MAYOR OF LONDON LONDON ASSEMBLY

London's high streets

Key information

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Contents

Introduction

The Economy, Culture and Skills Committee is investigating London's high streets, examining how recent economic instability, alongside recovery from the pandemic, has affected the capital's high streets.

Investigation aims and objectives (Terms of Reference)

The investigation will seek to:

- Understand the impact of recent economic instability as well as long-term economic and consumer trends on London’s high streets, and assess their effects on local businesses and communities.
- Identify what support for high streets is being provided by the Government, the Mayor, and local authorities to London's high streets, and how well this is working.
- Assess to what extent high street redevelopment is inclusive for local communities, and what measures can be taken to ensure that it benefits all residents.
- Understand how the challenges facing high streets in inner London compare with those in outer London.
- Examine how London’s high streets have changed and adapted post-pandemic, with a focus on consumer behaviour, footfall, and the key elements that contribute to a strong and resilient high street.
- Examine how high streets in London can contribute to economic growth and cultural value.

Key issues

- The Centre for Retail Research has described the British retail industry as facing a "permacrisis" since the 2008 financial crisis, as a result of factors such as the rise of internet retailing, changes in consumer preferences and "rapid debt-fuelled expansion" combined with low profitability and low investment. Many of these trends have been accelerated by the COVID-19 pandemic.
- There has been a sustained shift towards online shopping with the proportion of sales made online steadily rising. Whereas in June 2014 online sales accounted for 11 per cent of total retail sales, this figure had risen to 26 per cent in June 2024.
- It is important to note that retail shops are only one component of high streets. Office for National Statistics (ONS) data indicates that in March 2020, around one third of addresses on British high streets were retail shops, while over half were residential, ten per cent were offices and two to three per cent were leisure or community facilities.
- Whilst high street retailers have been struggling, businesses in the leisure economy sector (e.g. restaurants, beauty salons, cinemas) have shown greater resilience. Organisations such as Centre for Cities and Centre for London have advocated for a shift away from retail towards a greater role for the leisure economy and cultural spaces on the high street.

- Alternative conceptions of the high street, incorporating a focus on community-led regeneration have been adopted by some local authorities. This approach places greater emphasis on spaces that provide affordable services and products for local communities.

Key questions

- What impact has the legacy of the pandemic and recent cost-of-living pressures had on high streets in London?
- What actions are local authorities taking to ensure the long-term sustainability and resilience of high streets?
- What impact have Mayoral initiatives such as the High Streets for All Challenge Fund had on high streets in London?
- What measures are local authorities and the Mayor taking to ensure that high street redevelopment is inclusive and benefits local communities?
- What innovative approaches to support using high streets differently have been taken in London, and how does this compare with other major cities, both within the UK and internationally?

Call for Evidence

As part of this investigation, the Committee issued a Call for Evidence.

This Call for Evidence has now closed. All responses received will be used to shape the Committee's output for this investigation.

Read the written evidence in response

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Read the report in full.

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