

Written evidence - Institute of Place Management/ The BID Foundation (PTC0042)

- 1 The Institute of Place Management (IPM) at Manchester Metropolitan University is the professional body and learned society for people who serve places. We represent professional place managers and leaders in local authorities, Business Improvement Districts, and other place partnerships, as well as consultants, academics and policymakers. We publish the Journal of Place Management and Development, an international, peer-reviewed journal and deliver post-graduate training programmes (including the MSc Place Management and Leadership). The IPM is the lead partner of the government-funded High Streets Task Force.

What is the long-term impact of the pandemic likely to be on housing and green spaces in towns and cities?

- 2 The lockdowns triggered by Covid-19 have changed peoples' behaviour in towns and cities. People have come to value greenspace and pedestrianised areas more than ever as areas to socialise and to keep active, improving physical health and wellbeing¹. Whilst this trend started when only one session of outdoor exercise per day was allowed, it has continued long after restrictions have ended. The latest Google mobility data² shows a 63% rise in movement around green spaces in the UK, compared to pre-pandemic (2019) levels. Some of this can be ascribed to recent warm weather but this most definitely denotes a shift in behaviours and attitudes in relation to green space.
- 3 Prior to the pandemic, green space was valued by place makers, however now we're seeing many more local authorities make natural assets the focal point of major investment in towns and cities, through the Levelling Up Fund, Towns Fund and other non-government funding. A 2020 survey conducted by RICS³ shows that 83% of surveyors predict demand increasing for homes with gardens and/or outside space over the next two years, while 79% predict rising demand for those properties near green space.
- 4 Whilst there is funding to make more green space in towns and cities, the maintenance of green space in towns and cities can be problematic for councils. Cuts to local authority budgets and the costs of COVID-19 (estimated at being up to £2.2bn)⁴ will impact on 'non-essential' services

¹ Mell, I. and Whitten, M. (2021). 'Access to Nature in a Post Covid-19 World: Opportunities for Green Infrastructure Financing, Distribution and Equitability in Urban Planning'. International Journal of Environmental Research and Public Health, 18(4), p. 1527.

² <https://www.google.com/covid19/mobility/>

³ <https://www.rics.org/uk/news-insight/latest-news/press/press-releases/house-prices-rise-as-gardens-or-proximity-to-green-space-top-the-shopping-list-for-buyers/>

⁴ <https://www.independent.co.uk/news/uk/home-news/covid-crisis-will-force-councils-to-make-deep-cuts-to-services-to-plug-funding-shortfall-of-up-to-ps2-2bn-b1769660.html>

such as parks and maintenance.

- 5 From our analysis of Expressions of Interest to the Future High Street Fund, we found that only 4% of bids effectively engage with all the deprivation domains that present a challenge in their town centre. This includes housing deprivation. In our experience local authorities tend to understand barriers to housing and other indices at local authority level (and in terms of housing targets even regionally – where there is a combined authority).
- 6 COVID-19 has accelerated structural changes on the high street meaning there will be more space that can be utilised for housing – however this needs careful management within districts/neighbourhoods, towns and cities. IPM has already submitted evidence and presented to the HCLG Inquiry into permitted development. A better balance between the housing that is both *needed and appropriate* for town and city centres and the type of housing developers and house builders want to build is needed.

How might this increase, or decrease, inequalities within towns and cities

How might this increase, or decrease, inequalities between towns and cities

- 7 In terms of greenspace we believe the pandemic will amplify existing inequality as there is less funding for the maintenance of green space, comparative to its current levels of usage.
- 8 There will be increased competition for the types of homes that people want and a likely impact on levels of housing inequality within and between towns and cities – if not by the terms of metrics such as the Indices of Multiple Deprivation in its current form, then certainly in the opinions of individuals and families as to what makes a quality home, and especially in social housing sector.
- 9 In relation to housing, whilst the pandemic may bring more opportunities for housing in town centres, it's important that these are well planned. As we noted in a previous submission to the HCLG Committee on permitted development, conversion to residential uses at ground level can fragment town centres, reducing walkability which is a fundamental component of town centre vitality and viability. In addition to a concern about standards of housing resulting from conversion, this contributes to potential future inequalities, particularly between those places with development land and those relying more heavily on conversion.

What action is needed from the UK Government, town and cities leaders, and others to mitigate the risk of any increasing inequalities?

- 10 Whilst the pandemic has turned our world upside down, what it hasn't changed is the need to reinvent our high streets as community hubs based around health, entertainment, education and leisure to name but a few. Making our town centres more liveable, by investing in quality homes, green

spaces and active travel, and loveable, by curating events and activity which improves the quality of life for residents, has been high on the agenda for a number of years now. As is noted more extensively in the employment section of this submission (25) more flexible and non-competitive funding for housing, mixed-use development, and greening of urban and suburban spaces would support this imperative.

- 11 What we've seen during this period of crisis is real innovation, as places and businesses adapt to a completely new commercial environment, and, whilst the oncoming economic contraction will most likely continue to have a damaging effect on UK high streets, it provides an opportunity to build better partnerships and better leadership to create a better future.

How will the pandemic change the nature of employment? And what will be the long-term impact of this change on towns and cities?

- 12 The retail and hospitality sectors were already very vulnerable going into 2020. High-profile bankruptcies at big name retailers like Debenhams, Mothercare and Jessops had combined with the liquidation of casual dining brands such as Carluccio's, Jamie's Italian and Byron Burger to create an environment which negatively impacted the offer on many high streets and was not encouraging for new growth. The rise of CVAs (Company Voluntary Arrangements) highlighted just how fragile the retail economy was, with management teams entering into negotiations with landlords to agree rent reductions, and the number of employees at large retailers entering administration more than doubled year-on-year, rising from 23,691 in 2018 to 50,586 employees in 2019. Coronavirus has compounded issues that were already bubbling under the surface. Data from the Centre for Retail Research shows that over 5,000 multiple stores closed in the UK in 2020, with over 1,500 closing in the year to March 2021. This is more than double the average of annual retail closures over the last decade and is approaching the level of closures following the financial crash of 2008. Data from the British Retail Consortium and the Local Data Company also shows that vacancy rates are now at a high of 14.1%, up from 13% in 2019, demonstrating the difficult economic environment that many high street and town centre businesses are currently operating in.
- 13 In addition, following the first lockdown beginning on 28th March 2020, online shopping in the UK started to increase significantly. In February 2021 online retail sales were at 34.5%, a figure not expected to be reached until 2030. While the figure will fluctuate, it is likely to remain at a higher level as many consumers' habits have changed during the period in which they had limited access to high street retail.
- 14 **These changes and structural insecurities in employment have created inequalities in UK towns, with retail and hospitality staff being disproportionately affected and many choosing to leave the sector long-term.** Industry groups such as UK Hospitality have identified these structural changes and estimate around 300,000 jobs are at risk in

the sector due to extended restrictions and the impact of debt burdens built up over lockdowns.

- 15 Analysis conducted by government to support its Tourism Recovery Plan shows that the tourism and travel sector will not recover to 2019 levels until 2025⁵. This is already having a significant impact on employment across the UK with 1 million jobs at risk in 2020 and ½ million in 2021. The long-term impact, with inbound arrivals in 2023 predicted to be down by as much as 43% (downside projection), means a real structural shift for towns and cities whose economies rely on tourism and travel. Inbound visitors spent £28bn in the UK 2019, meaning that this spend in 2023 will drop by between £4bn and £11.5bn. We are already hearing from our Members working in non-core towns and cities that planning now to accommodate this shift – for example in Bath, Bristol, and Canterbury - with the expectation of changes to the local offer and employment profile. We are seeing a boom in 'staycations' in early 2021, however the government's projections do not estimate this will come close to making up the national shortfall from inbound visitors. It is extremely difficult to predict with any confidence the likely scale of impact to employment, given how many sectors are involved in serving this demand, but with over 70% of staff in the accommodation and food sector on furlough during 2020, a key risk is that a significant group of employees will leave the sector, either as it contracts or voluntarily to seek more stable employment. We are already seeing these shortages creating a real issue for businesses in entertainment and hospitality at a time when they are operating under restrictions with reduced capacity, so this issue is only likely to be exacerbated if and when inbound travel starts to grow. Towns and cities will have to work hard to consider their local profile of employment opportunities and diversify this over the next five years, which will require investment and local resource. We know that local Business Improvement Districts within our membership are already providing increased support to businesses for skills development and recruitment, but this issue requires a national strategy.
- 16 At present, around 30% of UK workers do so from home (ONS), a figure which rises above 45% in some local authorities. Looking at a map of the UK, home working is highest in clusters around core cities and is also weighted towards the South East of the UK and Greater London. Although a response to COVID-19, many employers have signalled their intention to make the shift permanent, the latest being Deloitte who will offer all of their employees the option to do so in future. 36% of workers expect to spend some or all of their time working from home in future. This has significantly impacted footfall in larger cities, displacing it to district centres and local high streets in commuter towns and other suburbs.
- 17 One of the most fundamental changes that has occurred has been the way in which cities have been impacted compared to smaller towns and district centres. Footfall in the biggest UK cities dropped by 75.9% between March and June 2020, whilst footfall in district centres only dropped by 34.5% in

⁵https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/987650/DCMS_-_tourism_scenario_forecasts_update-Final_for_TRP_May_2021_-_Accessible.pdf

the same period. Even now, following the release of many restrictions, this inequality in footfall contraction continues with smaller districts and towns recovering more footfall and larger towns and cities still between 30% and 40% down on 2019 levels. We expect this rebalancing of footfall to be a semi-permanent impact of the pandemic and this could particularly affect employment opportunities in cities and residential outer city districts.

Size of area	Annual reduction in footfall (2020)
Core Cities	-46.8%
Large Towns	-38.9%
Medium Towns	-34.2%
Small Towns	-33.3%

- 18 Whilst retail parks have benefitted from the impact of coronavirus, the success of markets has been less certain. Despite enjoying something of a renaissance pre-pandemic, as well as an initial boost in the initial lockdown period, the future sustainability of markets is gravely under threat. According to a survey by NABMA in 2020, 85% of market operators believe their market is 'at risk'. The average loss of revenue by market operators during the pandemic has been £50,000 a month, with some larger markets reporting monthly losses of over £200,000. The loss of markets would be of real damage to high streets, as they provide a diverse and wide-ranging offer from independent traders whose local service and knowledge is often unavailable elsewhere. As markets are a discretionary service for local authorities, there is a real concern that their budgets will be dramatically reduced or, in the worse of circumstances, eliminated altogether. As markets are one of IPM's 25 priorities that affect vitality and viability we'd encourage places to continue to invest in their development. This might, for example, include investigating new models of community ownership, which has proven successful in places like Radcliffe and Levenshulme.

How might this increase, or decrease, inequalities within towns and cities?

- 19 The impact of structural economic changes, including the insecurity of jobs in sectors with younger and more casual staff such as hospitality and retail, has had a disproportionate impact on young people in the UK (16-24). The Office of National Statistics has done extensive work that highlights this fact; the employment rate of young people declined the most compared with other age groups during the first lockdown period (between March and July 2020). The ONS also recognises that the inability of many young people to work at home has contributed to a 2.3% increase in young unemployment between quarters 1 and 4 of 2020.
- 20 Previous research has shown that the travel and tourism sector employs a disproportionately high number of young people; ONS research in 2014 estimated that 24% were 16-24 compared to just 10% employed from the same age group across other sectors. Again here there is a concern about structural inequality of employment which is being borne out in the latest ONS figures but which may be prolonged when predicted impacts to international tourism and travel are realised. Towns and cities need to be in

a position to offer alternative employment opportunities at a time when high street retail is also retracting.

- 21 Further analysis of unemployment changes from 2019 to 2020 show that employment loss in 16-24 year olds accounted for 52% in the total UK fall in employment. Furthermore, young black people have seen four times the average fall in employment (8%) and the employment rate amongst black 16-24 year olds is at 25%, compared to 55% for white 16-24 year olds. This points to the disproportionate impact of COVID-19 and job losses on ethnic minorities, compounded by existing structural inequalities related to employment rates and types of employment.

How might this increase, or decrease, inequalities between towns and cities?

- 22 The behavioural shifts we're seeing, including the rise of home working and use of technology to connect, will most likely have a long-term impact on our town centres. Local pubs and eateries could take advantage of these shifts, by reinventing themselves as flexible co-working places, and whole town centres may need to recalibrate their offer following changes in property prices, rental income and taxation as a result of the crisis.
- 23 As noted in the previous section, an increase in home working is a positive for towns and districts seeing proportionate increases in footfall. In the longer-term, this can help to bring more inward investment to areas that may previously have been overlooked for a neighbouring core city. However, it's also worth noting the potential for increases in inequality for less affluent districts with smaller proportions of residents in jobs that enable home working. With local authorities focused on a range of place-related issues, including the recovery of core cities, market forces could be slower to drive recovery of business and particularly high street businesses in these areas that have not seen a boost in local footfall due to home working. These longer terms trends in footfall will become more apparent as furlough ends.

What action is needed from the UK Government, town and cities leaders, and others to mitigate the risk of any change in the nature of employment?

- 24 We've no doubt all heard by now the phrase "Build Back Better" in relation to Coronavirus but what exactly is stopping towns from being able to achieve this? If the vision for our towns is one of improving quality of life for its citizens, what can possibly stop this from being delivered? **The short answer is leadership, or, more importantly, a lack of it.** The coronavirus has exposed in many places the lack of a joined-up, coordinated response to dealing with crisis management. During the summer of 2020, the High Streets Task Force ran webinars for place managers and leaders which were very popular - over 800 registrations for most of the sessions - but when asked how many places had a COVID recovery plan only 55% of attendees said they had one.
- 25 Furthermore, 32% stated that "poor leadership" was the biggest barrier to change and only 27% said there was an effective strategic and operational

coordination of responses. How are our places likely to oversee a fundamental transformation of their town centre economies when there appears to be such a deficit of leadership? Similarly, place-managers identified that there is still poor use of data and evidence when making decisions, with 23% stating this was a major barrier to transformation.

- 26 If towns are going to thrive in the future they need all the right tools at their disposal, which includes insightful data analysis as well as strong leadership to move them forwards.

Question and responses (sample of 94 place managers/leaders)	%
How well is strategic and operational activity coordinated in your town?	
Effectively - it is definitely someone's (or a number of peoples') job to do this	27%
Ineffectively - There is no coordination between the strategic decisions that are made and the day-to-day activity	33%
Somewhat effectively - it is not really anyone's job, but it happens	40%
Thinking about your place - which of the following is the biggest blocker to your transformation?	
Lack of data or evidence	23%
Lack of vision	32%
Poor communication	14%
Poor partnership working	31%

How could the UK Government, town and cities leaders, and others use their response to the pandemic to reduce inequalities in employment?

- 24 Support provided to businesses and through local government has been immensely valued and utilised by the majority of those eligible across towns and cities. However, what is apparent is that the varying impact of COVID-19 – by sector, location, and demographic group – means that economic

support will continue to be needed in a flexible mode of delivery. Feedback from our Members suggests that giving councils the ability to provide support to businesses based on local assessments of need has been the most effective way to target support to date, for example those operating in the events sector or those falling outside of eligibility criteria at any point during the pandemic and national/local lockdowns.

- 25 We would advocate a continued funding stream that local authorities can offer through their business communities and across high streets, accounting for local inequality and need. At present there is an unprecedented volume of investment via the Levelling Up Fund and its constituent funds such as the Towns Fund. However it's important to note that although these target high street transformation, the funds are competitive and require locations to meet specific criteria in terms of infrastructure investment and uplift in value. In our experience supporting local authorities and relevant economic development teams, the need to focus resources on competitive bids can distract from a focus on supporting local needs and requires them to invest within defined guidelines. We advocate more statutory funding for place management and leadership which would give this increased freedom of investment and reduce the resource requirements of competitive funding rounds.
- 26 The role of Business Improvement Districts, which may evolve just as the towns and cities they are supporting are evolving, can support local place leadership and transformation. Throughout the pandemic they have provided incredibly important capacity for coordinating local COVID-Secure work, business support and latterly place activation. The localised effects of home working will have a significant impact on business communities, with many BIDs already reporting that ancillary retail and food and beverage located in commercial centres may struggle to survive. If vacancy rates rise, levies will fall and this will limit the potential for BIDs to assist in the recovery, wherever the BID may be located. We consider that supporting BIDs with local authority cooperation and additional funding could provide a significant intervention to support local economies. Over 330 BIDs operate in the UK, generating over £100m of revenue already to support place activation and management.

What is the long-term impact of the pandemic likely to be on public transport in towns and cities?

- 27 The way that we travel to and around our towns and cities has changed during the pandemic. Trust in public transport has declined at a vital time for transition from the car as a dominant form of transport in many cities. Google mobility data shows that movement around transport hubs is down by around 20% in the UK, and around 30% for major cities. We hope these trends will reverse long-term as we come out of the pandemic and this challenge crystallises the imperative to provide affordable and attractive public transport and active travel options.
- 28 The types of destination we visit within our towns and cities has also been impacted. Footfall in retail parks has been 15% higher this year than in high streets and shopping centres, despite footfall dropping in retail parks pre-

pandemic. Potential reasons for this change include the perception of a safer experience for customers, with larger stores enabling social distancing, as well as being easily accessible by those wanting to avoid public transport and travel by car. The consequence of this, of course, is that it causes more environmental damage to our communities at a time when places are needing to reduce their carbon emissions to tackle the climate crisis. The start of lockdown saw a number of immediate benefits to air quality and noise pollution as people took up walking and cycling and spent time at home, but we appear to be quickly reverting back to our usual habits. The IPM has categorised 'walkability' as a key factor for influencing vitality and viability of the high street and we would encourage local authorities to consider both the economic and environmental benefits that can be gained by investing in sustainable transport infrastructure.

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How could the UK Government, town and cities leaders, and others use their response to the pandemic to reduce inequalities in public transport?

29 In May 2020, the government announced an unprecedented £2bn investment into walking and cycling to provide pop-up cycle lanes, wider pavements and safer junctions, which has been described as the "largest ever boost for cyclists and pedestrians". The government has also relaxed laws around street trading, making it easier for businesses to serve people outside. This allowed businesses to increase their capacity and transformed areas, such as Stephenson Square in Manchester, from car-dominated thoroughfares into a relaxed dining space for pedestrians. These are all ideas that have been advocated by the IPM for a number of years, yet it appears that it took a shock to the system to realise how necessary it is to adapt and implement these measures.

30 What this all underlines is the importance of sharing the lived realities of what happens when investment is made to re-shape and re-focus our places around people with those who will be affected by these interventions. There is much to be gained from introducing new active travel measures in local communities but it's important to take local residents and businesses with you on this journey, so that development can be co-created rather than imposed down from above.

31 Many of these interventions reflect the concept of the '15-minute city', an idea which has been popularised by Ann Hidalgo, the Mayor of Paris, as part of her overall attempt to pedestrianise, promote cycling, restrict cars and bring parks and people-first infrastructure to the 'City of Love'. The concept involves the creation of dense residential communities at a neighbourhood level, in which a range of non-retail services are all accessed within a short walking distance. The roots of the idea can be found in the work of the American planner Clarence Perry, who championed the concept of the "neighbourhood unit", a framework for urban planners to design functional and desirable neighbourhoods, in the early 1900s. The '15 minute city' concept has since expanded to a number of other international locations, including Australia, where the notion of the '30 minute city' has been used as part of their strategic transport-orientated development plans. The resulting outcome is the creation of places which are both safer for people and better

for the environment - delivering enhanced public realm which has the potential to create more welcoming and attractive places.

32 The Mayor of London and the London Assembly have started to work towards the 15-minute neighbourhood concept in a UK context, setting themselves the target of creating "thriving, inclusive and resilient high streets and town centres" where "culture, diverse shops and jobs are within walking distance of all Londoners". Ways to approach this may include reallocating road space to support a shift to walking and cycling and piloting new ideas such as High Street Innovation Zones and Night-Time Enterprise Zones.

33 By taking these steps forward, towns will start to be able to meet their strategic goals for the future by improving their economy, their environment and the mental well-being of their citizens, which has been particularly affected by the impact of Coronavirus. Studies in the U.S have identified a causal link between rises in anxiety, depression and insomnia with those that have contracted the virus. Rates of mental distress among UK employees were 60% higher in April than before the pandemic. Tackling this issue through effective place management has never been more important.

7 July 2021