

FSB Wales Briefing The Future of Towns

Introduction

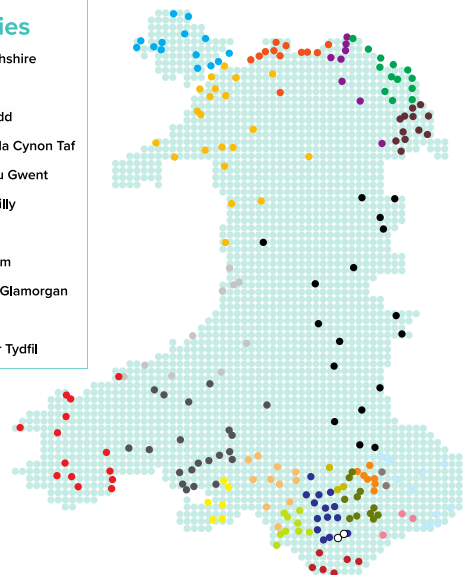
Wales is a small nation. 40% of our population live in small towns of less than 20,000 people, and a significant proportion of the day-to-day economy in Wales takes place in towns. Towns are where things are made, bought and sold or where we go to consume our leisure and public services. We should all see the future success of our Welsh towns as a pressing political, social and economic priority.

Our research has identified the key megatrends effecting towns in Wales today and some suggestions on how towns can shape their own destiny against them, as well as embracing new trends and technology in order to ensure the future success and sustainability of our towns in Wales.

Why are we concerned with towns?

Despite this, the economic narrative in Wales focuses largely on cities. Thus we have city regions, city deals and agglomeration economics that focuses on building bigger, more connected urban areas. This undoubtedly provokes questions around the future role of Wales' towns.

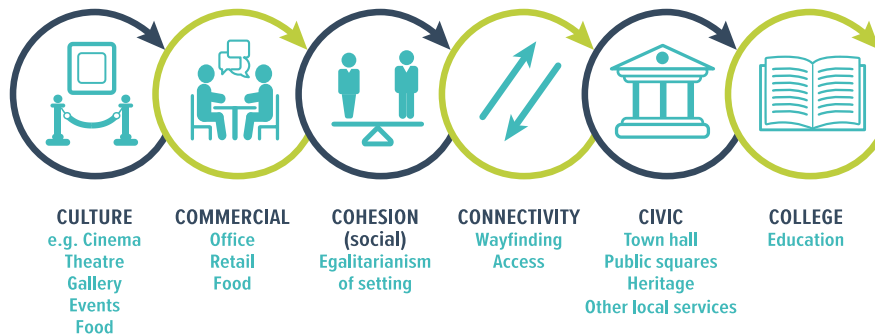
Are towns destined to be dormitory places with their residents commuting to bigger cities for work? Or is there a future where towns attract new types of economic activity and can capitalise on trends like automation and artificial intelligence?



What's more, it's clear a crisis is emerging within Wales' towns, with many high profile chains going out of business and even out of town retail venues (themselves disruptive influences in the past) struggling in a more digital world. In this context, it's no surprise independent businesses are finding it difficult to prosper.

Why are we focused on towns and not high streets?

But towns are also about much more than retail. Research undertaken by the Means has identified 6 Cs that impact on the vitality of a town. They are:



All 6 of these Cs need to be taken together if we are to truly understand what makes a town prosper or struggle in the face of change. Whilst our focus as FSB Wales is on the commercial aspects of towns, the cultural offer or access to public services can have a material impact on the local economy.

Megatrends

Towns in Wales are being shaped by 'megatrends', trends that are globally pervasive and driving change. We've identified three key trends that need to be considered in policy making:

- **Social and demographic changes** – cities are getting younger in profile while towns are getting older.
- **Urbanisation to cities and clustering** – economic policy focuses on agglomeration, leading to city-focused growth.
- **Technological breakthroughs and changes in consumption patterns** – the internet has for a long-time been disrupting behaviours in and around towns.

Proposals for Change

If we're serious about securing a future for towns, we need to act now and start thinking about what the future of towns could be. We've undertaken this initiative to start that conversation, not just in the Senedd but on the streets of our towns across Wales.

We've got a few initial ideas that we think could make a difference, but crucially towns themselves need to be empowered to define their own future. For their part, government both national and local could consider:

- **Published town strategies in every town** – ensuring the ownership is local and businesses, voluntary and public sectors are engaged.
- **Introduce a Future of Welsh Towns Fund** – the fund would support towns to develop and deliver their own strategy and local interventions.
- **Incorporating demographic change in strategies** – Looking at how future trends will change the local economy, using the Wellbeing of Future Generations Act.
- **Introduce 'digital' town centre managers** – Collating the effort of independent businesses, the voluntary sector and public services into one regularly updated town offer.



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- **Consider establishing a property register** – Interventions often fail with absent or unidentifiable landlords. Such a register would help build a basis for engagement.
- **Adopt new uses for towns** – retail is important but some towns could change the use of buildings to support new offices, residential, community or even co-working spaces.
- **Rethink the role of business rates in towns** – replicating the recently announced English relief for high street businesses would be a great start but in the longer term the impact of rates on our towns will need better consideration.

Next Steps

FSB Wales wants to start a conversation. For it to be successful, it's crucial that other get involved, especially in your own town. For our part, we're going to

- Help in building more meaningful links between business and local authorities.
- Call for communities to be empowered to shape their own towns.
- Start a conversation on what the future of towns can be.
- Argue for funding to help turn the conversation into meaningful action.