

# Beyond Retail:

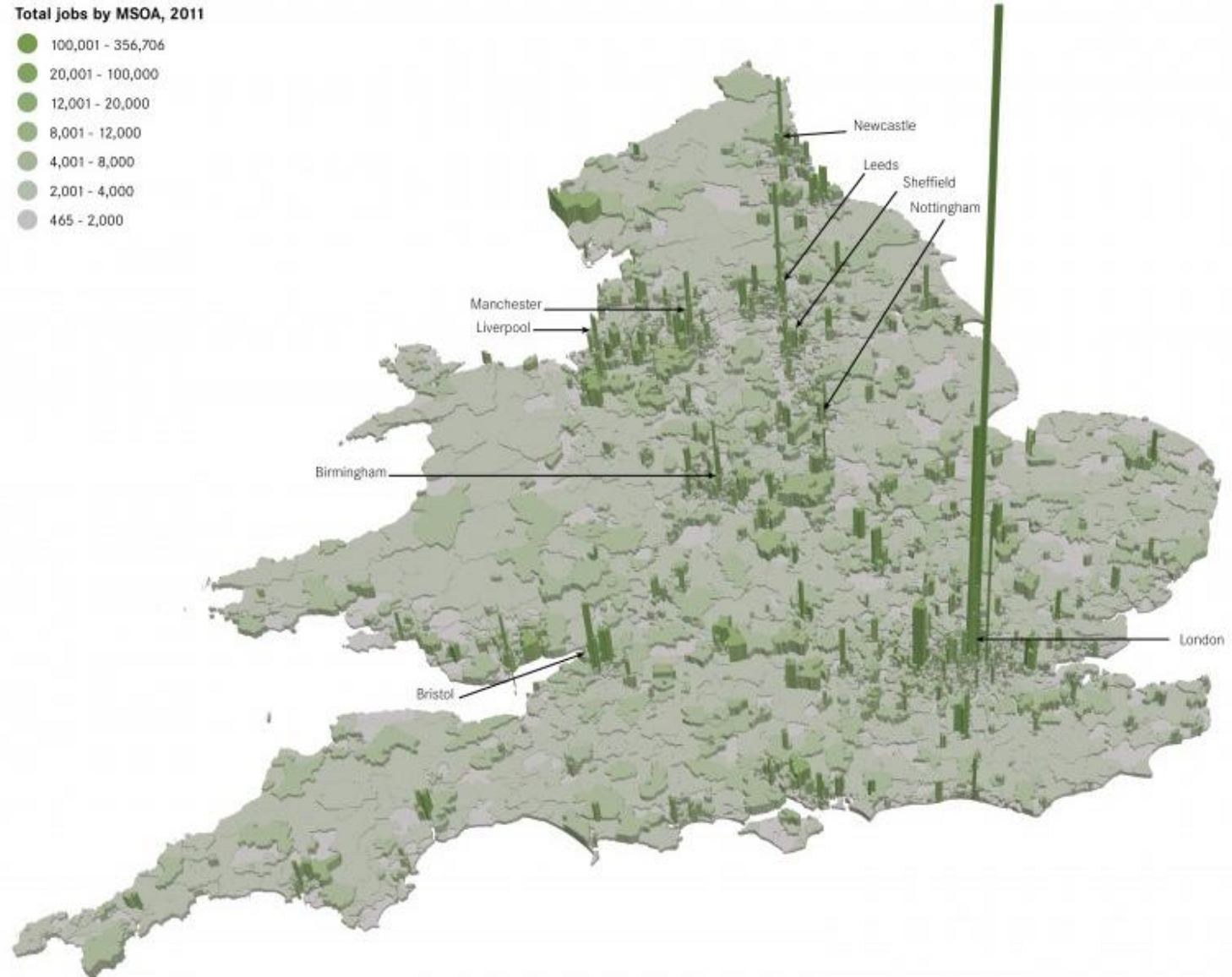
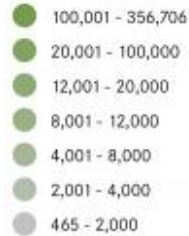
## Creating vibrant city centres

**Andrew Carter**  
**Centre for Cities**

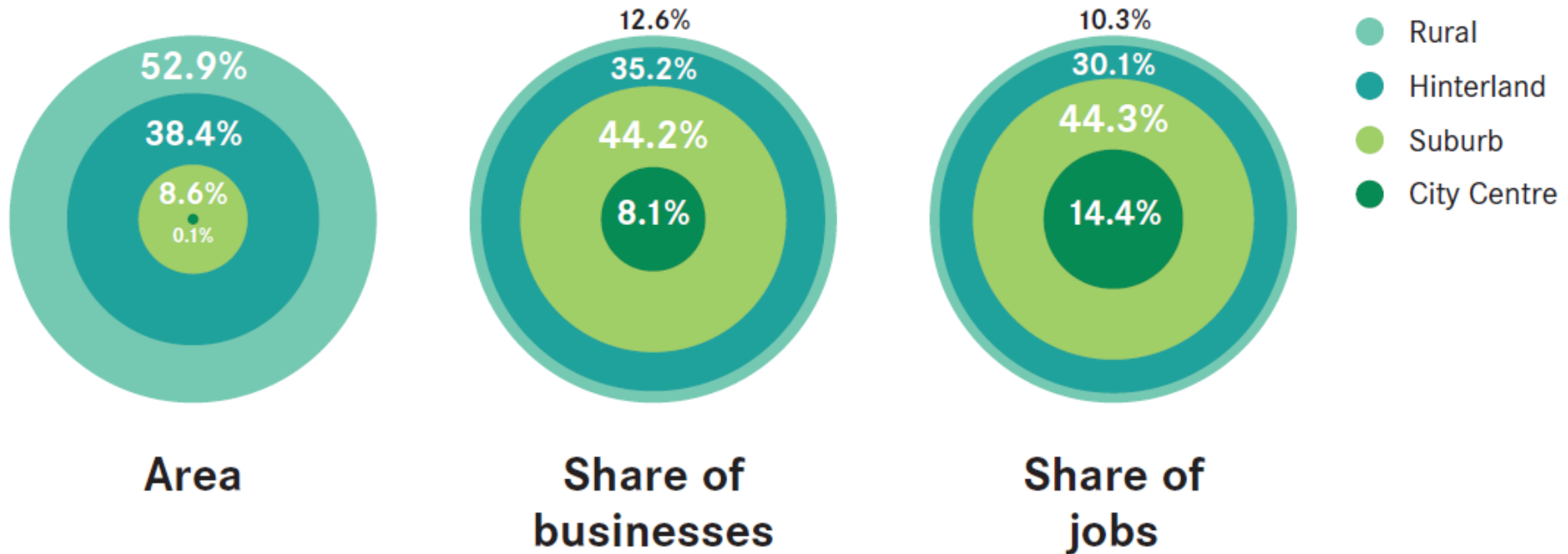


# Economic activity is not evenly or randomly distributed across space

Total jobs by MSOA, 2011



# City centres are the hubs of the British economy



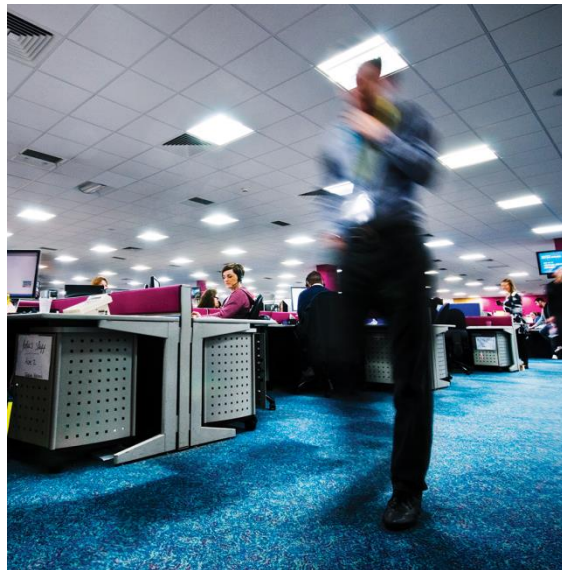
Source: ONS (2016), Business Structure Database 2015; ONS (2016), Census 2011, origin-destination data (WU02UK); Centre for Cities' own calculations.

To understand why businesses locate where they do, we split them into groups

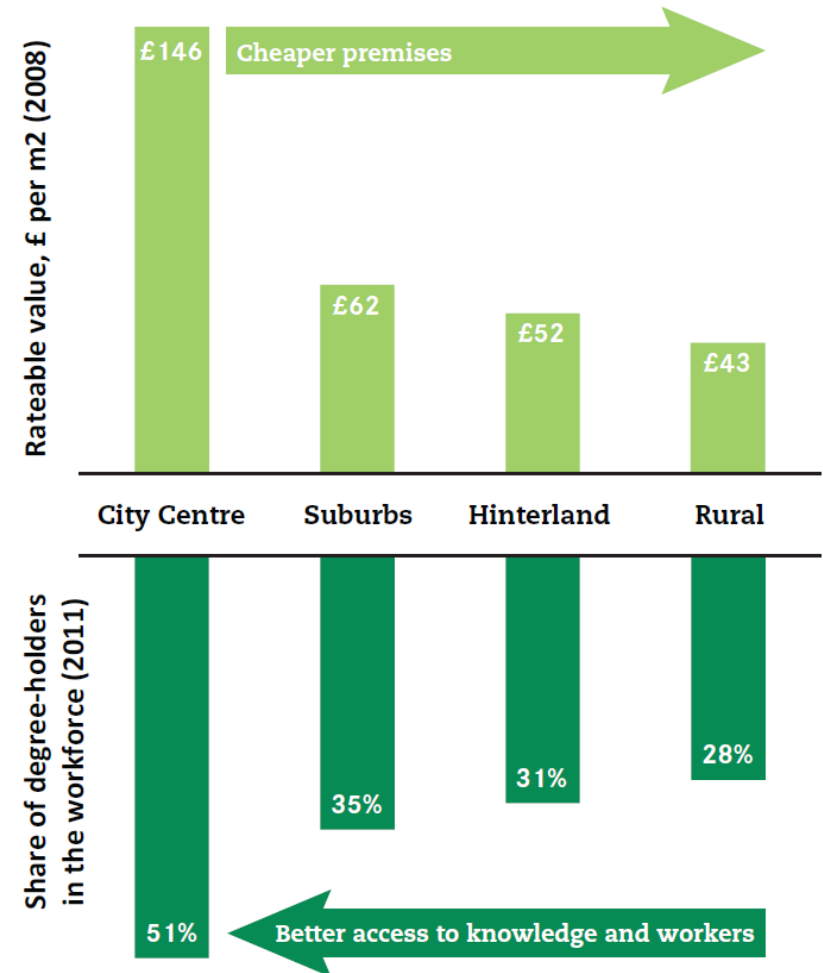
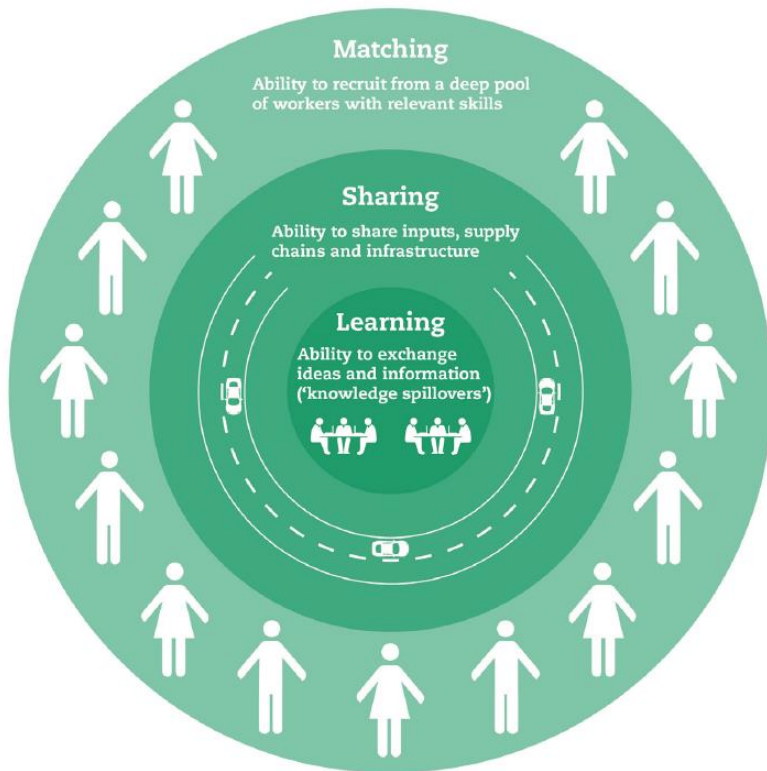
## 1. Local Services



## 2. Exporters

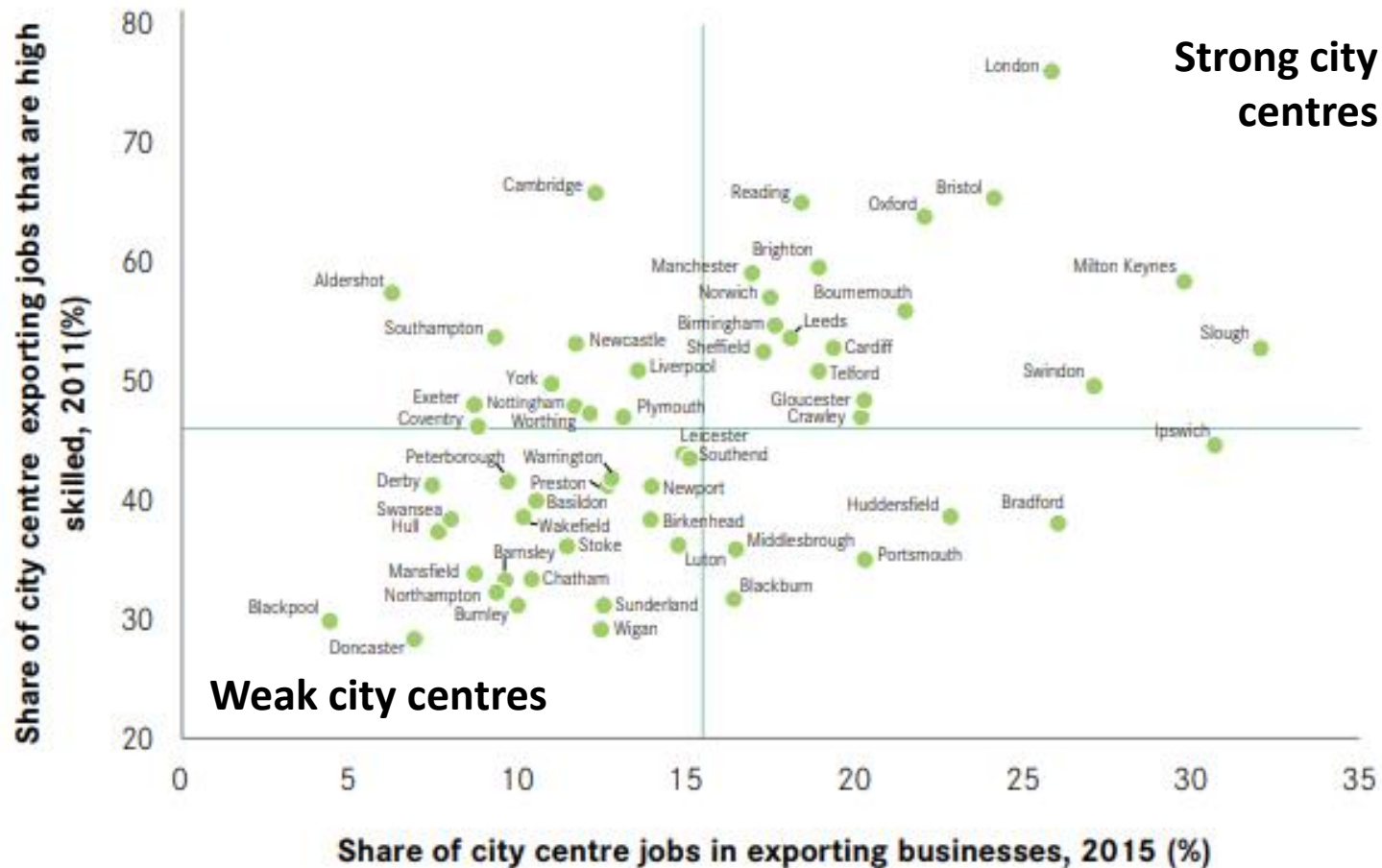


# High-skilled exporters will pay a premium to access benefits offered by city centres



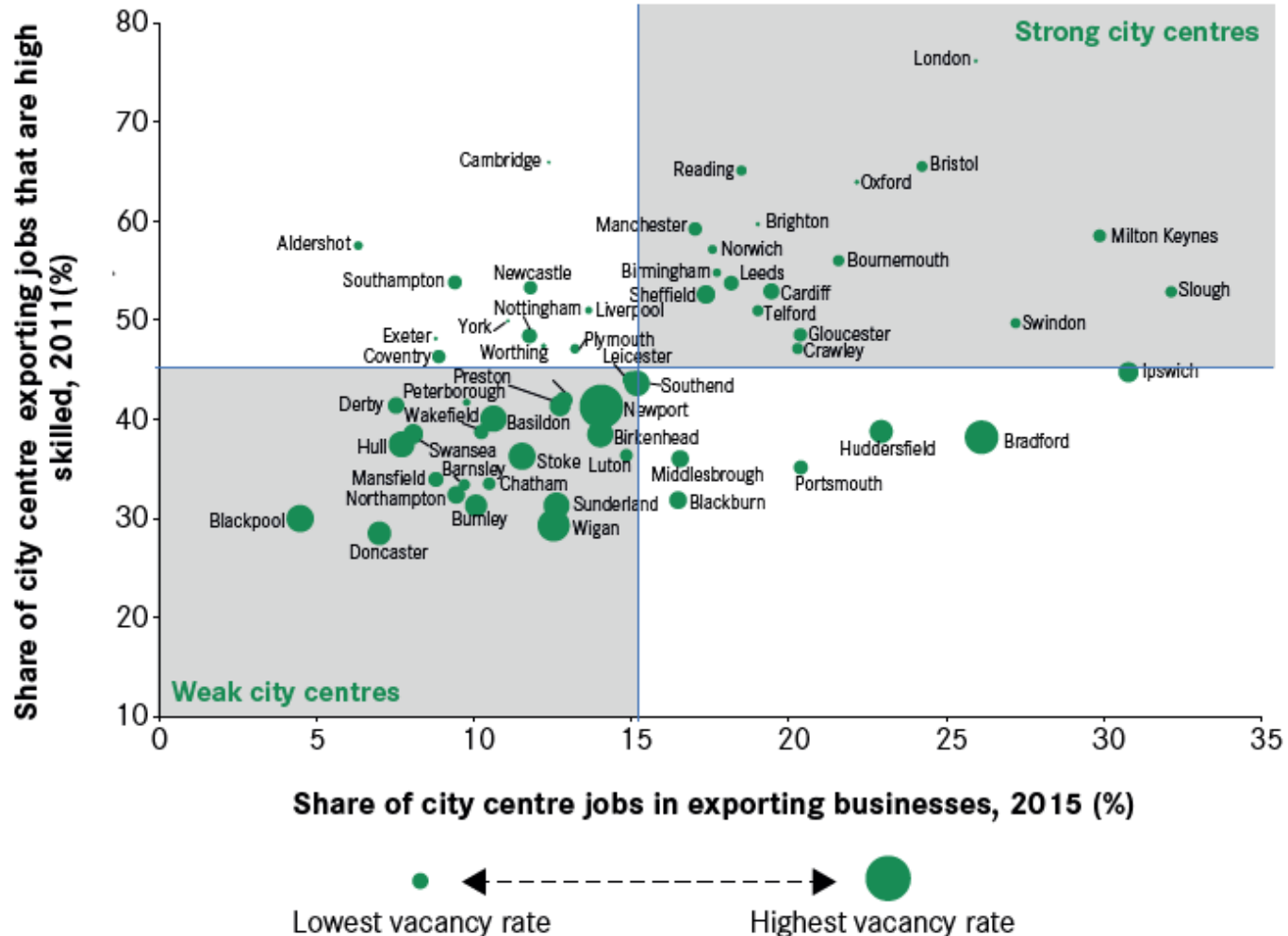


# But not all city centres are attractive to these businesses



Source: ONS (2017), Business Structure Database, Census 2011

# And those that aren't have lots of empty shops on their high streets

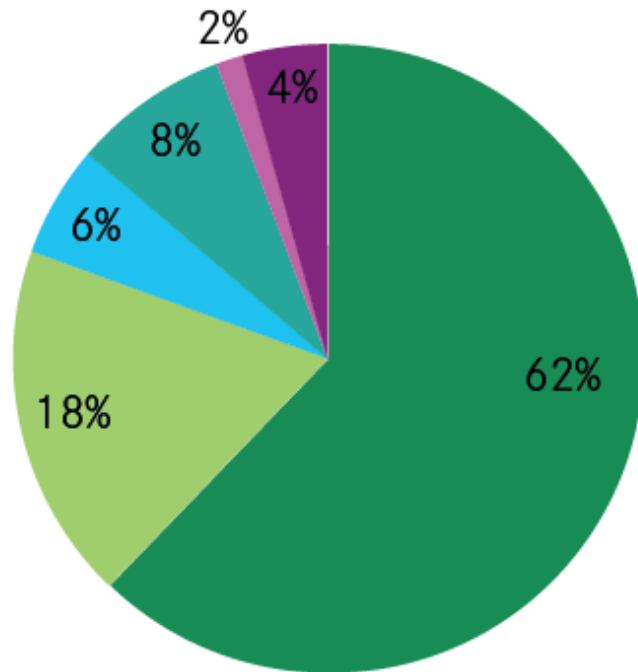


Source: ONS (2017), Business Structure Database, Census (2011), Local Data Company (2017, 2018)

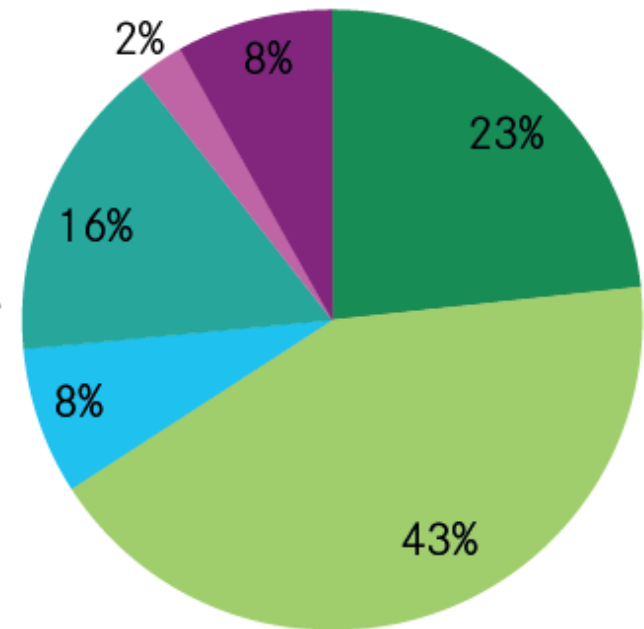
Bubble size: share of high street services that are vacant

# Weak city centres have too many shops and not enough office space

**Strong city centres**



**Weak city centres**



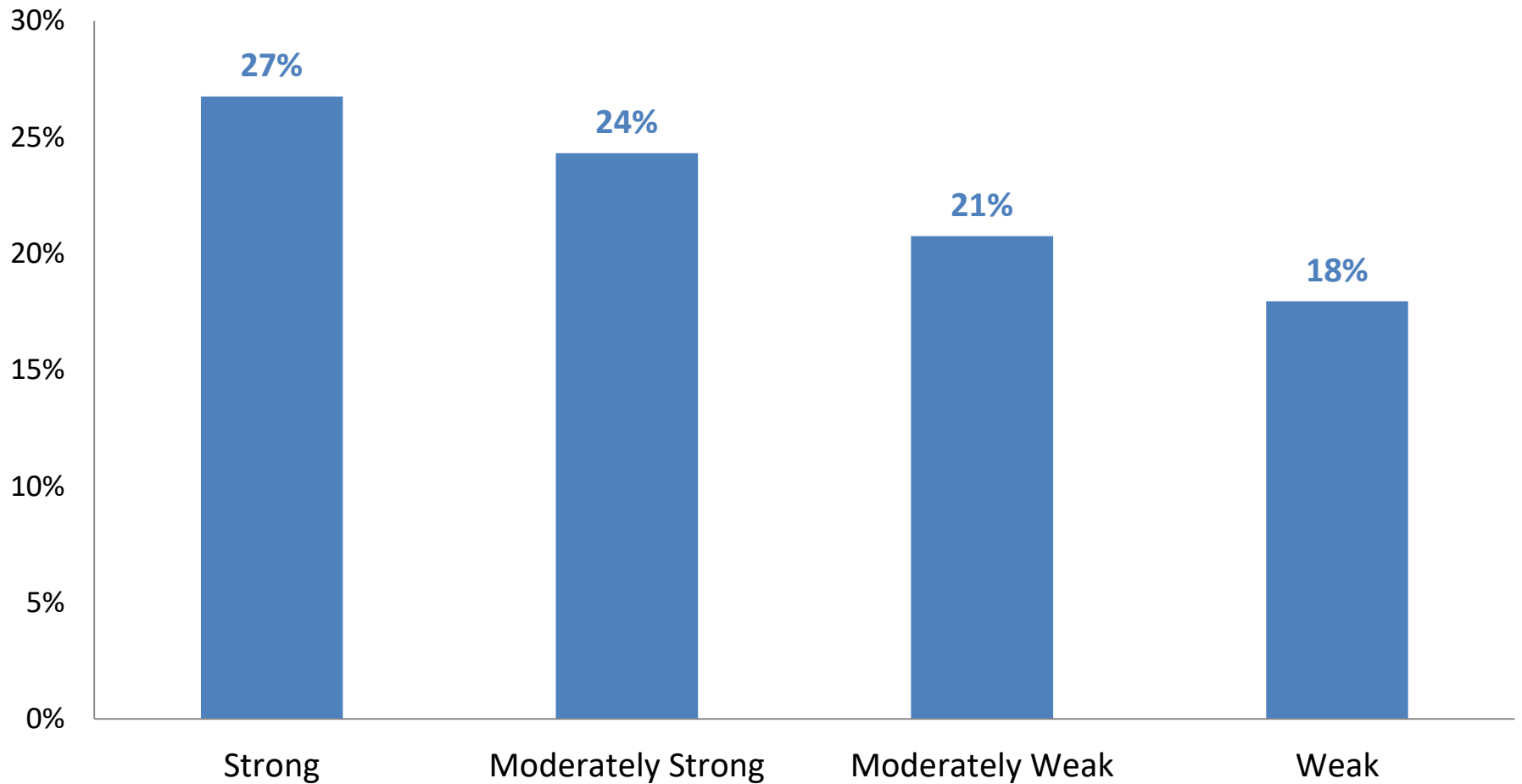
- Office
- Retail
- Food and leisure
- Industrial
- Warehouse
- Other

Source: VOA (2018)

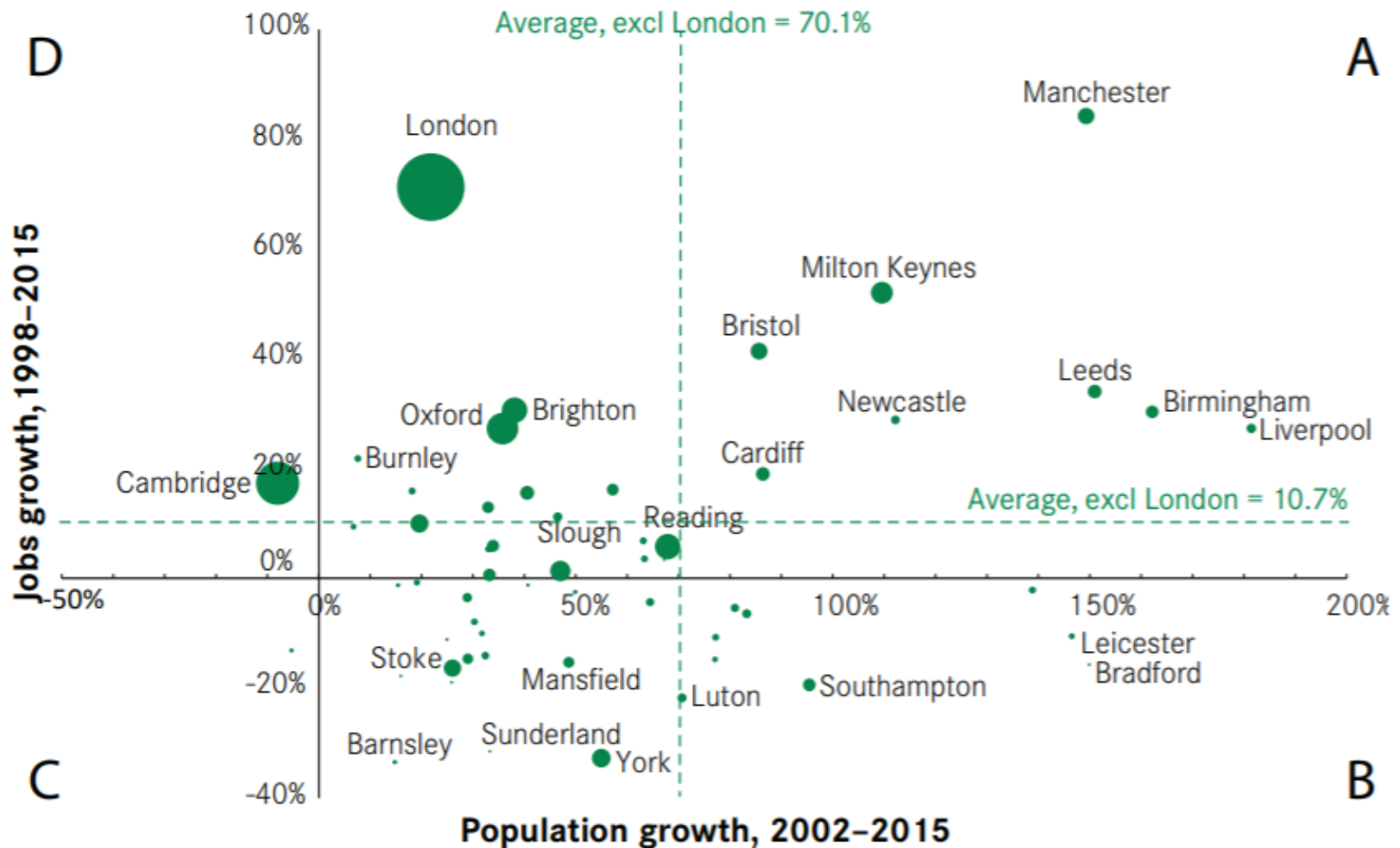


# And the office space they have is poor quality

Share of city centre offices that are high quality



# Strong city centres have seen a revival in city centre living and working





# How can cities improve their city centres?

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## **Weak city centres need to be more attractive to productivity-driving firms:**

- Improve the skill base of the city's workforce
- Remodel the city centre to be less dependent on retail
- Develop quality office space to match the level of demand

## **Strong city centres need to better manage competition for space:**

- Prioritise space for business over housing in the city centre
- Update public transport to cope with increased demand



# How can government support cities?

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- Offer city centres exemptions from permitted development rights
- Provide funds for cities remodelling their city centres through the National Productivity Infrastructure Fund
- Fully devolve planning powers to all cities with devolved institutions



# Questions?

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