

The evolving high street: the future of Hampstead's village centres

A background note by the Hampstead Neighbourhood Forum

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Britain's high streets are changing rapidly. Even before the Covid pandemic, large department stores and retail chains were disappearing and online shopping was on the rise. During lockdown, these trends have accelerated. Shops, as well as restaurants, have been closing on high streets across the country. According to a recent study, some 11,000 outlets closed permanently in 2020. Hampstead is no exception to the trend, with some 20 businesses leaving the village centres since March 2020. Closures have been partly offset by new arrivals, as retail space remains in demand. But the area is experiencing faster than normal change. The Hampstead Neighbourhood Plan, which was supported by 92% of voters in a public referendum, seeks to ensure the 'vitality and viability' of both Hampstead village and South End Green. It supports 'sustainable development that helps retain jobs and encourages a vibrant mix of shops and services.' The Forum committee thought it was reasonable to ask whether the faster rate of change was putting these goals at risk. As a means of starting discussion, the Forum is therefore issuing in April 2021 a questionnaire on changing uses of the village centres. It seeks to explore whether the Hampstead community will have new needs in the future, and whether there is an appetite to build a renewed vision for our high street areas.

Faster pace of change

The pace of change in Hampstead's village centres (Hampstead village and South End Green) has accelerated markedly during the Covid pandemic in 2020 and 2021.

Some 20 shops and restaurants have closed permanently since the beginning of lockdown on 23 March 2020. They included several outlets of international chains. Taken as a whole, the closures reflected national trends, including the difficulties faced by many businesses because of the pandemic. The closure of Gap, along with the expected closure of GapKids, reflects the company's review of its global business. The departures of Carluccio's, Pizza Express and Jigsaw resulted from corporate financial restructurings.

Since the first round of lockdown closures, there has been a steady stream of new arrivals: for example, Sainsbury's plans to replace GapKids, Ole & Steen replaced Café Rouge (which left before the pandemic), Bread Ahead replaced Flight Centre, Heath Street Bakehouse filled a long-empty site, Kojo replaced Carluccio's and Gail's replaced Le Pain Quotidien on South End Road.

There is, therefore, no existential crisis in Hampstead's village centres. There is still demand for retail space. The centres continue to be busy. In lockdown, queues frequently formed outside certain food outlets.

Recent developments are but the latest phase of the evolution that has been occurring since high streets first developed. Change is normal. However, the effect of the pandemic has been to accelerate its pace.

Risks, uncertainties and priorities

The faster rate of change creates some vulnerability. The character of a high street can change quickly.

In Hampstead, this has happened before: for example, in recent years, residents complained that the village was being overrun by mobile phone shops and estate agents. In addition, in the Hampstead Neighbourhood Forum's first consultations in 2014 in preparation for writing the Neighbourhood Plan, some residents believed there were too few local shops and too many national chains.

As Hampstead's village centres re-emerge from lockdown over the coming months, there could well be more departures and arrivals. The result could be that, over the course of perhaps two years, residents could find that the character of Hampstead's village centres has changed markedly, and not necessarily to their liking.

To this uncertainty must be added the possibility that the pandemic will have altered what residents need from their village centres. It is impossible to predict to what extent the shift to working home will prove to be permanent. If a significantly higher proportion of people continue to operate from home, compared with before the pandemic struck, they may, for example, need spaces for meetings, or other services.

In addition, the pandemic showed the vital importance of community activities. Volunteer groups were formed to aid people who were in difficulty because of lockdown. Many residents, deprived of normal social contact, were lonely. This emphasised the need for Hampstead in the future to act as a community, and for the village centres to perform their roles as hubs that bring people together for much more than just shopping and eating.

Even in the area of commerce, there remain uncertainties. For example, while commercial space appears to be still in demand, there are a significant number of vacant sites. These include not just those left by recent departures, but also important locations such as the former police station and the former NatWest and Lloyds banks.

Beyond these areas of concern, there remain long-term priorities that are expressed in the Hampstead Neighbourhood Plan and in Camden's and the government's policies, including in particular, the meeting of climate-related goals.

Specifically, the <u>Neighbourhood Plan</u> aims for Hampstead to be 'safe and walkable, with good public transport and alternatives to use of cars'; it says Hampstead should be 'business-friendly – to meet needs of residents, workers and visitors and back local enterprise'; it also seeks 'a community with good amenities, a sense of belonging and mutual support.'

The pandemic's effect has therefore been to heighten the substantial challenges that Hampstead faces in ensuring a healthy and sustainable future for our village centres.

Levers of influence

Many changes that take place in our village centres are beyond the control of residents and even of the London Borough of Camden. They originate from businesses and the landlords who lease properties to them. New arrivals result from investment decisions by businesses who consider Hampstead a promising and profitable environment. The continuing vitality of Hampstead's centres is assured if enough businesses make such choices.

Planning regulations have traditionally acted as a partial vetting process – businesses in some cases need approvals to change the use of premises, or to make changes to them, or to obtain alcohol licenses. Beyond these official processes, there have occasionally been successful public campaigns to oppose or alter particular plans.

However, residents and Camden itself will in future have less influence on which outlets come to Hampstead and where they set up. The government has already removed some distinctions between uses of retail units, meaning that in many cases there is no longer any need to apply to make changes between categories. The government, in a 2020 White Paper, issued proposals for radical reform of the planning system, that would strip much of the content from local authorities' regulations, such as the Camden Local Plan. It is not yet clear to what extent these proposals will be translated into legislation. The government also proposes to open up high street areas to residential development.

The aim of the government's proposals is to make it much easier to fulfil its ambitious targets for new housing, of which there is a long-standing national shortage. It sees what it regards as an outdated planning system as an obstacle to this goal.

The means available to communities to influence changes in town centres are therefore limited, and may well become even more limited.

Visions of the future

The problems facing British high streets were evident well before the pandemic. They had prompted policy discussions and the government's commissioning of a High Streets Task Force.

Experts believe changes to shopping habits – and now the pandemic – offer a big opportunity to remodel high streets and shape them around the needs and wishes of local communities. One commentator, Bill Grimsey, a former senior retail industry executive, argues that the problems of high streets will not be solved by 'pulling big levers in Whitehall', and calls for 'a massive shift in power away from central government to local communities.' A <u>report in 2020</u> led by Grimsey said: 'Local people must be empowered to redesign their own high streets and have a say on the business, services and amenities that occupy it.'

The pandemic's effects have been <u>highlighted</u> by the High Streets Task Force, which noted that it had 'brought forward changes that usually take years to occur.' Cathy Parker, research lead for the task force, said 'people are rediscovering their local area and rethinking what they want from their high streets.' High streets are evolving away from a focus on retail and towards being hubs with multiple functions.

Aude Bicquelet-Lock, of the Royal Town Planning Institute, noted in <u>evidence to a House of Commons committee</u> the pandemic offered 'an opportunity for the high street to become again a focus for the exchange of goods, services and social interactions.' It was necessary 'to make high streets appealing and accessible to a wide range of people.'

The shifts towards home working and online shopping have also served to promote the concept of the '15-minute city' – one in which all essential needs can be met within a short walk or cycle ride.

The expert comments quoted above indicate that there may be scope for local communities to create a vision of their local centres that could help to shape their future. In the context of Hampstead, the purpose of any such vision would not be to solve any short-term crisis, but rather to unite the community around broader long-term concepts that could influence business decisions in a positive manner. Such an idea could only come to fruition through strong cooperation between residents, businesses, local councillors, the Borough of Camden, landlords and other bodies involved in Hampstead life.

It is in the spirit of promoting discussion on a sustainable and cooperative long-term future that the Hampstead Neighbourhood Forum is launching its April 2021 consultation as a first attempt to capture the community's views about the changes that are under way.