public administration, due to unavailability of data.

BARNLSLEY



Barnsley appears to continue to be over-dependent on the public sector as a source of employment, which leaves it vulnerable to expected future public expenditure constraints. It also retains an above-average reliance on manufacturing for private sector jobs, although retail and wholesale distribution and logistics are also important sectors for employment.

The assumptions regarding future growth rates for town centre based employment under the various scenarios are as follows:

TABLE A-3
BARNLSLEY SCENARIOS: SECTOR BASED GROWTH RATES: ANNUAL AVERAGES 2011-2021

SECTOR	SCENARIO A BASELINE	SCENARIO B KNOWLEDGE	SCENARIO C URBAN LIVING	SCENARIO D RETAIL FOCUS
RETAIL	-0.77%	-0.20%	0.35%	0.30%
FOOD, DRINK, HOTELS	1.02%	1.25%	1.20%	1.22%
FINANCIAL SERVICES	0.11%	0.25%	0.15%	0.20%
BUSINESS SERVICES	2.76%	3.01%	2.80%	2.81%
PUBLIC ADMINISTRATION	-1.26%	-1.06%	-0.75%	-1.10%

The results of the scenarios for Barnsley, focusing on the potential change in town centre employment and output over the 2011-2021 period, is set out below:

TABLE A-4
BARNLSLEY SCENARIOS: CHANGE IN TOWN CENTRE JOBS/GVA 2011-2021

SECTOR	SCENARIO A BASELINE	SCENARIO B KNOWLEDGE	SCENARIO C URBAN LIVING	SCENARIO D RETAIL FOCUS
RETAIL JOBS	-272	-72	152	130
FOOD, DRINK, HOTELS JOBS	48	89	85	86
FINANCIAL SERVICES JOBS	5	12	7	11
BUSINESS SERVICES JOBS	444	555	453	451
PUBLIC ADMIN JOBS	-169	-144	-103	-149
JOB CHANGE TOTAL	55	439	593	529
TOWN CENTRE JOBS AS PROPORTION OF URBAN AREA TOTAL	10.1%	11.2%	12.0%	12.0%
TOWN CENTRE GVA CHANGE (P.A.) TOTAL, BY 2021³	+£10.4 million	+£21.0 million	+£17.1 million	+£22.5 million

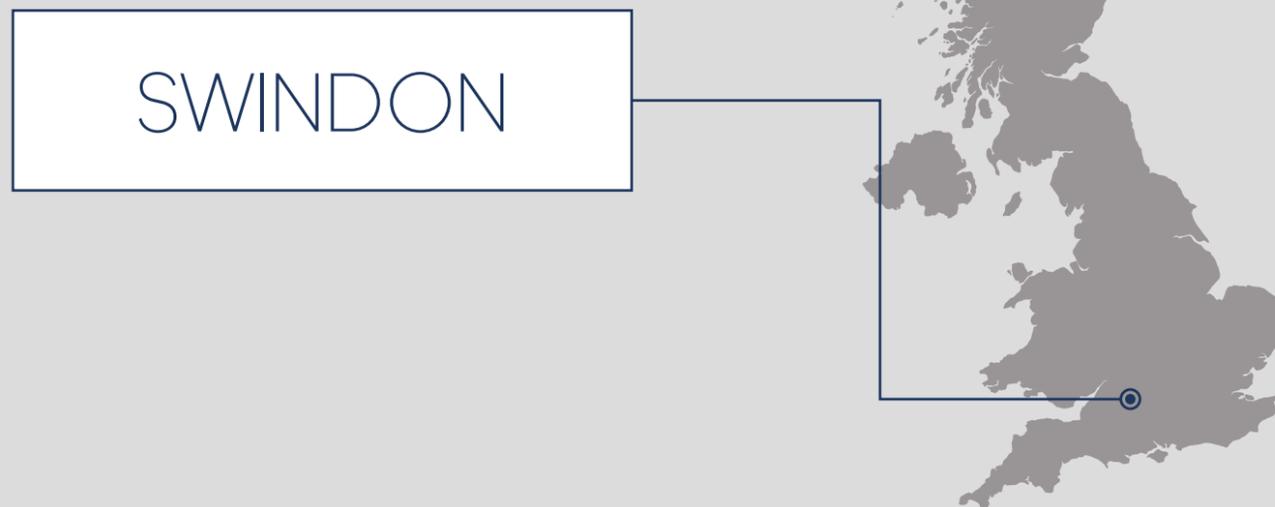
The baseline trajectory for Barnsley suggests that overall town centre employment would increase by just 55 jobs between 2011 and 2021: this minimal level of growth masks an expected decline of 270 retail jobs and 170 public administration jobs, which is only just compensated for by the expected increase in business services and catering/hospitality employment in the town centre.

Under Scenario B there would still be a reduction in retail employment, but this reduction is significantly less (around 70 jobs) compared to the baseline trajectory (around 270 jobs). This is because the expected growth in business services jobs would create additional knock-on demand for town centre shopping; the same trend will also help to support additional growth in town centre catering and leisure employment. This scenario would also be expected to deliver around double the level of increase in economic output (GVA) compared to the baseline trajectory.

Under Scenario C the expected increase in economic output would be slightly lower (+£17 million in GVA) even though the expected increase in employment (just under 600 jobs) is greater. This is because the majority of the increase in economic activity and employment is accounted for by productivity sectors, especially retailing.

For Barnsley, the Scenario that delivers the largest amount of additional value and additional jobs is the retail re-focus strategy: this is however is more due to the comparative weakness of the business and professional services asset base in Barnsley, which leads to less-strong Scenario B performance there.

^{3/} Excludes public administration, due to unavailability of data.



Swindon is located within commuting distance of London and is located along the M4 corridor, which is an area that has enjoyed one of the highest levels of growth in England over the past 20 years. Reflecting the sub-regional strengths, Swindon has experienced strong population growth over the past two decades, and has a younger population profile compared to national averages. The town and its hinterland also evince relatively high levels of economic activity among the working age population, and the job density in the area – the ratio of available jobs to working age population – is also high. In terms of sector strengths, the proportion of private sector jobs, particularly in financial, professional and business services is above-average in Swindon.

The assumed future growth rates for Swindon under the various scenarios are:

TABLE A-5
SWINDON SCENARIOS: SECTOR BASED GROWTH RATES: ANNUAL AVERAGES 2011-2021

SECTOR	SCENARIO A BASELINE	SCENARIO B KNOWLEDGE	SCENARIO C URBAN LIVING	SCENARIO D RETAIL FOCUS
RETAIL	0.45%	0.50%	0.60%	0.65%
FOOD, DRINK, HOTELS	1.15%	1.22%	1.22%	1.25%
FINANCIAL SERVICES	0.50%	0.65%	0.55%	0.60%
BUSINESS SERVICES	3.19%	3.35%	3.19%	3.22%
PUBLIC ADMINISTRATION	-1.40%	-1.30%	-1.30%	-1.15%

The results of the scenarios for Swindon, focusing on the potential change in town centre employment and output over the 2011-2021 period, is set out in the table below.

For Swindon the most attractive strategy is to harness inherent strengths and encourage a greater proportion of knowledge intensive business activity to populate the town centre: this strategy would deliver around 2,035 jobs compared to the baseline trajectory of approximately 1,580 jobs, thereby delivering an increment over baseline of around 450 jobs. Similarly, the increment of economic output over the baseline would be in the order of £16.5 million (i.e. the £80.0 million associated with Scenario B minus the £63.5 million likely to be associated with the baseline Scenario A).

Alternative strategies that prioritise urban living or a retail refocus would both deliver better outcomes than the baseline, and at similar levels, but neither of these strategies would deliver the same level of benefits as a knowledge-focused strategy for the town centre.

TABLE A-6
SWINDON SCENARIOS: CHANGE IN TOWN CENTRE JOBS/GVA 2011-2021

SECTOR	SCENARIO A BASELINE	SCENARIO B KNOWLEDGE	SCENARIO C URBAN LIVING	SCENARIO D RETAIL FOCUS
RETAIL JOBS	268	298	383	455
FOOD, DRINK, HOTELS JOBS	72	92	100	95
FINANCIAL SERVICES JOBS	123	171	135	148
BUSINESS SERVICES JOBS	1,274	1,617	1,274	1,287
PUBLIC ADMIN JOBS	-153	-143	-143	-127
JOB CHANGE TOTAL	1,583	2,036	1,750	1,858
TOWN CENTRE JOBS AS PROPORTION OF URBAN AREA TOTAL	13.6%	14.9%	14.3%	14.9%
TOWN CENTRE GVA CHANGE (P.A.) TOTAL, BY 2021⁴	+£63.5 million	+£80.0 million	+£68.1 million	+£71.4 million

3/ Excludes public administration, due to unavailability of data.

CONCLUSIONS ON THE SCENARIOS

The scenario results help to demonstrate that the most appropriate strategic response for any given town centre is likely to depend on a number of key factors, including:

- The underlying economic and business strengths and weaknesses of the town, both in absolute terms but also relative to nearby rivals and competitors
- The ability to attract and retain business investment
- The underlying demographic trends, in particular whether the town is serving an area likely to exhibit population growth and/or significant structural change

As was discussed in previous chapters, the highest value jobs and growth opportunities are likely to come from professional and business services, but not all towns can, realistically, be at the vanguard of the knowledge economy. Others will need to play to other strengths or opportunities, and for towns whose town centres have already declined past a certain point, it is likely that other uses will need to be emphasised, such as residential development and allied uses, including leisure, food & drink and supporting services.

It is also important to highlight that the higher levels of economic output associated with professional and business services employment linked to the knowledge-economy opportunities would also deliver greater benefits for workers employed in those industries. This is because the jobs in those sectors tend to require higher levels of skills and qualifications, and the earnings potential of those workers is therefore commensurately greater.

This additional spending power will then translate into additional demand for retailing, food & drink and other town centre services, which in turn will support employment in these supporting sectors for workers with a range of skill and qualification levels, including 'easy entry' jobs for lower skilled and less experienced workers.