

## THE FUTURE OF HIGH STREETS: THRIVING, DIVERSE & SUPPORTED

**LONG TERM OBJECTIVE:** secure the future of high streets and town centres through a balanced tax system, enabling local government and a supportive planning framework

### SHORT TERM ASKS

- Reduce and reform business rates (see separate business rates briefing)
- Ensure retail's voice is core to the support given by the High Street Task Force
- Review planning use classes to enable greater flexibility
- Amend the Landlord & Tenant Act 1954 to underpin future store viability

### INDUSTRY OFFER

- To continue investing in stores and technology, securing jobs for the future
- To support increased use of apprenticeships – 14% of all apprentices work in retail, although the sector only accounts for 5% of the economy
- To invest in communities through local partnerships such as: Business Improvement Districts, which improve overall high street amenity and support community activities; implementing public policy on issues like plastics and waste; and raising money for good causes through charitable works

### KEY MESSAGES

- The UK's retail sector is one of the most competitive in the world, keeping prices down for customers – prices on store shelves have fallen 5% in the last five years while overall inflation has risen 5%
- However, a tax system skewed towards people and property is contributing to store closures and job losses, and is stalling the successful reinvention of high streets and investment in better stores
- Retailers are present in every high streets and town centres up and down the country – it is the UK's most geographically diverse industry
- There will be fewer stores in the future online sales continue to grow, driven by innovation and consumer demand
- High streets and town centres will need to evolve to be more than retail – public services, leisure and housing provision will increasingly be part of the mix
- The planning system must adapt to support this retail evolution, e.g. retail mixed with cafés, or greater requirements for storage to fulfil click and collect orders
- Government support for high streets through the £1bn Future High Streets Fund and Task Force is welcome, and this investment must be properly targeted and sustained to support the high street of the future

### FACTS AND STATS

- Retail accounts for just over £8bn (25%) of the £31bn business rates income each year
- There were 3,200 net store closures in 2018, part of a trend likely to continue
- Property-based taxes are 4% of all taxes in the UK (the second highest in the OECD) compared to 1% in France and Germany
- Retailers invested £1.1bn in new technology in 2018, up 29% from 2017