



Investing in the Town of Tomorrow

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4	Today's Challenges
5	Labour Market
12	Consumer Trends
20	New Horizons 2035
28	Thoughts on the ToT

Today's Challenges

Labour market and consumer trends



Futures

Labour Market

Understanding the supply of and demand for labour




The population aged 65+ is projected to grow by 14% over the next 10 years, compared to just 3% growth within the working age population.

31% of the workforce was working from home during the early 2021 lockdown – but this was spread unevenly across the country.

A woman with long brown hair, wearing a grey long-sleeved shirt, black pants, and black sneakers, is standing in a clothing store. She is looking at a rack of clothes. The store has wooden floors, white walls, and large windows. There are many racks of clothes in the store, including a large rack of brown jackets on the left and a rack of various shirts and blouses on the right. A large, light-colored fabric is draped over a rack in the foreground.

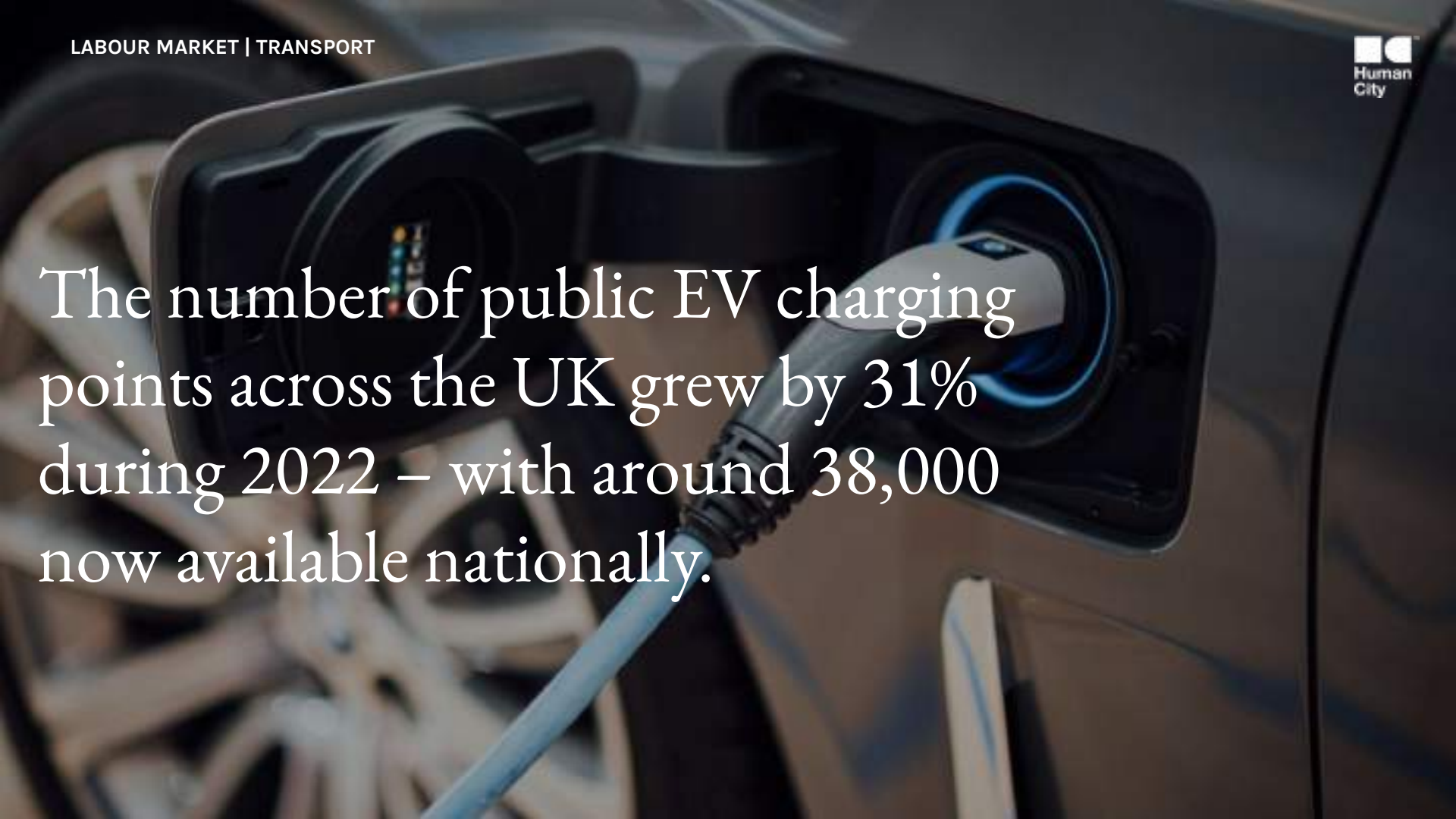
On average, 15,000 stores have closed each year over the last five years, resulting in 700,000 cumulative job losses.

A close-up photograph of a scientist in a white lab coat and blue gloves using a pipette to transfer liquid into a multi-well plate. The scientist is wearing a blue face mask. The background is slightly blurred, showing a laboratory setting.

Life Sciences employment has grown twice as quickly over the last decade than employment as a whole, and now employs more than 280,000 people.

Just 29% of non-residential properties transacted in 2022 achieved EPC B or higher.

Source: DLUHC, Energy Performance of Buildings Statistical Release

A close-up photograph of an electric vehicle (EV) charging station. A blue charging cable is plugged into the charging port of a dark-colored car. The background is blurred, showing the car's body panels and a wheel.

The number of public EV charging points across the UK grew by 31% during 2022 – with around 38,000 now available nationally.

Futures

Consumer Trends

Understanding patterns of habits
that change over time





Avoid Public Spaces



Avoid Sharing



Deprioritise Sustainability





Quality of Life



Home Centric



Local Experience



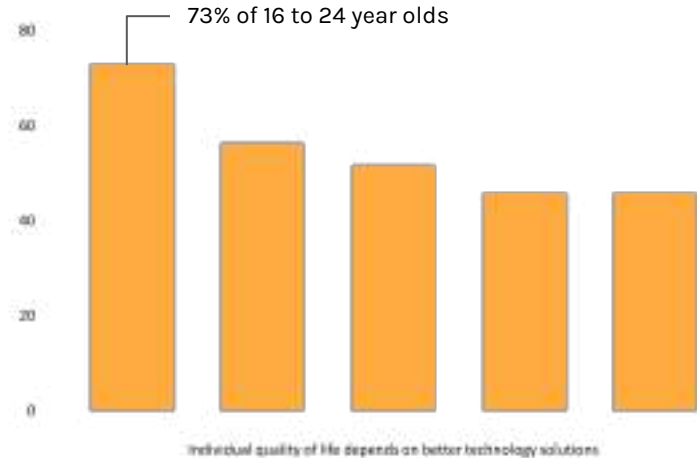
Values-Driven



Quality of Life

Survey Results 2023

- 83% agree that quality of life has become more important than their job (76% in 2020)
- 53% believe that individual quality of life depends on better technology solutions (58% in 2020)

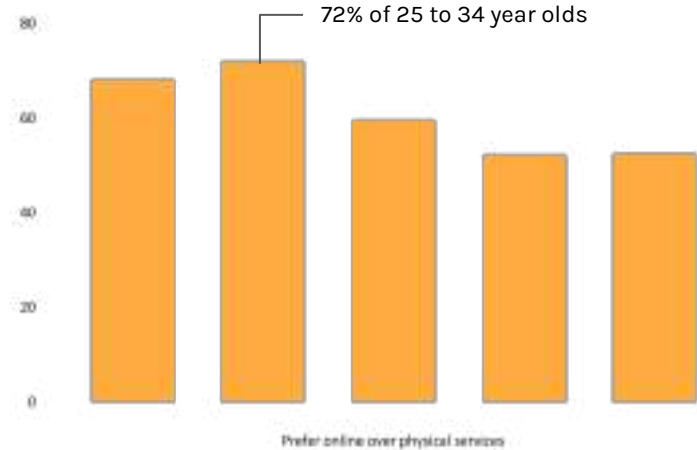




Home Centric

Survey Results 2023

- 62% prefer to work mostly from home, instead of the office/workplace (65% in 2020)
- 65% prefer to use digital and online services over physical services (75% in 2020)

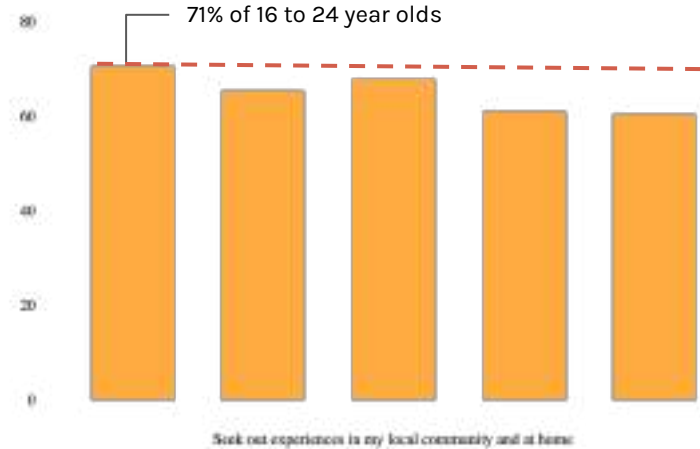




Local Experience

Survey Results 2023

→ 65% are more inclined to seek out experiences in their local community and at home (68% in 2020)

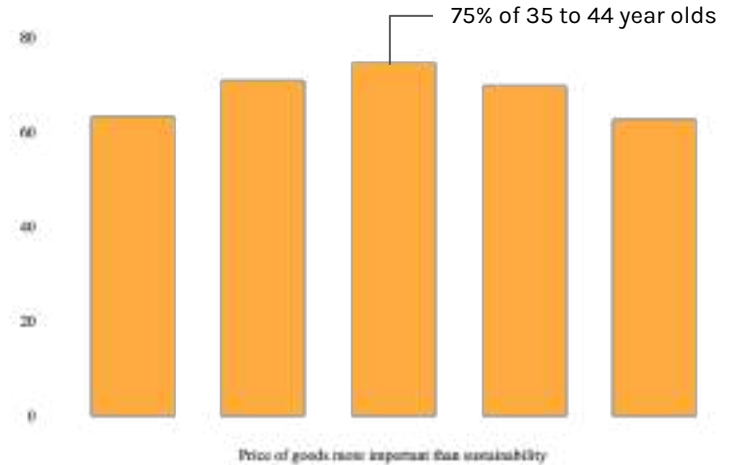




Values-Driven

Survey Results 2023

- 57% are turning to the brands that they can trust in terms of their ethical behaviour (60% in 2020)
- 35% have started using brands because of their sustainable practices (31% in 2020)
- 69% agree that price has become more important than sustainability (59% in 2020)



Changing demographics and workforces

- An **aging population** will continue to be a dominant trend, driving forward the maturation of 'alternative' living markets
- **Regional inequalities** mean no one-size-fits-all approach to placemaking
- **Productivity problems** will be important - with a focus on high value growth sectors such as life sciences
- **ESG themes** will become dominant, shaping the industry, despite some resistance

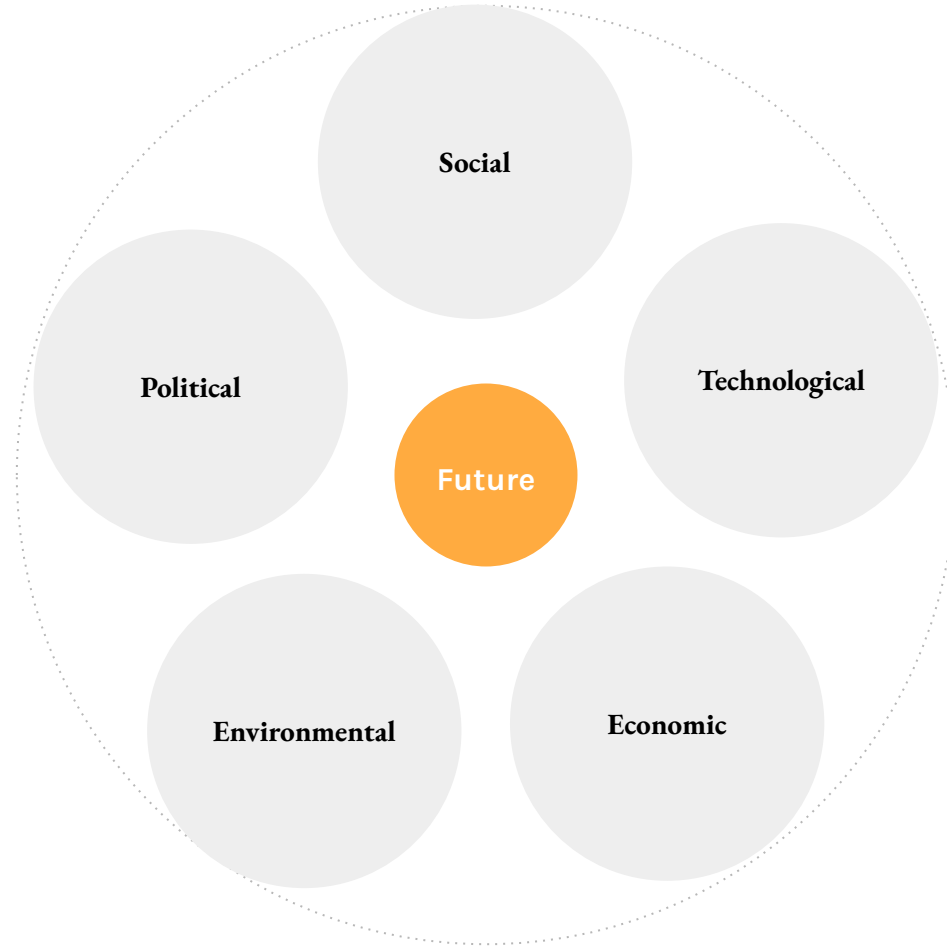
Changing consumer preferences

- Consumers will focus on quality of life and values, driving preferences for **healthy environments** and **responsible businesses**
- **Digitalisation**, accelerated by the adoption of smart technology at home, will transform retail and F&B
- **Localisation** will become more of a focus as consumers work and play closer to home, and developers help to build a community
- ESG considerations will have to be **value for money** as consumers weigh up sustainability and affordability

New Horizons 2035

Drivers of Change

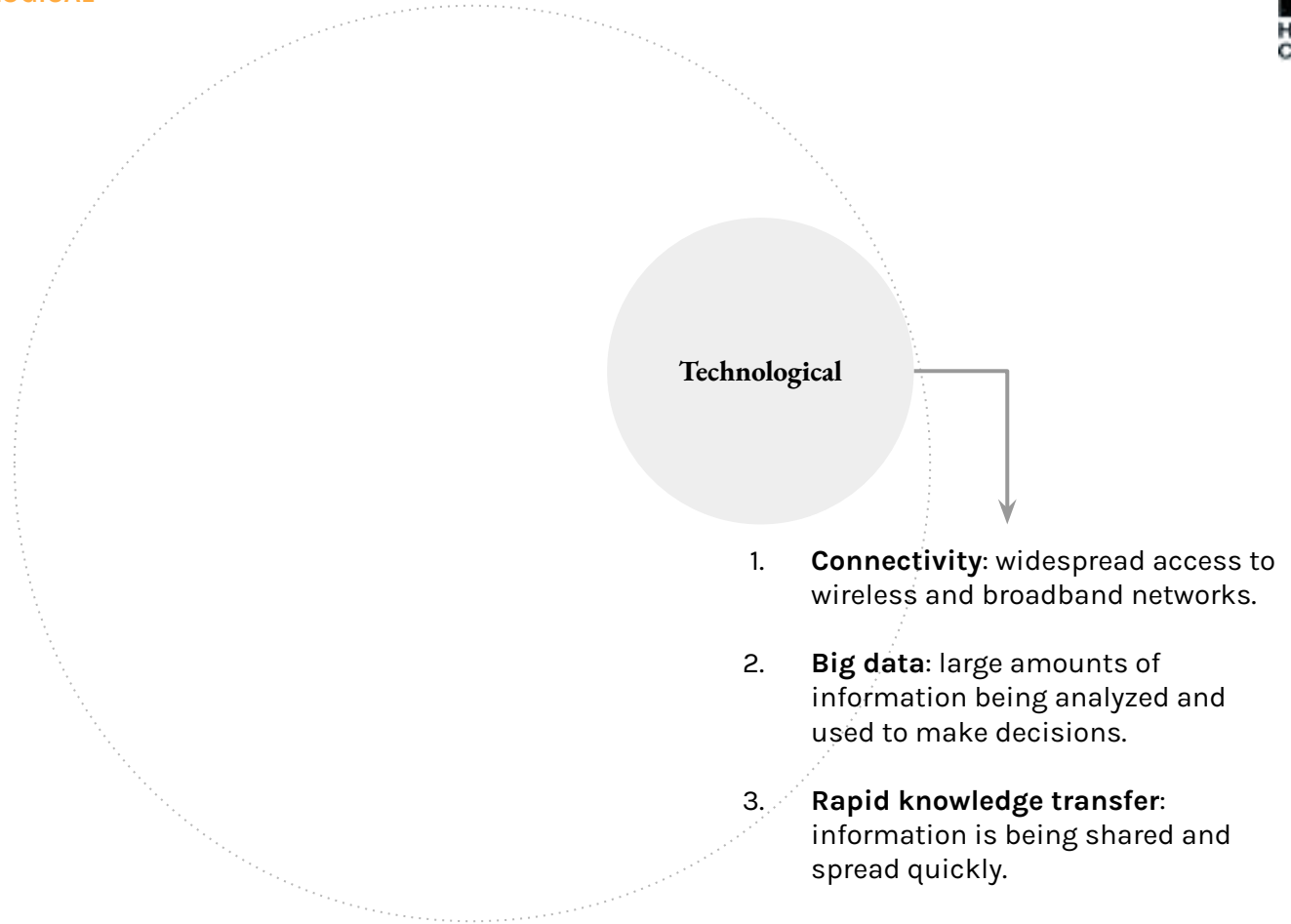


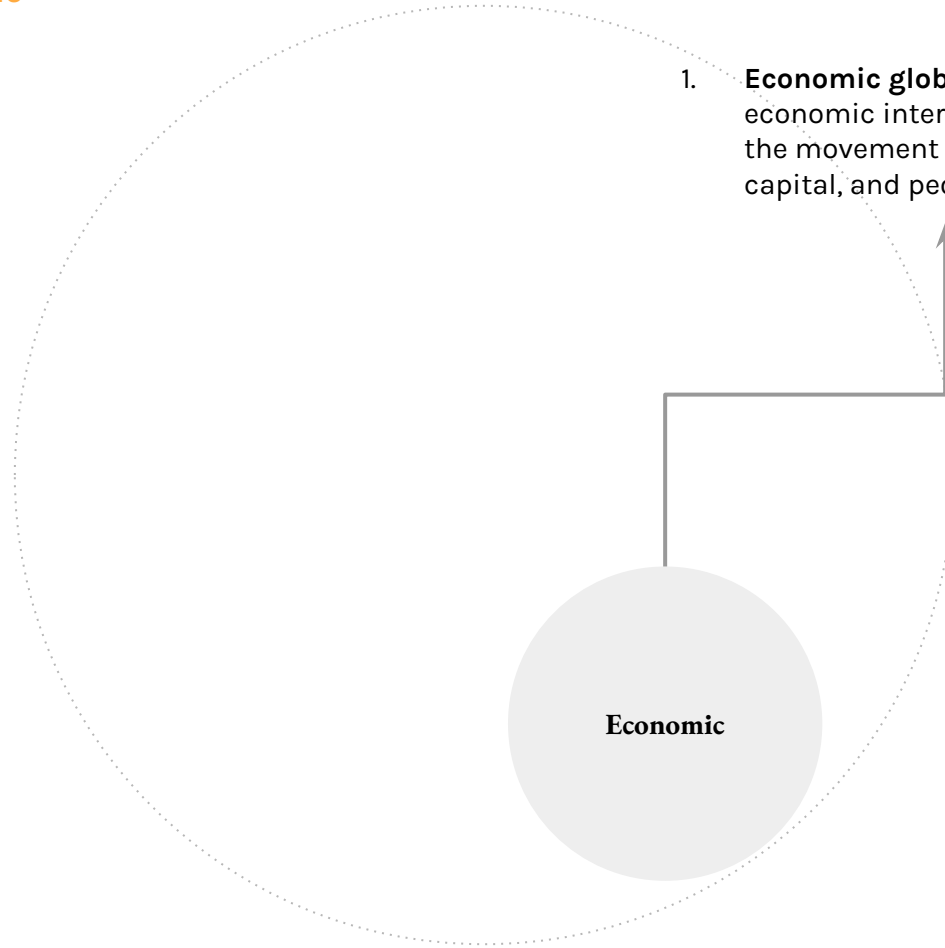




Social

1. **Health and medical innovations:** advancements in medicine and public health, and their impact on longevity and quality of life.



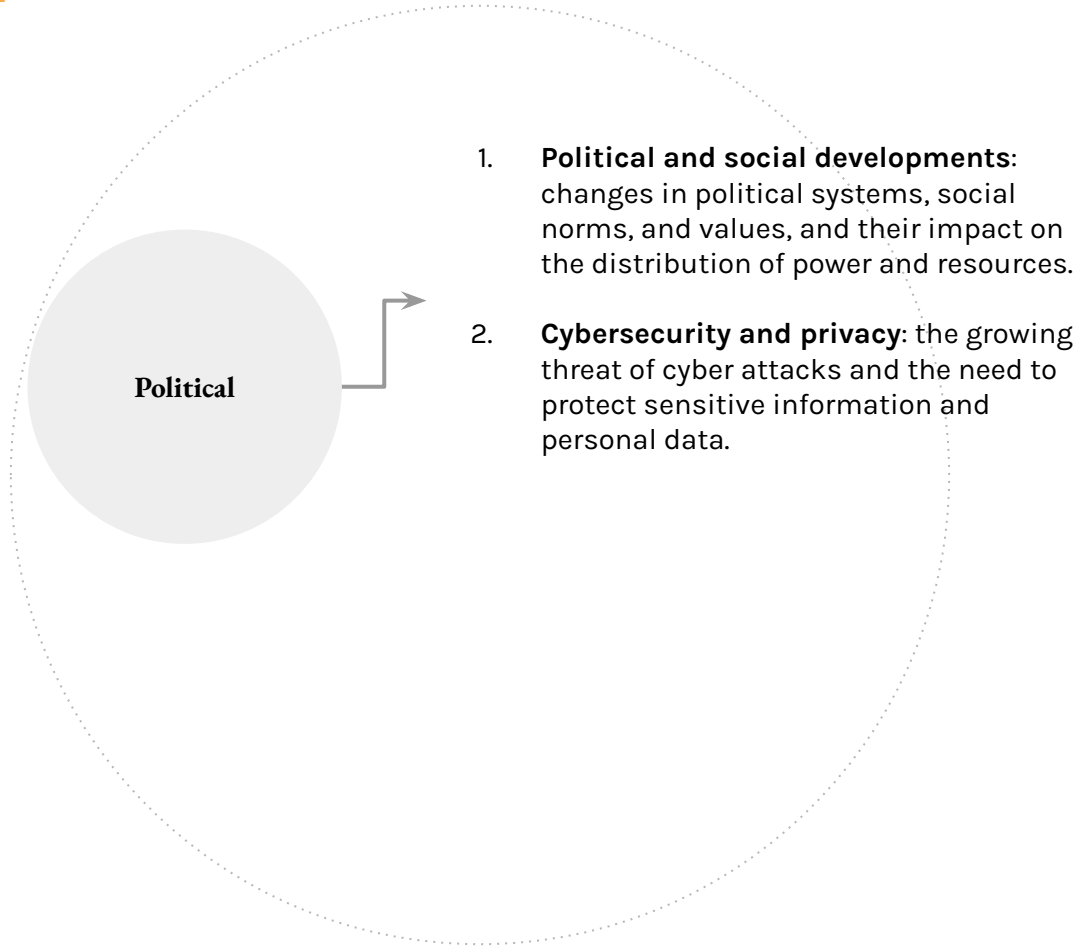


1. **Economic globalisation:** increasing economic interconnectedness and the movement of goods, services, capital, and people across borders.

1. **Resource scarcity:** increasing competition for finite resources such as water, energy, and food.



Environmental



Some important global shifts

- Demographic shifts
- Aging population
- Technological advancements
- Artificial intelligence and automation
- Economic inequality
- Job insecurity
- Climate change
- Sustainable energy

Some other important global shifts

- Health and medical innovations
- Connectivity
- Big data
- Rapid knowledge transfer
- Space exploration
- Resource scarcity
- Political and social developments
- Cybersecurity and privacy

Town of Tomorrow?

Challenges and Opportunities



Town centres have an important role to play in all of these key themes. Over the next decade and beyond, they will need to diversify to survive – with more *quality* residential, *local* employment, light industry and even agriculture – to ensure that a *right-sized* retail and leisure offer meets the actual needs of people.

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