

Summary of the Lords COVID-19 Committee session on the Long-Term Impact of the Pandemic on Towns and Cities

22 June 2021

Witnesses:

- i. Andrew Carter, Chief Executive, Centre for Cities; Mark Hayward, Chief Policy Adviser, Propertymark; Craig McLaren, Director, Royal Town Planning Institute Scotland.
- **Larger towns and smaller cities:** Andrew Carter said the Centre for Cities (CfC) looked at the top 63 urban areas by daytime population, where 65% of the population lived. Big cities had been hardest hit by the pandemic. Smaller cities had begun to recover. Economically strong areas had suffered less. Areas dependent on impacted industries such as air were hit hard. The ability to work from home by area was a key factor for property markets. Mark Hayward said investment into hotels and retail had dropped, yet investment in warehouses had risen. Residential market demand had switched to greener areas with good broadband and home office space. Craig McLaren said Scotland had 7 cities. Most people lived in towns. Vulnerable areas had been hardest hit. Retail parks and smaller shopping areas were more popular than town centres as they felt safer.
 - **Working pattern changes:** Mr Carter said more people would work from home in areas with many high skilled professionals. This would affect public transport, business rates and pollution levels. Passenger numbers were down in urban areas. Urban hospitality, retail and entertainment had suffered loss of revenue and jobs.
 - **Local shopping parades:** Mr Carter said higher waged professionals lived in more affluent areas, driving a revival of shopping parades in those areas, but not in lower income areas.
 - **Industry and working from home:** Mr Carter said living space was smaller for those more able to work from home. Older workers had more space. Mr Hayward said house purchases reflected longer term plans to work from home. Converting offices to housing could result in poor quality homes. Mr McLaren said companies may still need offices under a hybrid model of part time home working.
 - **Demand for Green Spaces:** Mr Hayward said developers aimed to increase housing density and profit demand for gardens and local green space was high. Older properties had larger gardens. Demand remained high despite the end of the stamp duty holiday. Mr McLaren said Public Health Scotland analysis showed homeowners had better access to green space. Local Authorities in Scotland were legally obliged to plan and maintain high quality green spaces. Mr Carter said access to green space varied widely. Milton Keynes had 47m2 green space per resident, Worthing had 4m2 per resident and had 35% of residents in flats. Cities attracted 18–30-year-olds, who then moved out of the city for larger living spaces and access to green space. Councils were designing more green space into city and town centres. Mr McLaren said cities should be centred on people, not cars.
 - **Long term impact:** Mr McLaren said many people were adapting their homes to add home office space. Neighbourhoods with good local services should replace remote estates. Town centres should focus on culture and housing, rather than retail. Long leases could mean landlords were happy to let properties stand empty. Mr Hayward said the private rental sector had begun to shrink. First time buyers were looking for long term homes, to live in for 18-25 years. House prices would continue to rise. Delivery was preferred to going shopping. Mr Carter said devolution had stalled. Property supply was slow to respond, driving prices up. Further north, certain properties and retail were oversupplied and repurposing was not cost effective. Business rates were 7 years out of date, benefitting the south and penalising the north.
 - **Death of town centres:** Mr Carter said economic decline in areas affected their high streets. Market forces alone could not rescue town centres. Good developers, councils and investors were providing space for start ups and community initiatives, but urgent action on planning and finance was needed. Mr Hayward said fast action was needed to stop the decay. Mr McLaren said fiscal measures were worth considering. Out of town retail should be curtailed. Collaborative planning towards ambitious goals would be useful.
 - **Climate change impact:** Mr Carter said increased urban density reduced carbon footprints.

- **Inequalities:** Mr Carter said the UK had unusually extreme and worsening inequalities compared to other countries. Crawley, Slough and Luton's reliance on aviation had hit them hard. Working from home increased inequalities, hitting retail entertainment and hospitality which employed lower paid people. Speeding up devolution could help pandemic recovery. Areas with high numbers of professional services jobs attracted people well paid people who could work from home. 60% of those with low skills worked where they were born compared to around 30% of graduates. Professionals in cities lived in affluent suburbs.
- **Ethnicity and inequality:** Mr Carter said many ethnic minority workers were in care and hospitality and were badly affected.
- **Twenty-minute neighbourhoods and inequality:** Mr McLaren said public spaces were less used by women, young adults and ethnic minorities, and more by those aged 55 and older. Twenty-minute neighbourhoods should contain all daily needs for a community. Suburban estates were hard to redevelop in this way.
- **Planning reforms:** Mr McLaren said purposeful planning in the public interest was needed. Scottish Local authorities had statutory chief planning officers to act as 'chief place-makers'. Scotland's national planning framework was used to stimulate growth strategically to reduce inequality, with long term funding. Community based workshops had proved useful in creating the vision for an area. Mr Carter said planning rules were too restrictive to allow areas to respond to changes. South and north had different planning needs.
- **Twenty-minute neighbourhoods and planning:** Mr Carter said twenty-minute neighbourhoods were a big city issue which misunderstood the specialised role of city and town centres. Mr Hayward said planning needed to be less combative. Mr McLaren said planning had been underfunded and under resourced for many years. Twenty-minute neighbourhoods should be walkable and reduce car use.
- **Vision for high streets:** Mr Hayward said high streets should be safe, desirable, varied and vibrant with independent shops, combining retail and hospitality with housing within walking distance. Mr Carter said successful town centres had fewer but more successful shops, more entertainment and housing, and flexible workspaces. Education, transport and good jobs were essential in bringing prosperity to a town or city. Mr McLaren said more housing and visitor attractions, safety, accessibility and good design would create popular spaces.
- **Recommendations:** Mr Carter said speeding up devolution would help towns and cities adapt. Mr McLaren said place-based thinking was essential. Mr Hayward said co-operation was key, with Government support and facilitation.