

Over the edge: town centres and the London economy

Many boroughs have placed town centres as a top priority for investment, but considerable efforts are needed to reverse the trends seen in outer London and to deal with new patterns of economic activity, residential settlement and movement, concludes research led by Nicholas Falk.

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Over the Edge: *Town Centres and the London Economy* takes a fresh look at the health of the major and metropolitan town centres in north and west London, assessing how well they are doing in relation to centres in the Outer Metropolitan Area (OMA), and focussing on their non-retail functions. It draws together employment statistics on over a hundred centres. It also taps into the Bartlett School at UCL's EPSRC funded 'Towards Successful Suburban Town Centres' research project. This explores the importance of diversity, spatial morphology, and travel to work patterns, which have all been mapped. It draws on six case studies: Enfield, Harrow, Uxbridge and Wood Green, which are contrasted with Watford and

Reading, which have both undergone a renaissance. It also makes use of a survey of local authorities to understand trends, a series of workshops, and inputs from Martin Simmons, formerly Chief Planner at LPAC.

This report is intended as a follow-on to the work of Professor Ian Gordon (London School of Economics) and his report 'Future Growth in the Outer London Economy' published in October 2006. This important piece of analysis identified a 'trough' in employment growth projections for the outer London boroughs. Growth is much lower than that projected for either central London or for the outer metropolitan region.

Though London is indubitably a

World City, and competes on a global economic scale in terms of who it competes with and who it attracts, it is made up of many more parts than other comparable cities. London's functional area stretches well beyond the area covered by the Greater London Authority, as many of London's better paid employees live outside the area altogether. Hence the London economy is polycentric, and made up of many centres, which perform a range of economic, social and physical functions.

In many ways this work leads on from debates around the revised London Plan (2008). The revised London Plan includes a new section on Suburbs and states that "the Mayor will work with sub-regional

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partnerships and other agencies to implement a polycentric strategy for London's development with strong metropolitan and major town centres delivering a diversity of roles" (GLA 2008, Policy 2A.8). The work also takes forward the recommendations from Robin Thompson's (2007) work for the GLA on outer London, which again argued for sub-regional alliance to take a lead on developing realistic economic models with their partners.

Town centre roles

URBED's analysis of the Communities and Local Government (CLG) town centres statistics database found that the major and metropolitan centres are not only significantly larger than the district centres, but that there are as many office as retail jobs. The centres are particularly important in providing relatively routine or 'gateway' jobs that can be accessed by those on low incomes, often living relatively locally. Suburban town centres have been heavily affected by change, in terms of both the spending power and the demographic profile of their customers.

When comparing the outer London centres to those in the outer metropolitan area we found that the relative proportion of total borough employment they provide is roughly 13 per cent. This was considerably lower than expected and may relate to the fact that many large public sector employers (such as hospitals) tend to be located just outside of the defined town centre boundaries. Our sample of Outer London centres was noticeably lagging behind comparable centres further out in terms of the quality of office accommodation and the general state of the environment.

Town centre health

The town centres we visited

looked busy, with few vacancies. In fact many of the shops are doing relatively well, as measured by property rentals. However floor space values are significantly higher outside London, which together with lower densities makes it easier to secure redevelopment to meet changing needs and provide the 'wow factor' developers believe consumers want. Comparison with centres in Dutch cities shows how far the quality of buildings and infrastructure provision has to go for London to live up to its claim of being an 'exemplary sustainable world city.'

Latent demand for offices

Previous research has shown that employers want better space than is available, while rentals are too low to justify much in the way of private investment. The 'Examination in Public' into the London plan was sceptical about the need for strategic action to improve suburban town centres. The offices in major centres like Wood Green are certainly often community based, for example occupied by major housing associations. However there are also important knowledge based employers, such as Ipsos MORI in Harrow, Data Connect in Enfield, or the European headquarters of Xerox in Uxbridge. Such firms value what a suburban location offers in terms of attracting local staff as well as the lower property costs than in Central London.

Community roles

High land values limit the range of community roles that major and metropolitan centres can perform, which are better provided in district and neighbourhood centres. However it was noticeable that centres with colleges close to them, such as Watford, are more bustling during the day. Town centres with

high levels of accessibility by public transport should be ideal locations for colleges, other training establishments and for health facilities. Though cultural activities can be important, places such as Uxbridge have been able to thrive with next to no cultural offer, whilst places like Wood Green, which has a major cultural quarter, do not seem to derive as much advantage as they should (though this may be due to poor physical linkages and should be rectified when redevelopment takes place).

Contribution to London as a World City

Due to its historic development London can be described as a 'City of Villages' (GLA, 2002). The appeal of its suburbs as places for bringing up families mean that the state in which they are in has a major impact on London's attractiveness as a place to study or work for people coming from outside. The suburbs and their major centres also offer the best opportunities for applying sustainable development principles, including increasing recycling, reducing energy consumption, and cutting travel. They offer the best chance of increasing the start-up and survival rate for small enterprises, taking advantage of the higher skill levels and entrepreneurial traditions of many suburban areas. But this depends on the availability of premises and there is a great need to strengthen their role as enterprise hubs, for example through more managed workspace backed up by business support, like the ones run by the Workspace Group in many parts of inner London.

Transport investment

Most employment in the outer suburban area lies outside town centres and cannot be readily accessed by public transport. The

growth in commuting by car is contributing to congestion and stress. Also it puts those without cars at a further disadvantage. Yet town centres could well play a leading role in developing sustainable lifestyles, cutting the need for travel by providing a wider choice of jobs closer to where people on limited incomes tend to live. As well as increasing capacity on radial routes, the main priority is to improve the quality of the transport interchanges, which in most of our case studies was poor and may well put off those who would otherwise be willing to leave their cars behind. Many of the transport hubs have the space to become Transport Development Areas, with mixed use schemes. The developments around Uxbridge Station show what is possible. The increase in value from intensification should help offset some of the costs of upgrading each interchange.

Planning and management

The relative success of places like Watford and Reading and the impressive progress being made in Uxbridge, which is going up a league in retail terms, show the importance of strategic vision or leadership backed up by effective project management. Town Centre Management (TCM) seems to pay off but needs to be better resourced. There is also a common issue of devising realistic but stretching schemes that deliver real improvements, which goes beyond TCM. Many of the centres need to be seen not as single town centres, but as a series of parts, including 'special places' that appeal to those with more money to spend, and help attract and retain local employers. Without new financial mechanisms, such as the Barnet Bond, there is a real danger that centres will continue to slide, as they lose trade to newer rivals and to buying on the internet.

There is therefore a strong case for complementing the programme of public investment in the City of London, the West End and Docklands with investment to bring forward quality mixed use development schemes in the major suburban centres, combined with better orbital links that will enable London to match Continental standards of connectivity.

Conclusion and next steps

This research breaks new ground in understanding the spatial distribution of employment among centres in Outer London and the Outer Metropolitan Area. An analysis of

economic London in the 21st century suggests there is a real danger of some centres going over the edge – as some American downtowns have done. The case studies confirm major deficiencies in the quality of the public realm but also reveal the potential for improving physical linkages. In many cases this means breaking through spaces that are either closed in the evening or permanently blocked to connect up different quarters, and create a first-class experience. Substantial improvements to the quality of transport interchanges are also needed, which requires Boroughs to work with Transport for London as

well as private development partners.

If town centres are to maintain their role as major sources of gateway jobs, then more work is required on how to build strategic planning and project management capacity. This could include using the case studies and information collected for this study as a means of getting joined-up thinking across departments, sectors and local authority boundaries, as some authorities are starting to do.

Many of the boroughs have quite rightly placed town centres as a top priority for investment, but considerable efforts are needed to reverse

the trends seen in outer London and to deal with new patterns of economic activity, residential settlement and movement. London is unique amongst world cities as being made up of many distinct places. This 'City of Villages' (GLA 2002) needs to make full use of all its assets if it is to attain its aspiration to become an 'exemplary world city'.

