



STRATEGY



Open for Business

The role of retail in levelling up across the UK

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About Tesco

Tesco is the UK's largest retailer with 2,700 Tesco stores; 700 One Stops and 200 Booker stores operating across the UK. The company employs over 320,000 people across the UK. Tesco commissioned this independent report and have provided access to data, which we have used to develop analysis and insights into the retail sector today and its role in the levelling up agenda.

Foreword

The coronavirus pandemic is the biggest challenge the UK has faced in decades. We have seen radical changes in the way we work; use the healthcare system; see friends and relatives or access goods and services. It has also revealed how reliant our country is on its key workers. From hospital frontlines to classrooms and supermarket aisles, they have been fighting the virus day in and day out.

To ensure a successful economic recovery from the virus we need to address another major challenge: levelling up the country. If the principles of this agenda, which is focused on tackling regional inequality by investing in areas of the country historically left behind, were important before the pandemic, they are now essential.

This report, based on new analysis, looks at a broad question: what socio-economic trends are linked to regional inequality in the UK and which areas are most in need of levelling up? We seek to answer those questions through our new Levelling Up Index, which highlights the areas most in need of levelling up using six socio-economic indicators. The Index clearly shows the problems that levelling up needs to address. Whether it is spending power, employment rates, health levels, crime rates, deprivation, or store vacancies – it cannot be right that towns like Blackpool in the North West are at a consistent disadvantage compared to affluent areas of the South.

Stating the problem is not enough. This report aims to provide solutions and to do this we have looked at the role that the private sector's largest employer – retail – can play in levelling up. We have analysed the latest available data and information, from Parliament, think tanks and economic indicators, which show that of all the major sectors of the economy, retail is in a unique position, given its size and scale, to support communities in need of levelling up. We have used Tesco, the UK's largest retailer, as a case study, utilising their unique data points to demonstrate the importance of retail to levelling up areas. In a world grown used to social distancing, each one of us has seen the role that shops have played in providing essential goods and services through Covid-19. Physical shops were critical at a time when online retail was unable to keep pace with demand and provided a destination for people at a time when normal activities were limited. The data shows that no other sector is more embedded in the social fabric of communities.

In those regions of the UK hardest hit by the economic consequences of the virus – the North, the Midlands, and Wales – retail can make up to 25 per cent more of the job market than it does in London. The sector employs 3.2 million people in total across the UK. Our research shows that shops act as vital community anchors: driving footfall for other industries; supporting the local area and giving opportunities for those looking to gain new skills. Although the sector is facing challenges, many retailers have announced new growth plans, including Aldi planning to open 100 new stores and Tesco planning to open 150 new stores.

However, our research shows that those areas of the UK most in need of levelling up, and looking to attract new growth and investment, are at a consistent financial disadvantage. Business rates, a local tax on all business premises, is disproportionately burdensome (which we define as the cost of business rates as a proportion of earnings) for businesses in areas most in need of levelling up. In these areas, stores face four times the burden of more affluent areas and in certain areas it is much higher – a shop located in Bishop Auckland can face a business rates burden eight times that of a shop in Surrey Heath. This is simply unsustainable.

The tax rate has grown too high. And the burden of rates, is much higher in areas with smaller economies. We should call this what it is: a 'Regional Shops Tax'. Indeed, as the hardest hit regions are the North East and North West, followed by the Midlands and Wales, we could be justified in calling it a 'Northern Shops Tax'. In these areas, hard-working businesses, from SMEs to multinationals, are more likely to struggle with 'setting

up shop' because of business rates.

Most businesses pay rates, but the impact is most significant on retail because of its strong physical presence, which faces a burden double the level of any comparable sector. Inevitably, this burden is limiting growth that could deliver more shops, more jobs and more skills to hundreds of local communities across the UK. Rates haven't always been this burdensome – they were introduced at a 35 per cent tax rate in 1990, but that rate has grown to over 50 per cent, and some stores now face a tax rate of 70 per cent (rates as a proportion of rental value).¹

The answer is simple: reduce business rates to provide a huge boost to the levelling up agenda. This is not a new problem and it is a problem MPs know well – they see the impacts in their communities and in their inboxes. A recent YouGov poll found that over three-quarters of MPs believe the single most effective measure for supporting business post-Covid will be reductions in business rates and 92 per cent of MPs have had business rates brought to them as an issue by local firms.² The Government has recognised this and taken bold action by publishing a 'fundamental review' of business rates and providing a business rates holiday for retail, hospitality and leisure during Covid-19. This is a good start, but long-term and sustainable reform is vital.

There have been a large number of potential solutions proposed to amend or overhaul the business rates system. There is much to be said for a fundamental reform but this could take many years. In the short term the simplest solution is to reduce the tax rate – fixing it at 40 per cent for retail, with additional support for SMEs, closer to its historic level. Our analysis shows that a reduction in business rates across the retail sector could allow companies to create over 10,000 retail jobs in a select group of 50 constituencies chosen to represent the North and Midlands. At a time when many businesses need a kickstart, a rates reduction would be a clear and rapid policy fix to the problems beginning to overwhelm communities and business across the country.

This is not to say a rates reduction is a panacea. This report also addresses other policy barriers. The uneven playing field in retail is compounding challenges in the UK; the apprenticeship levy is currently acting as a barrier to skills development while crime in shops is rising. Innovation in retail is an opportunity, but all this needs Government support.

We need to be honest that sectors like retail will inevitably change, some businesses will fail, and many jobs could change or be lost. It is not right, however, that businesses that step up to meet the challenges of the 21st century are penalised for owning or renting a physical property in regions of the country most in need of support. We need a level playing field and a business environment which fairly reflects the benefits of trading in every nation and region of the UK. Making the changes we suggest in this report would support our most at-risk high streets and help hundreds of communities to thrive. This doesn't just make business sense; it is an issue of fairness and will ensure the UK is truly open for business.



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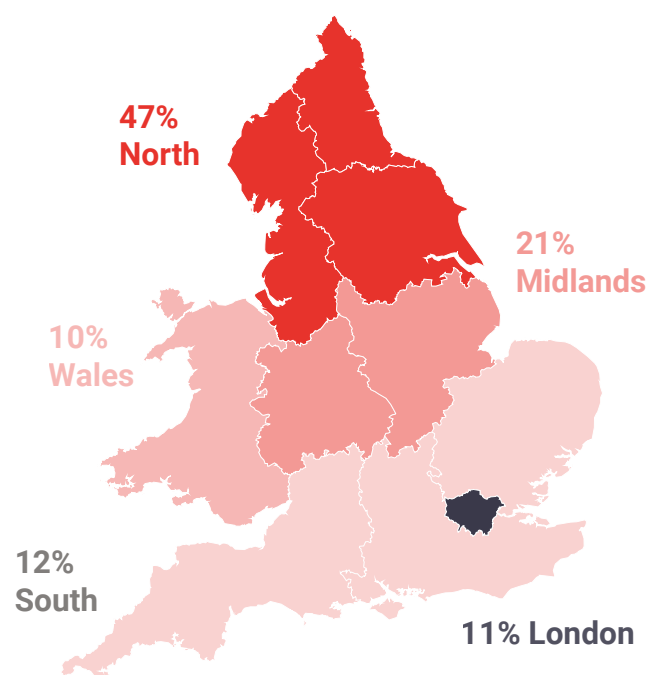
Executive Summary

The aim of this report is to highlight the areas of the UK most suffering from regional inequality; to outline the role that the retail sector can play in addressing these challenges and to shine a light on the policy barriers that are limiting the ability of retail companies to invest and grow in areas in need of levelling up. We make a series of recommendations for policies that can remove these barriers and unleash new investment and growth across the UK. **This section highlights the five core findings of this report:**

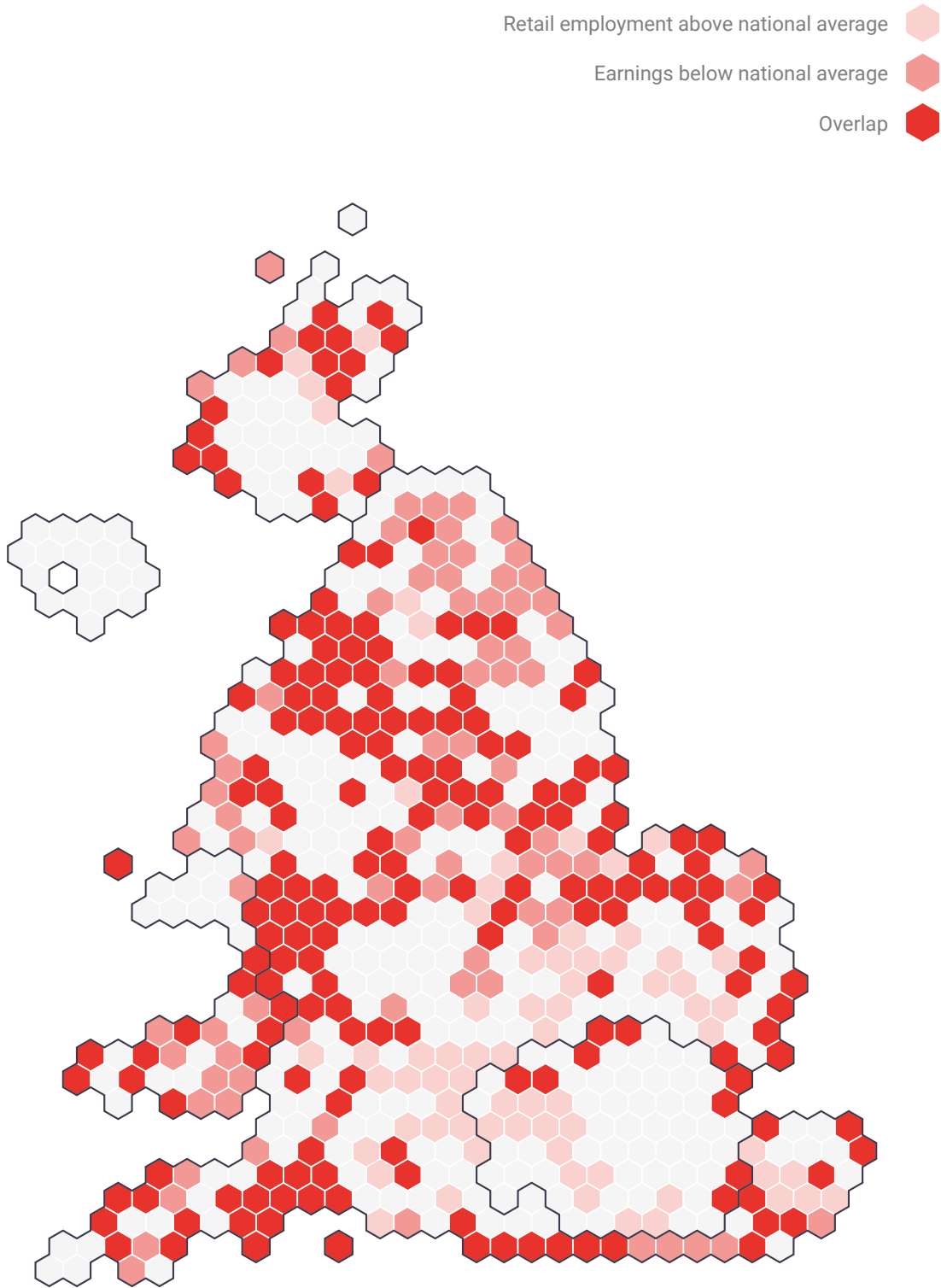
1. The constituencies in the UK most in need of levelling up are disproportionately located in the North, Midlands and Wales and have higher levels of deprivation, high street vacancies and lower economic scores than those in the South.

- Our analysis of regional inequality, the Levelling Up Index, finds that around 70 per cent of the constituencies most in need of levelling up are in the North or Midlands. Over 40 per cent of all the constituencies in Wales are in need of levelling up and over half of the 25 areas most in need of levelling up across the UK are in coastal areas.³
- The constituencies in most need of levelling up are Blackpool South, Middlesbrough, Bradford West, Liverpool Walton, Great Grimsby, Hartlepool, Bradford East, Kingston upon Hull West and Hessle, Birmingham Erdington and Birmingham Ladywood. Constituencies most in need of levelling up have:
 1. A dependency score (benefit dependency and poor educational attainment) six times higher than those least in need;
 2. A crime score four times higher than those least in need;
 3. An empty commercial properties score four times higher than those least in need.⁴

Location of constituencies most in need of levelling up, according to the WPI Levelling Up Index



Retail jobs are essential to the labour market of constituencies in need of levelling up (retail makes up a higher proportion of jobs in areas in need of levelling up)



Source: Frontier Economics analysis of ONS (2019) *Earnings and hours worked, place of work by local authority*, ONS (2017) *Location quotient data and industrial specialisation for local authorities*

2. The retail sector is the foundation of both the local economy and social fabric in the constituencies most in need of levelling up, more so as other sectors have declined. Retail can account for 17% of all jobs in some of these constituencies, far above the national average, as well as being the sector best placed to help people into new roles and support social mobility.⁵

- Retail employs 3.2 million people and is the largest source of private sector employment in the UK with roles distributed in every nation and region.⁶
- Retail is the backbone of the local economy in constituencies most in need of levelling up and provides a disproportionately high number of jobs in the North, South West, Midlands, and Wales – making up more than 10 per cent of jobs in these areas, above the national average. In constituencies in need of levelling up, such as Blackpool South, retail jobs can make up over 17 per cent of employment.⁷
- Levelling up areas have seen other sectors decline significantly, reducing their economic prospects and making retail roles more important. Manufacturing jobs declined by a net 720,000 between 2003 and 2018.⁸
- Retail roles are seeing growing wages. Retail wages have grown faster than any comparable sector in recent years – over four per cent per year, increasing the income of people across levelling up constituencies.⁹ Retail is essential to social mobility, providing a route into work for many people – one third of retail employees are under-25.¹⁰
- Shops play an important psychological and social role within communities acting as meeting places, healthcare providers and deliverers of new services, as the Housing, Communities and Local Government Select Committee found in their report on high streets and town centres.¹¹

3. We have used Tesco as a case study to assess the role that shops play in levelling up constituencies. This shows the significant current role and future potential that retailers have to support levelling up. 75 per cent of Tesco's jobs are located outside London and the South East; they support c. 1,000 jobs on average in levelling up constituencies, and they have plans to invest in 150 new stores in the coming years.¹²

- 70 per cent of Tesco stores and 75 per cent of Tesco stores' employment is located outside London and the South East, in regions with multiple constituencies in need of levelling up.¹³ Across the North, Tesco contributes £7bn to the economy each year and support 150,000 jobs, 32,000 of which are direct Tesco jobs. This is equivalent to 2 per cent of all jobs in the area.¹⁴
- Tesco operates 250 Tesco stores across the 50 levelling up constituencies we have assessed, averaging five stores and c. 1,000 jobs supported per constituency¹⁵. Each store can drive a 20% increase in footfall to other businesses and wages have risen by an average of five per cent per year since 2017.
- The stores provide an average of nearly nine critical community facilities in each of the constituencies, ranging from recycling to electric vehicle charging to healthcare services, like pharmacies, which each supply medicines to around 70,000 people per year.¹⁶
- Retail is facing a challenging period, but there are opportunities for growth with Aldi announcing plans to open 100 new stores and Tesco committing to opening 150 new stores and new high-tech Urban Fulfilment Centres.¹⁷

4. The most significant barrier to growth for retailers is business rates. New analysis shows that constituencies in need of levelling up like Bishop Auckland and Leigh can face eight times the burden of rates that a shop in Surrey would.¹⁸ This limits the ability for retail to invest and grow. Other barriers exist related to skills, crime and innovation.

- The UK now has the highest property taxes in Europe, 50 per cent more than the next nearest country,¹⁹

and due to regional inequality and the inflexible nature of the tax, the business rates burden is higher on local shops in the North, Midlands, Wales and coastal regions than those in the South. In the most extreme examples, Bishop Auckland or Leigh, business rates can represent eight times the annual burden they do for a store in Surrey Heath, equivalent to over £800,000.²⁰

- 77 per cent of the constituencies facing the highest burden (top 10 per cent) of business rates are in the North and Midlands and a number of the constituencies most in need of levelling up rank highly, such as Great Grimsby, Bishop Auckland, Burnley and Blackpool South.²¹
- Polling by YouGov has found that over three-quarters of MPs believe the most effective measure for supporting businesses post-Covid would be reductions in business rates and 92 per cent of MPs have had business rates brought to them as an issue by local firms.²²
- Alongside the disparity in rates, policy barriers also exist around skills and the inflexible nature of the apprenticeship levy; rising crime rates in shops and retail innovation.

5. We propose a range of policy measures that can remove policy barriers and could support the creation of over 10,000 new retail and supply chain jobs across 50 constituencies in need of levelling up.²³ The report proposes:

- Reduce business rates to a fixed, 40 per cent tax rate for retail, with additional reliefs for SMEs, to support shops in the UK's regions. Rates is the single biggest barrier to retail investment in levelling up constituencies and a 20 per cent reduction in the rate would stimulate growth and investment.
- Our analysis suggests that this reduction in rates to a 40 per cent tax rate for retail could lead to an additional 10,000, retail and supply chain jobs across 50 representative constituencies in the North and Midlands
- Level the playing field between online and bricks and mortar retailers by introducing an Online Sales Levy at one per cent. This would include exemptions for SMEs and sales related to a physical store, such as Click and Collect. The measure would raise around £1.5bn and make a reduction in business rates for retail revenue neutral for the Government.²⁴
- Support skills and training development by reforming the apprenticeship levy to make it more flexible and effective. Given many retailers are unable to spend more than 15-20 per cent of the amount they pay into the levy, the Government should change the rules to make the levy more flexible and unlock hundreds of new opportunities.
- Protect shopworkers by making assaults against them an aggravated offence, allowing tougher sentences for those who assault shopworkers. Introducing new sentences would recognise the vital contribution of key workers in our shops and protect them from harm.
- Deliver a planning regime that supports sustainable and efficient development of local communities. The Government should build on their recent reforms to make the planning regime more efficient, but maintain high quality retail planning standards to ensure sustainability.



Introduction

Regional inequality and levelling up

On 30 June 2020, the Prime Minister delivered a speech intended to mark the start of the UK's long road to eventual economic recovery.²⁵ He reiterated his Government's commitment to "unite and to level up" the country, a phrase which has become synonymous with his domestic policy agenda.

The phrase levelling up is wide-ranging and can be interpreted in many different ways. While there has never been an official definition, we see in it an attempt by the Government to identify serious regional inequalities, and to declare its intention to rectify these disparities.

"There is a great deal of variation between places in terms of the types of economic activity that concentrate within them, and the opportunities they create for people who live in and around them."

Measuring Levelling Up, Centre for Cities

The regional imbalance in our economy matters because it makes the UK an outlier amongst developed nations – making us less competitive and a less well-balanced economy. Among the G20, all large countries richer than the UK are also more regionally balanced.²⁶ One major reason for this could be that the UK is simply allocating its resources inefficiently. Regional rebalancing is, then, a way of growing the whole of the UK's economy, and increasing our national productivity and competitiveness. But it also matters as an issue of fairness. There is an eight-year life expectancy gap between the richer South East and the poorer North and Midlands,²⁷ making any attempt to rectify these inequalities an urgent issue of justice for those deemed 'left behind'.

These regional inequalities are driven by several underlying factors: the types of jobs, the standard of education, the quality of healthcare provision, the affordability and availability of housing, and physical and digital connectivity. These are all issues which play a major role in peoples' life chances, in the quality of their local community, and in the social fabric that creates stronger communities.

To achieve its commitment to levelling up the country, the Government must therefore focus on the issues which underlie regional inequality, while at the same time ensuring that any new policies do not 'level down' more successful parts of the country. That is the focus of this report: to shine a light on the specific issues that each area of the country faces and to set out a clear link between one particular sector of the economy – retail – and its importance to the levelling up agenda.

Which parts of the UK should be the focus for levelling up?

If the principles of the levelling up agenda were important before Covid-19, now they are essential. While every part of the country has suffered economic damage as a result of the pandemic, Office for National Statistics (ONS) data suggests that the economically worst affected areas are former industrial towns, predominantly found in the North, Midlands, and Wales.²⁸ Most of these places once had a thriving manufacturing sector or heavy industry, but since these jobs declined in the 1980s, there has been little

to take their place. In order to better understand these places, we have created the **Levelling Up Index, a comparison of each parliamentary constituency in England and Wales on key indicators of economic and social wellbeing**. Our analysis does not include Scotland or Northern Ireland due to different governance arrangements and because many statistics on financial and social wellbeing are directly comparable in England and Wales.

We have chosen a set of metrics which we believe best represent how much levelling up a particular area requires: spending power, financial dependency, crime, health, empty commercial properties, and deprivation. These indicators provide a clear picture of regional inequality across the UK.

In much of this report we focus on a select group of 50 constituencies, many of which are part of what has been dubbed by the media the 'Blue Wall', having elected Conservative MPs for the first time in December 2019. The seats we have chosen, such as Workington, Redcar, and Leigh, include 35 Conservative seats and 15 Labour seats, nearly all of which tend to have lower levels of economic and social wellbeing compared to the national average. They form a representative sample of places on the lower half of the Levelling Up Index. There is no doubt that every constituency is different, and each place will have unique challenges and opportunities. However, by finding the common threads between these areas we can then set out a series of substantive policy proposals that can begin to 'level up' the country as a whole.

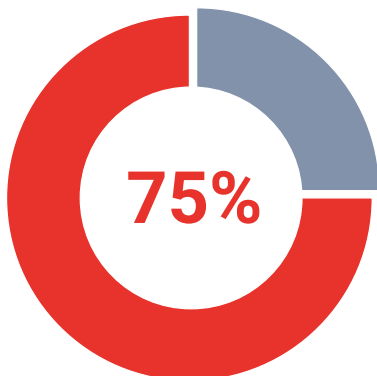
Why retail?

We will go on to assess not just the problem, but the solution. By using unique data that Tesco has provided, we can build a picture of the role that retailers – who make up the UK's largest private sector employer and most geographically diverse business group – currently play and could play in the future. We argue that retail is a 'foundational sector', one which creates a supportive layer of employment for many local economies. We show the unique economic, social and community impacts that shops currently have and areas for growth in the future.

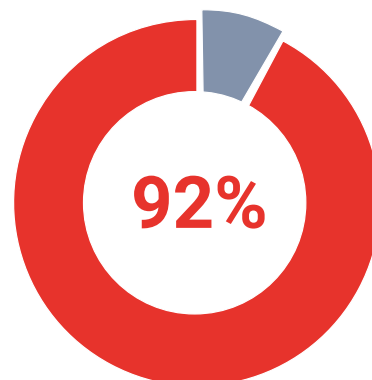
We also discuss the challenges. The Centre for Retail Research predicts that 20,000 roles could be lost in retail this year.²⁹ Some of these challenges are organic, driven by changes in sales patterns, but others are driven by policy. Our analysis of Tesco data shows the burden that business rates pose to shops of all sizes across the UK and the geographic trends. Throughout this report we define the business rates 'burden' as the cost of business rates as a proportion of earnings. Earnings is sales revenue minus the cost of goods sold. This shows for the first time the disparity in burden that shops in the North, Midlands and Wales face compared with their counterparts in the South. It provides insights that can help the Government to devise policies that will deliver levelling up and rectify current inequalities.

We put forward a suite of policies that can improve our six levelling up index metrics with a reduction in business rates as the centrepiece. If the Government takes decisive action, it can unlock thousands of jobs and investment in existing and new stores across the regions of the UK that need support the most.

75% of MPs believe the most effective measure for supporting business post-Covid will be reductions in business rates



92% of MPs have had business rates brought to them as an issue by local firms



Quantifying Levelling Up: The Levelling Up Index

- In order to identify the areas most in need of levelling up, we have created the Levelling Up Index: the first comprehensive socio-economic analysis of each parliamentary constituency in England and Wales showing the constituencies most in need of levelling up.
- The constituencies in need of levelling up make up around 30 per cent of seats in England and Wales. Around 70 per cent of these constituencies are in the North and Midlands. 17 of the 20 most in need of levelling up are in the North, with the remaining three being in the Midlands. Wales and coastal areas are also highly represented.
- Blackpool South, Middlesbrough, Bradford West, Liverpool Walton, Great Grimsby, Hartlepool, Bradford East, Hull West and Hessle, Birmingham Erdington and Birmingham Ladywood are the constituencies most in need of Levelling Up. Only 22 constituencies in the non-London south are in need of levelling up.
- The indicators show different challenges within constituencies, which will be important for policy makers to tackle. For example, constituencies in the Midlands face more challenges around financial dependency, whilst coastal areas score lower on health and a larger proportion of Welsh constituencies have higher commercial vacancy rates.

Levelling Up Index

Despite there being broad agreement over the necessity of the levelling up agenda, there has been limited research and analysis undertaken to quantify what it might mean for somewhere to be in need of levelling up. In order to better understand the task facing policy makers to 'level up' the country, we have created the first socio-economic analysis of each parliamentary constituency in England and Wales: the Levelling Up Index (referred to from now on as the LUI).

We have compared each constituency against the England and Wales average (EWA) on four key indicators of economic performance and social wellbeing, with an extra two for all English constituencies. The figures for each constituency represent how far they are away from this average; for example, a constituency with 150 on the 'crime' indicator will have a crime rate 50 per cent higher than the national average. Our aim is to provide a comprehensive data-driven foundation for future policy interventions. These indicators are:

- **Spending power** – comprised of employment and wage data to show consumer and economic strength.
- **Financial dependency** – focussed on Job Seekers' Allowance and Universal Credit claims and educational attainment rates to show an area's current and likely dependence on state support.
- **Crime** – the crime rate for each area.
- **Health (England only)** – based on both number of GPs per 1,000 patients and life expectancy for each area.
- **Deprivation (England only)** – deprivation score based on the English Index of Multiple Deprivation (IMD).
- **Empty commercial properties** – based on commercial vacancy rates.

Our analysis revealed three broad categories of place, with different needs and levels of success:

1. **The Achievers** – These places perform better than the EWA, and are more likely to be in the south of England or upwardly mobile suburbs of major urban centres.
2. **The Borderliners** – These places hover around the EWA on many of these indicators and are usually in a strong position to capitalise on certain sectoral advantages to boost their recovery. They are spread fairly evenly across our research but are also overrepresented in the North.
3. **The Priorities** – These places have historically suffered structural weaknesses through industrial decline and are often disadvantaged through Government spending. These seats, disproportionately in the North and Midlands of England and in Wales, should be the priorities of the levelling up agenda.

Constituency trends

The LUI clearly shows a pattern in the UK's regional inequality – nearly 70 per cent of the constituencies most in need of levelling up are located in the North and Midlands and are predominantly in towns and coastal areas of the UK. Constituencies located around London and the South East are benefitting from stronger economies, lower levels of crime and deprivation and better health outcomes.

We set out the full list of levelling up seats, along with a full methodological explanation, in the Annex and below we reveal some key findings from the analysis alongside a list of the top 20 seats.

- **Constituencies that are most in need of levelling up make up around 30 per cent of all parliamentary constituencies in England and Wales**, meaning there is a significant minority of constituencies that should be the priority for the Government's levelling up agenda.
- **Towns and cities in the North are most in need of levelling up. Inner-city constituencies (in Birmingham and Liverpool for example) feature prominently in the list as do many towns, like Blackpool, Grimsby and Hartlepool.** 47 per cent of the seats most in need of levelling up are in the North of England, evenly spread between the North West, Yorkshire, and the North East. Towns and small cities feature prominently with Blackpool, Hull, Grimsby, Hartlepool and Bradford all facing larger challenges than cities like Manchester and Sheffield, which have areas of challenge, but have higher economic indicator scores supporting growth and investment. Liverpool and Birmingham are two cities with multiple constituencies facing challenges, alongside Burnley, Redcar, Workington and Preston.
- **Over 20 per cent of seats are in the Midlands.** Three Birmingham constituencies (Erdington, Ladywood and Hodge Hill) rank in the top 15 seats most in need of levelling up and Stoke, Walsall and Dudley follow closely behind.
- **Over 40 per cent of seats in Wales also fall into this category**, making it a priority for the Government's levelling up agenda. Whilst no Welsh seat is in the top 30 constituencies most in need of levelling up, there are eight seats in the next 70. The highest ranking is Blaenau Gwent, followed by Newport West, Swansea West and Wrexham.
- **20 seats are in London, which means over a quarter of London's constituencies are in this group.** East and North East London include several of the highest seats in need of levelling up, including Tottenham, Barking and West Ham. It is worth pointing out, however, that the economic problems facing London are in many senses unique and very different to the rest of the country. This means areas in London may not be directly comparable with other seats in England and Wales. Only 22 seats in need of levelling up were in the non-London south, with clusters in urban centres and the Thames Estuary. The seats least in need of levelling up were located in Southern counties, such as Cambridgeshire, Hampshire, Surrey, Berkshire and around the Cotswolds.

- **Coastal areas were also heavily represented in this category. Of the 25 places most in need of levelling up, 13 were in coastal areas, nearly all of which were in the North of England.** As previously stated, some of the towns most in need of levelling up, including Blackpool, Hartlepool and Grimsby, are towns that have seen traditional industries (such as tourism, fishing and manufacturing sectors) decline in recent decades.
- In terms of the scale of inequality between the places most and least in need of levelling up across indicators the findings provide useful insights:
 - **Spending power:** Areas of Wales, inner cities and coastal areas record lower economic scores. Clacton has the lowest score at 64 (compared to an England and Wales average of 100) followed by Edmonton, Berwick-upon-Tweed, Dwyfor Meirionnydd and Leicester East. This compares to those areas least in need of support, largely located in London where the economy is strongest and employment is high. Cities of London and Westminster score amongst the highest and have a score of around 250, around two and half times the national average.
 - **Financial dependency:** Towns and cities in the Midlands dominate the dependency metric with areas of Birmingham, Wolverhampton and Dudley all running at double the national average, highlighting the major employment challenges in these areas. Birmingham has six constituencies in the top 20. Rural, suburban and student areas have the lowest scores. Sheffield Hallam, Mole Valley and Winchester are at a third of the EWA.
 - **Crime:** Towns and cities in the North record the highest crime metrics with Blackpool, Middlesbrough, Leeds and Bradford amongst the top 10, with crime rates running at around twice the national average. Affluent and more rural areas of the UK have the lowest crime figures, at less than half the national average, ranging from Altrincham and Sale West in the North to Central Devon in the South.
 - **Health:** Coastal areas have some of the poorest health infrastructure and lowest life expectancy and this is true across multiple regions of the UK. Hastings, Clacton, Hull, Thurrock and Grimsby feature in the top 10 with scores under 80. The areas with the best health outcomes are located in the South, particularly the South West, including seats in Devon, Dorset and Somerset.
 - **Deprivation:** Towns and cities in the Midlands, North East and North West are most likely to have a higher number of people suffering from deprivation. Liverpool, Birmingham and Bradford, for example, are cities with multiple constituencies in this bracket, running at two and a half times the national average. There is a large gap between these towns and cities and places in the South of England, such as Wokingham, which has deprivation levels up to eight times lower and at only a quarter of the national average.
 - **Empty commercial properties:** Seats in the North and Wales record higher 'empty commercial property' rates with Grimsby, Newport and Blackpool amongst the highest. They record scores almost twice the national average. Areas in the South and East have better empty commercial properties scores with Forest of Dean, Mid Bedfordshire, South Cambridgeshire and Rayleigh and Wickford recording scores at half the national average.

The twenty constituencies in most need of levelling up*

Constituency	Total score**	Spending power	Financial dependency	Crime	Deprivation	Health	Empty commercial properties
Blackpool South	-76	75	184	233	224	81	173
Middlesbrough	-74	74	212	220	210	84	157
Bradford West	-68	73	228	153	197	77	178
Liverpool, Walton	-68	74	219	172	258	95	125
Great Grimsby	-61	74	180	158	175	74	199
Hartlepool	-57	79	196	182	162	87	166
Bradford East	-54	79	212	166	204	101	121
Kingston upon Hull West and Hessle	-52	97	174	155	186	72	165
Birmingham, Erdington	-51	88	234	123	216	85	108
Birmingham, Ladywood	-51	92	266	104	210	94	111
Burnley	-50	82	178	153	175	73	149
Easington	-50	76	201	165	167	89	130
South Shields	-49	75	171	158	155	89	176
Stockton North	-47	87	163	170	152	94	178
Birmingham, Hodge Hill	-46	77	247	97	228	85	65
Bradford South	-44	75	180	175	177	107	113
Preston	-42	97	154	179	176	81	124
Bootle	-42	92	175	126	197	95	141
Leeds Central	-42	103	173	140	193	92	139
Blackley and Broughton	-42	95	200	93	217	79	115

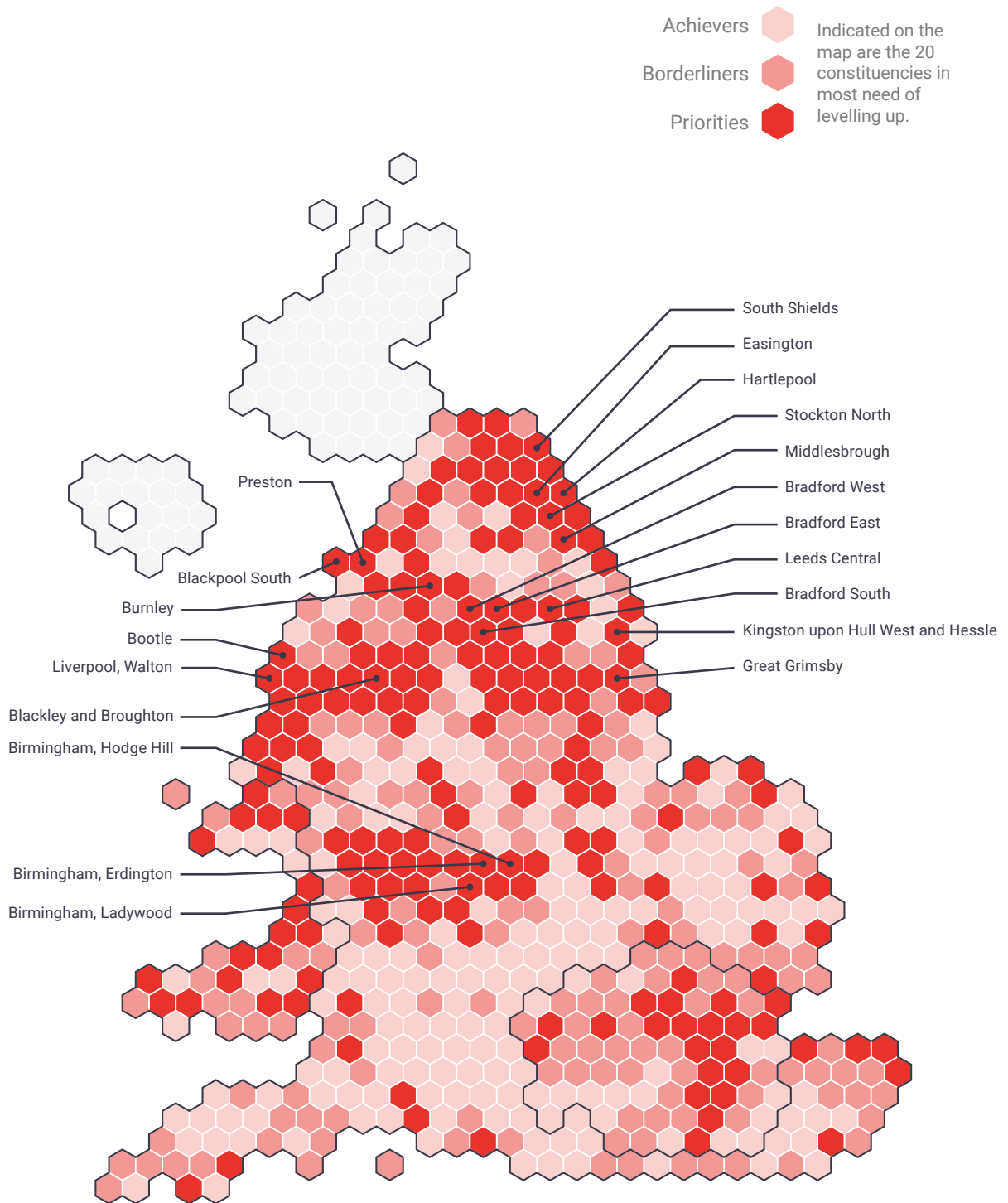
The twenty constituencies in least need of levelling up*

Constituency	Total score**	Spending power	Financial dependency	Crime	Deprivation	Health	Empty commercial properties
South Cambridgeshire	49	142	30	54	37	115	44
Kenilworth and Southam	45	157	52	58	45	115	49
Wokingham	42	136	36	56	28	97	58
South East Cambridgeshire	40	141	49	60	47	113	59
North East Hampshire	39	131	31	59	29	102	80
York Outer	39	106	30	57	32	113	67
Henley	39	118	53	50	39	131	75
South West Hertfordshire	38	134	34	70	38	109	70
East Devon	38	115	47	49	54	132	72
Rushcliffe	37	112	41	63	33	115	67
Cities of London and Westminster	37	244	68	79	78	110	107
Mole Valley	37	153	28	69	45	110	99
Filton and Bradley Stoke	37	133	44	57	52	103	62
South Leicestershire	37	104	51	57	46	113	44
Cheadle	36	113	47	35	53	118	79
Mid Bedfordshire	36	109	42	71	43	103	41
Oxford West and Abingdon	36	122	39	56	41	109	80
South Northamptonshire	36	122	52	62	39	106	60
Maidenhead	35	156	54	62	35	106	98
Buckingham	35	105	49	44	41	116	76

* The indicators are compared to an EWA of 100. For 'spending power' and 'health' higher is better. For 'benefit dependency', 'crime', 'empty commercial properties' and 'deprivation' lower is better. Consistent deprivation data is not available for Wales and so is not included in the index.

** The total score for a constituency is in comparison to an EWA of zero. A negative score indicates that a constituency is performing below average, and a positive above average.

The location of the 'Achievers', 'Borderliners' and 'Priorities' according to the WPI Levelling Up Index



Constituency snapshots

If the UK is to fully recover from the Covid-19 crisis then the levelling up agenda will have to be built into the foundation of that recovery. Understanding the characteristics of the places which can most benefit from the agenda will be crucial to establishing the dynamic policy and business environment necessary to grow at full speed.

In order to dive deeper into the specific challenges identified in the LUI, we have chosen three case studies. For each of them, unique historical circumstances paired with declining sectors and under investment have conspired to create what Andy Haldane, Chair of the Industrial Strategy Council, calls a self-reinforcing “vicious” cycle.³⁰ Addressing the issues facing these places will take time, and there is no single policy lever able to do so. But well-directed decisive action can begin to rebalance these places for the benefit of all.

Mansfield - Spending power

Mansfield has a spending power figure 24 per cent below the EWA. With a high unemployment rate as well, the town has grappled with difficult times since the decline of mining, the industry which in many ways defined the Nottinghamshire economy until the 1990s. At the end of last year, it was reported that wages in Mansfield had dropped by 15 per cent in ten years, leaving some workers £3,000 worse off per year.³¹ The East Midlands is also the region expected to be hit hardest by the short term impact of the Covid-19 economic crisis, with a total fall in Gross Value Added (GVA) of nearly 40 per cent.³²

The story is a familiar one; with much of the economy tied to a strong industrial sector, its collapse was not followed by the inward investment which benefited many southern seats. In this sense, Mansfield is a classic ‘town’ story, one picked up by the area’s MP Ben Bradley who, as part of the 2017 intake, has worked closely with Labour’s Lisa Nandy and other MPs to lobby for the interests of smaller towns in the ex-industrial North and Midlands.

The good news is that the area is exactly the kind of place that could benefit from the levelling up agenda more broadly. The Government has confirmed that Mansfield can move forward with plans to revitalise in a scheme worth as much as £25 million under the Future High Streets Fund.³³

Mansfield’s real strength lies in its potential growth sectors: manufacturing and retail, two industries hugely disadvantaged by the current business rates regime and also put at high risk during the Covid-19 crisis. 10 per cent of employees in Mansfield are employed in manufacturing, and 16% in retail, both higher than the national average of eight per cent and ten per cent respectively.³⁴ The consequence of this is that business rates, effectively a tax on long-term investment, disproportionately affect these types of East Midlands’ seats, reducing the desirability of producing, making, and trading in the town. A store in a constituency like Mansfield (based on Tesco data) faces a burden of business rates as a proportion of earnings above the national average and more than four times higher than stores in the South with the lowest burden.³⁵ Rectifying this disparity is exactly this kind of dynamic approach to business investment, paired with bold action on skills and apprenticeships, which can drive the recovery in low spending power areas.

Washington and Sunderland West – Health

Washington and Sunderland West constituency in the North East of England has both a lower than average life expectancy (12 months lower than the England average at 79.1) and one GP for every 2,000 patients compared to an England average of one GP for every 1,280 patients. The life expectancy figure is a pattern replicated across the North East, where health outcomes tend to be among the worst in the country. Levels of obesity and excess weight, for example, are estimated to be highest here than any other region of the UK.³⁶

The reasons for this are complex, but deprivation in the constituency is high, nearly 50 per cent higher than the England average, and the number of adults on state benefits is almost twice the England average

of 2.6 per cent at 4.9 per cent. The town of Washington makes up a large proportion of the constituency. Sunderland, the city on its doorstep, has experienced economic and population decline since the 1970s and 1980s, along with other deindustrialised urban areas in the North of England.

The North East's economy is widely considered the country's most vulnerable to economic downturn.³⁷ This is due to its reliance on goods exports, supply chain disruptions caused by Covid-19 and/or demand downturns from a recession, all of which would have a disproportionate impact in this area. For Washington, industrial decline began when the mines in the surrounding area were closed in the 1980s. Replacement industries haven't yet appeared to the extent necessary to increase employment and social outcomes to national levels.

However, Washington's great strength is in what it stands to gain from a rebalancing of capital spending. Between 1997 and 2017, capital spending in the North East stood at just £4,054, over £2,000 less than London at £6,160. But a readjustment over this Parliament could see a boost to infrastructure spending, new transport links, and an attendant rise in employment across many sectors of the economy. This, in turn, should improve health outcomes. The most affluent areas of the country are also, not surprisingly, the healthiest. It goes to show how closely linked health outcomes are with financial wellbeing: bring jobs to an area and good health is likely to follow.

Workington – Empty commercial properties

Workington, like many Northern towns, scores worse than average on our 'empty commercial properties' indicator. With 20 per cent more empty premises than the EWA, Workington is by no means in the very lowest end of this category, but instead represents what has become a worrying position for many smaller urban areas: a 'new normal' of routine low occupation rates and empty premises.

During the 2019 general election, Workington became a symbolic constituency after the centre-right think tank Onward identified it as a key swing seat which the Conservatives would need to win to form a majority.³⁸ In the end the seat saw a 9.7 per cent swing to the Conservatives, unseating the then Labour shadow environment secretary, Sue Hayman MP.

The level of benefit dependency and crime in Workington is lower than the national average and despite higher than average levels of deprivation only eight per cent of the population has no or low qualifications, compared to an EWA of 14.1 per cent. Much of this may be due to the huge employment boost from the Sellafield nuclear site, which directly employs around 10,000 people living all across Eastern Cumbria. After the decline of heavy industry, particularly coal and steel, in the 1980s, nuclear became by far the dominant industry.

The trap of lower spending power – poor wages and average to low employment figures – and a high number of empty shops is now well-known and could be said to describe much of the experience in Britain's towns. But the problem is twice as bad in the north of England, with one in five shops standing empty, compared to just one in 10 in the south.³⁹ Business rates certainly play a role here. Rates, with their higher burden in the North, can erode profits and make setting up or keeping a shop open more challenging.⁴⁰ A reduction in these rates could give a huge boost to towns like Workington and see the high street, and retail more generally, growing once again.

Takeaways

- Each of the above constituencies shows the extraordinary diversity of challenge and opportunity facing the levelling up agenda.
- Constituencies in the North and Midlands are overrepresented in the levelling up group, as well as those in coastal areas.
- Levelling up constituencies are not confined to the North and Midlands, however, with over a quarter of constituencies in London also falling into this group.
- No single constituency is the same, but the kinds of policies which will benefit them are broadly similar: a persistently local focus on placemaking, a dynamic environment for physical retail, and a conscious rebalancing of capital spending.



The Role of Retail in Levelling Up Communities

- Our analysis shows that retail is one of the sectors best placed to support the levelling up agenda, based on its socio-economic and community impact.
- Retail is the largest private sector employer in the UK, employing 3.2 million people and providing employment opportunities in all regions of the UK, making it a vital route to work for people of all backgrounds.
- Retail is disproportionately important in terms of employment in the North and Midlands, where the sector can make up over 15% of all roles in constituencies like Blackpool South and Newport West, meaning its success is vital to the employment prospects of these areas.
- Pay and productivity has risen faster in retail than comparable sectors, driven by recent investments by retailers in their colleagues and improvements in technology.
- Retail is also essential to social mobility, providing a route into work, particularly for young people, with a third of all retail employees under-25.
- High streets with poor quality retail spaces are linked to higher levels of deprivation and poorer health outcomes and areas with successful retail spaces have increased footfall and broader community services.
- Retail does face challenges, however, but there are also clear growth opportunities in areas like food retail, where many companies are opening new stores and creating jobs.

What is retail?

Retail is a broad term, encompassing many different types of business model, but for the purposes of this report we are referring to shops. We have analysed all the available data provided by companies, think tanks, parliamentary select committees, Government departments and economic indicators to assess the current impact of retail, as well as using unique data supplied by Tesco. We cite data that reflects all shops but focuses particularly on food retail (supermarkets) given our access to data provided by Tesco. Broadly our analysis has found that shops focused on general merchandise, whether that is homeware, electronics or toys, face more challenges today due to competition from online retailers. Many customers are choosing to buy these goods online and have them delivered to their door, rather than visit a store. For many companies, the current tax system incentivises this method of operation as it reduces the amount that a company pays in property and employment costs, such as business rates. Partly as a result, online sales grew to account for 30 per cent of all retail sales by May 2020.⁴¹ In contrast, many well-known general merchandise shops have faced challenges in recent years, such as BHS, Mothercare and Toys R Us.

Food shops, however, remain robust, as online retail in this area is less developed and customers continue to prefer to buy food in-store at short notice, rather than planning ahead. The way food is bought has changed with customers moving from a trend towards large, weekly shops a decade ago to a world of multiple shopping trips per week with smaller basket sizes.⁴² This has seen a rise in smaller, convenience formats in food retail, such as Tesco Express and Sainsbury's Local.

Broadly, we have identified three prominent trends in shops, particularly in the food sector.

Large stores

Large stores, such as the traditional supermarket, are critical to local economies and act as hubs for jobs and investment. A typical large supermarket supports 500 jobs and can also provide a range of services for the local community, including pharmacies, opticians, recycling facilities and electric vehicle charging points. Large stores grew significantly in the 1990s and early 2000s and as a result many of these stores have been left with more space than they need, as more people shop in smaller formats. For some stores, where costs like rent and rates have risen, and sales have declined due to online competition, this has led to closures. Post Covid-19, retailers who traditionally operate large, general merchandise stores will likely face challenges. Beales has announced the closure of half its department stores and loss of 500 jobs, including sites in Keighley and Mansfield, and John Lewis has announced the closure of eight stores, including its site in Birmingham, with the loss of 1,300 jobs.⁴³

Supermarkets, however, are increasingly redeveloping their excess space, leasing it out to other companies or repurposing it for other needs like housing. This is possible because the future of larger grocery stores can be positive, as long as they adapt. Euromonitor predicts that by 2022 a huge majority of groceries worldwide, 83 per cent, will still be purchased in physical stores.⁴⁴ Retail businesses in the 'larger store' category accounted for a total of £198 billion of revenue in 2017, 48 per cent of the total.⁴⁵

These redevelopments can have benefits for levelling up communities. Retailers like Tesco and Sainsbury's have pursued plans to develop excess space (including building on top of existing stores) to unlock new housing. Equally, space in stores can be repurposed for community services, including barbers, opticians and health services. There is a future for large stores, therefore, but only if sales can continue to remain ahead of rising costs. The rapid increase in business rates and rents is therefore a threat.

“Despite societal change we see independent retail businesses succeeding where many major chains have failed... It is true to say that not all independents will succeed, but in the future small may well be better.”

Andrew Goodacre, chief executive of the British Independent Retailers Association

Smaller stores - high street, independent and convenience stores

More convenient for customers, adaptive to local need and often located in areas with naturally high sales, smaller stores, which are either independently owned or convenience versions of larger brands, serve as important local hubs, driving jobs and footfall. These formats have proved to be a resilient and growing form of physical retail. From 2013-2018, grocery sales in smaller stores grew by eight per cent,⁴⁶ a trend which was accelerated during the Covid-19 pandemic. Figures released by the Local Data Company in February 2020 which analysed the survival rate of 680,000 businesses across the country in a range of retail sectors, showed that “independents have remained resilient” and in many specialisms bucked the trend for decline in 2018-19. This has increased throughout the Covid-19 pandemic with local independent grocers seeing a 69 per cent rise in sales in the three months to June 2020.⁴⁷

Much of the uptick between 2018-19 was driven by strong growth in the UK's regions with the North West and the West Midlands both showing a net increase in independent retailers.⁴⁸ Nearly all other regions of the UK saw declines, however, with tight margins paired with high business rates. Investment in these stores should be encouraged and the Government should incentivise their growth in levelling up areas. The potential success of the smaller store model is clear – in October 2019 Tesco committed to building 150 new Express stores over three years.⁴⁹ Supporting the growth of smaller retail stores could bring significant benefits to levelling up areas, but the business case, based on potential sales and fixed costs, like business rates, will be critical.

Online retail

The online retail sector has grown rapidly over recent years, with UK consumers spending more online than any other European country on a per sale basis. By May 2020, online accounted for 30 per cent of all retail sales, driven particularly by a rise in general merchandise, but also with increasing sales in the grocery sector.⁵⁰ This trend has been accelerated by Covid-19, with nearly one in five British households buying groceries online in the month to mid-June 2020. The benefits of this retail experience have been seen during Covid-19 where online slots were valuable, particularly for vulnerable customers. Equally, as the data cited previously shows, many customers prefer to continue to shop for groceries in store and the UK still faces a capacity challenge with online retail unable to meet the need of all UK shoppers.

The growth of online retail has opportunities and challenges. The opportunities are ease for customers and the potential for new distribution hubs. Places like Daventry demonstrate what is possible when the conditions are created for local areas to become established distributed centres. Tesco employs 3,000 people across three major sites in Daventry – Clothing, Grocery and Frozen distribution centres – and other companies, such as Sainsbury's and Amazon have facilities in the location due to its position in the centre of country, next to a rail line and the M1. Wages, as a result, are higher as competition for employees is high. Many retail distribution hubs are located in our levelling up areas; Tesco, for example, has facilities in Doncaster, Middlesbrough, and Widnes. As online retail continues to grow, more of these distribution hubs could be rolled out and there is an opportunity to make levelling up competitive as these sites are set up.

The challenges, however, are that the growth of online retail has put pressure on physical stores. The pressure is further increased because analysis suggests that online retail faces lower tax contributions, as a proportion of sales and earnings, than physical shops.⁵¹ Tesco's business rates and corporation tax bill is equivalent to nearly three per cent of each sale, an online retailer faces a burden below one per cent - a major disparity in a low margin sector. A level playing field on tax would allow retail to compete fairly, without disincentivising online retailers.

Why is retail important to levelling up?

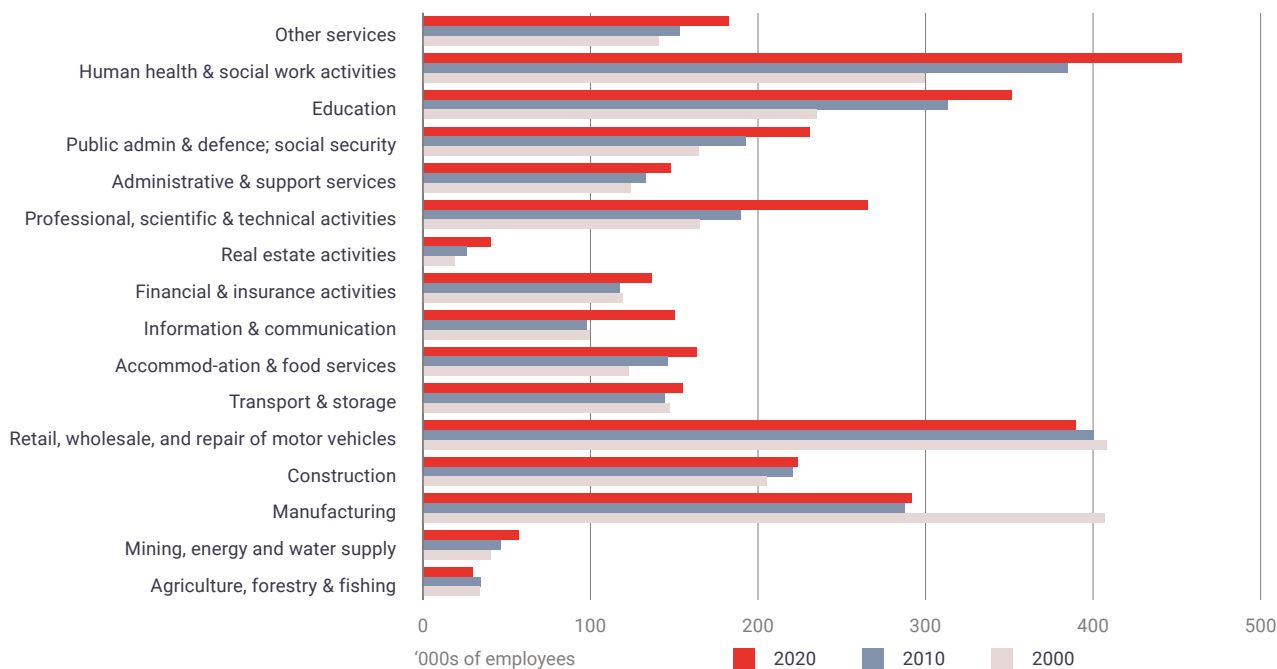
Retail's status as a 'foundational sector' is based on the unique benefits it brings to the LUI indicators we have highlighted previously. We have already seen the individual challenges that certain constituencies in the North, Midlands, Wales and coastal areas are facing across our six indicators. Below, we have selected three of our indicators – spending power, health, and empty commercial properties – to demonstrate the role that retail plays in supporting these constituencies and the potential opportunities for the future.

Spending power

The LUI shows the challenges that communities face when 'spending power' is limited. This can be due to a lack of available jobs or jobs that don't provide a level of pay that supports local communities.

Historically, the employment rate has been the metric by which UK Governments have been judged. This focus is even sharper due to Covid-19, with the Bank of England predicting that 2.5 million people could be out of work by the end of the year.⁵²

Employment by sector, 2000 – 2020



Source: ONS (2020) Employment by industry

In this context, it is important to consider which sectors are best placed to tackle unemployment. As the chart on page 21 shows, retail is second only to health and social care in terms of UK employment, providing 3.2m retail jobs, rising to 3.9m under the ONS definition (wholesale, retail and repair of motor vehicles). In the private sector it is unrivalled in terms of job figures, providing a million more than the next closest sector.

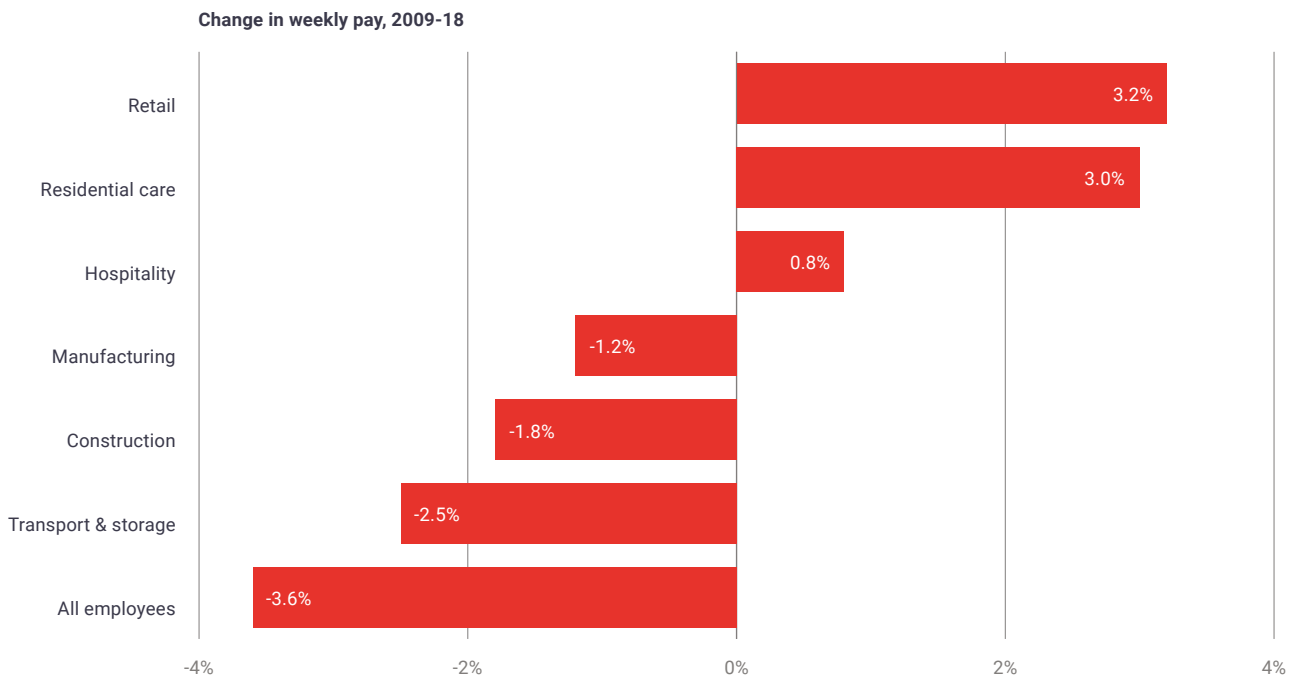
More importantly, in terms of the impact on the economy, the employment level and output of the sector has typically been more robust than the broader economy. Figures show that during the financial crisis of 2007-08 the sector only saw an annual reduction in output of two per cent and consistently outperformed the whole economy between 2014 and 2018.⁵³ Alongside this economic performance, the retail employment rate has remained relatively stable over the past 20 years as other sectors have waxed and waned.

In fact, the legacy view of retail being in decline is wide of the mark. Prior to Covid-19, although retail jobs as a *proportion* of overall jobs had fallen, that fall had not translated into a large decline in the *number* of jobs. Between 2003 and 2018, the number of retail jobs fell by only 28,000, a fall of only 0.9 per cent.⁵⁴ This contrasts with other large employment sectors such as manufacturing, where the number employed fell by 708,000 during the same period, a 26 per cent decline.⁵⁵ Some parts of the retail sector, such as food retail and online, have seen growth in every year since 2014.⁵⁶ It would be wrong to suggest that recent years have been easy for retailers – the Centre for Retail Research predicts 235,000 jobs losses this year⁵⁷ – and Covid-19 could accelerate challenges further. Retail has historically outperformed other sectors, however, and shown an ability to bounce back quicker.

Retail employment is therefore significant and robust, but how does it apply to the constituencies we have identified in the LUI? At a regional level, as the map on page five of this report shows, retail is proportionally more important to the labour markets of regions in need of levelling up. That map closely mirrors the LUI, showing that retail is most important to the labour markets of the North West, North East, Midlands and Wales. In terms of numbers, retail on average makes up around 10 per cent of all jobs in a typical region. This number is higher in regions in need of levelling up and looking at a constituency level makes this even clearer.

The good news is that data shows that productivity and pay in the retail sector has already increased faster than comparable sectors in recent years. Productivity has increased by 40 per cent since 2003, albeit with a drop over the last five years, and companies are looking to use new technology to increase productivity further.⁵⁸ Real hourly pay in the sector has increased by over five per cent since 2009, compared to a fall across the rest of the economy of four per cent.⁵⁹ Retail is providing a high number of jobs, with increasingly better pay, in exactly the areas which need to be levelled up. This high employment is supporting the social mobility agenda and is particularly beneficial to younger workers entering the job market, with a third of retail workers aged under-25.⁶⁰ The reasons for this rise are complex. Partly caused by the increase in the National Living Wage, they are also reflective of retail's status as a high-churn sector in which low productivity firms are competitively driven from the market. In terms of what this means for a person working in retail, the diagram on page 23 shows the relative annual income of someone employed in retail compared with someone working in a National Living Wage role, and someone who has remained out of work – this shows

Real median weekly pay by industry



Source: Resolution Foundation analysis of ONS (2019) *Annual Survey of Hours and Earnings*

Note: Real median weekly pay excluding overtime, CPIH-adjusted to 2018 prices

clearly that in areas with high benefit dependency, someone out of work or on a National Living Wage role would make significantly less than someone in a full time retail role.

Taking Tesco as an example, pay from October 2020 will be £9.30 an hour with further benefits on top (for example, a shopping discount and pension contributions). For a single person working a standard 36.5-hour week, their annual pay will be £17,651.40, compared to £16,550 for the National Living Wage and £3,866.20 if someone is receiving Job Seekers Allowance.⁶¹

To put this into context, the difference between the National Living Wage and a Tesco wage equates to an additional £1,101 per year, or £91 per month, equivalent to nearly a month's worth of food shopping for the average person.⁶² Wages are likely to continue to increase for employees across the sector and many retailers are on course to pay £10 per hour or more in the next few years. Distribution and more specialist workers are paid significantly more again.

Retail supports people into new jobs, which are higher paid than the National Living Wage



**Full time Tesco colleague
annual salary: £17,651.40**

**With employee benefits
included: £19,397.56**



**Job Seekers' Allowance
Annual: £3,866.20**



**National Living Wage
(over 25 rate)
Salary: £16,550.56**

Retail's 'foundational' status is under threat from Covid-19, leaving the sector most at risk where its margins are finest, and where it makes up the largest proportion of the job market: our levelling up areas. Even if retail were to decline at an even rate across the country, those areas struggling most on our indicators would be hardest hit. What's more – and central to the case of retail being foundational in the first place – the areas that we have identified as being set to benefit most from levelling up are also less likely to have alternative employment prospects. A foundational sector is often the core from which further jobs are produced and supported; removing these jobs from the economy is likely to have an outsized impact on adjacent sectors in these areas. Retail's decline, then, would have a hugely uneven geographic impact.

Health

Beyond the economic role that sectors such as retail play in the economy, is another role which is harder to quantify – the social role in the local community. As outlined by the LUI, this covers issues related to health, crime and education – elements that can help to support quality of life in local areas. One core element of quality of life is health and as the index showed, coastal constituencies, such as Hull East, Clacton and Grimsby, have lower public health metrics. One particularly prominent focus in the current health debate is obesity, which is worth considering further.

Covid-19 has highlighted the link between poor health outcomes and mortality. Studies have shown that obesity increases risk of death from Covid-19 by 48 per cent.⁶³ The latest statistics show that 70 per cent of UK adults are overweight or obese and hospital admissions for obesity have risen by 22 per cent since 2014/15⁶⁴. Obesity is closely linked to regional inequality. Analysis by the NHS shows that admissions directly attributable to obesity were four times higher in more deprived areas of the UK. This matters as obesity is predicted to lead to 9,000 premature deaths and is estimated to cost the UK £23bn per year by 2050⁶⁵.

Much of the responsibility for improving public health outcomes rests with the Government and other public sector bodies, but the private sector has an important role. The Government's 2020 obesity strategy has highlighted the important role that retailers will play in tackling obesity by helping to reduce calories and provide vital health services. Retailers are now committed to significant calorie reductions programmes to ensure that products sold in local shops are healthier. Many have reformulated soft drinks to reduce sugar and products have seen significant reductions in fat, salt and sugar content of products. For example, Tesco

has removed 24.46 billion calories through their reformulation strategy and are on track to deliver the full 50 billion by the end of 2020.⁶⁶ This can help to improve the health outcomes of our levelling up seats.

“Large retailers are increasingly seen by government agencies and other organisations as key partners in addressing issues of public interest such as encouraging healthy lifestyles, broadening access to employment opportunities and revitalising town centres and deprived neighbourhoods. The major supermarket chains run thousands of pharmacies, and increasingly partner with health authorities to offer health check-ups, smoking cessation and GP services.”

Shopping for Shared Value, The RSA

Beyond healthier products, retail provides key health services. The health partnership networks now present in many major supermarkets across the UK are providing health check-ups and GP referrals to millions of customers. In levelling up constituencies, there are challenges of poor health outcomes and a lack of services available. Supermarket pharmacies now work directly with the NHS to take pressure off local GP surgeries and to provide critical services to the local community such as flu jabs, freeing up public health appointments. They also serve a vital community purpose, consolidating trips for vulnerable and elderly customers and opening for longer, on average, than other types of pharmacy – 100 hours a week compared to 50.

Retail is also important in the role it plays in supporting healthier high streets. Data by the Royal Society of Public Health shows that high streets that have a high proportion of poor-quality outlets, such as fast food, gambling shops, and off-licences are far more frequent in the most deprived areas.⁶⁷ It is, therefore, no surprise that the male life expectancy gap between the least and most deprived areas (disproportionately in the North, Midlands, and Wales) is 7.4 years for men and 4.6 years for women.⁶⁸ Lowering the costs of doing business in these areas could save many communities from this decline and encourage entrepreneurial independents and high-quality chains to take over empty premises.

This last point is particularly important for our health indicator; data suggests that getting physical retail right can have significant positive indirect effects on people’s mental health, with empty shops and declining high streets linked with negative impacts on the mental health of local people.⁶⁹

Empty commercial properties

The constituencies with the highest scores on this metric include Grimsby, Newport West, Bradford West, Blackpool South and Hartlepool. Many of these areas have vacancy rates twice as high as the South East and this can mean one in five commercial properties standing empty⁷⁰. This issue matters because empty

properties create a vicious cycle in town centres by reducing footfall, reducing jobs and limiting economic growth. The causes of empty properties are complex, but a major factor is the broader economy – Centre for Cities research shows that locations with vibrant high streets, like Cambridge, have shoppers with an average £634 more to spend per month than those in levelling up areas like Newport or Bradford.⁷¹

Driving up the performance of the local economy and reducing the cost of doing business are two ways to address the challenges of vacancies and should be seen as major priorities for levelling up. The Government has already taken positive steps through the Future High Streets Fund but can work with retail to invest in more local economies. A typical supermarket can provide a 20 per cent footfall boost to a local area by attracting 4,000 shoppers a day into the store. These shoppers are then more likely to shop and spend in the local area.⁷² This can be the case with both small and large stores. Smaller stores can help to drive footfall to other businesses and larger retail businesses are often the centre of new shopping redevelopments. Large Tesco stores in West Bromwich and Rugby act as hubs for new “second high streets” in the local area creating vibrant, new retail environments.

Beyond footfall, shops can positively benefit local communities through increased walking, increased employment opportunities, and more social interaction. The Royal Society of Public Health and the Portas Review wrote extensively on the challenges that empty shops bring to mental wellbeing. The Portas Review stated that “when key high street buildings are in a state of disrepair or lifelessness, they can destroy the spirit and potential of the town”.⁷³ The RSPH go further showing survey data that over half of people agreed that their mental wellbeing is negatively affected by empty shops and citing research that empty buildings have been linked to stress and depressive symptoms.⁷⁴

Through their substantial employment, customer and geographic footprints, physical retailers have a significant role in local communities. We have already outlined the employment and footfall benefits, but

“High streets and town centres provide a space in which communities are able to mix freely. This is especially important for more vulnerable or isolated groups, such the elderly, young people and recent immigrants, who are all more likely to rely on the ‘informal offer’ that social infrastructure and shops on the high streets provide.”

The Future of High Streets and Town Centres in 2030 Report, Ministry of Housing, Communities, and Local Government Committee

additionally retail is a vital community anchor. Shops are often meeting points for local people; accessible destinations for the vulnerable and the bustling hubs of local towns. More importantly they directly support community initiatives at a scale that other businesses cannot. The Co-op, for example, gave over £17m to more than 4,000 local causes in 2019 through their Local Community Fund,⁷⁵ whilst Tesco created a £25m package of support for local areas during the Covid-19 pandemic.⁷⁶

But this support is only possible if retail is there in the first place. To do this, the Government will simply have to make trading more viable for more businesses in more places: central to this should be reducing barriers and increasing incentives. Business rates, with their uneven geographic impact, are a prime example of taxes acting as a disincentive and having serious distorting effects.

As the HCLG Select Committee has noted, ending the reign of empty shops will also rely on retailers redeveloping their environments to support more services and become more adaptable to local needs.⁷⁷ The move should be towards smaller and more service driven shops. These formats have grown. Smaller convenience stores, for example, increased in number by 518 between 2013 and 2019, with cafes, bakeries, and hair and beauty retailers also seeing large increases.⁷⁸ But this will mean incentivising those smaller businesses to 'set up shop'. Partly due to business rates, the UK now has the highest property taxes in Europe, 50 per cent more than the next nearest country.⁷⁹ Minimising this financial pressure could open up new opportunities for high streets, town centres, and out of town retail. Reimagining the high street doesn't mean getting rid of retail, but instead seeing retailers as one piece of a much larger picture of healthy and thriving communities.

Takeaways

- **Our findings, paired with external data, show that retail is uniquely placed to support the transformation of levelling up constituencies.**
- **With a more sympathetic policy environment, much of the sector could stand ready to invest in many of the UK's most deprived communities, having a direct impact on our six levelling up indicators.**
- **Communities and town centres are changing, but retail will continue to play a central role; managing the transition towards a more balanced ecosystem of retail, services, and housing means recognising disparate geographic impacts in how businesses are taxed.**
- **In short, retail provides a foundation for the development of other sectors of the economy, boosts social and health outcomes, and has a positive impact on how people view their local area.**



Case Study - Tesco in Levelling Up Communities

- We have used the UK's largest retailer, Tesco, as a case study to assess the benefits of retail. Given Tesco's geographic spread of 3,600 stores (including Tesco, One Stop and Booker stores), it is a good proxy for assessing the impact on levelling up communities.
- The Tesco data shows that retail as a sector is best placed to support levelling up constituencies, given the high number of operations in levelling up constituencies. Across the UK Tesco is disproportionately focused in regions in need of levelling up.
- 70 per cent of Tesco stores and 75 per cent of store employment is located outside London and the South East. The company contributes £7bn to the Northern economy each year and supports 150,000 jobs, 32,000 of which are direct Tesco jobs. This is equivalent to 2 per cent of all jobs in the area.⁸⁰
- At a more granular level, we have identified 50 constituencies across the North, Midlands, and Wales to assess the constituency level impact of Tesco stores in levelling up communities. This shows that Tesco:
 - Supports, on average, c.1,000 jobs in each levelling up constituency, making it one of the largest employers in each area.⁸¹
 - Invests £250,000 in the stores in each constituency every year, driving value to the local economy.⁸²
 - Provides £1 million per year in charitable contributions across the constituencies, supporting local community organisations.⁸³
- Case studies show the vital community services that retailers like Tesco are uniquely placed to provide, such as pharmacies.

In order to understand the benefits physical retail can bring to levelling up areas, this chapter presents Tesco as a case study of how retail can improve the six LUI indicators.

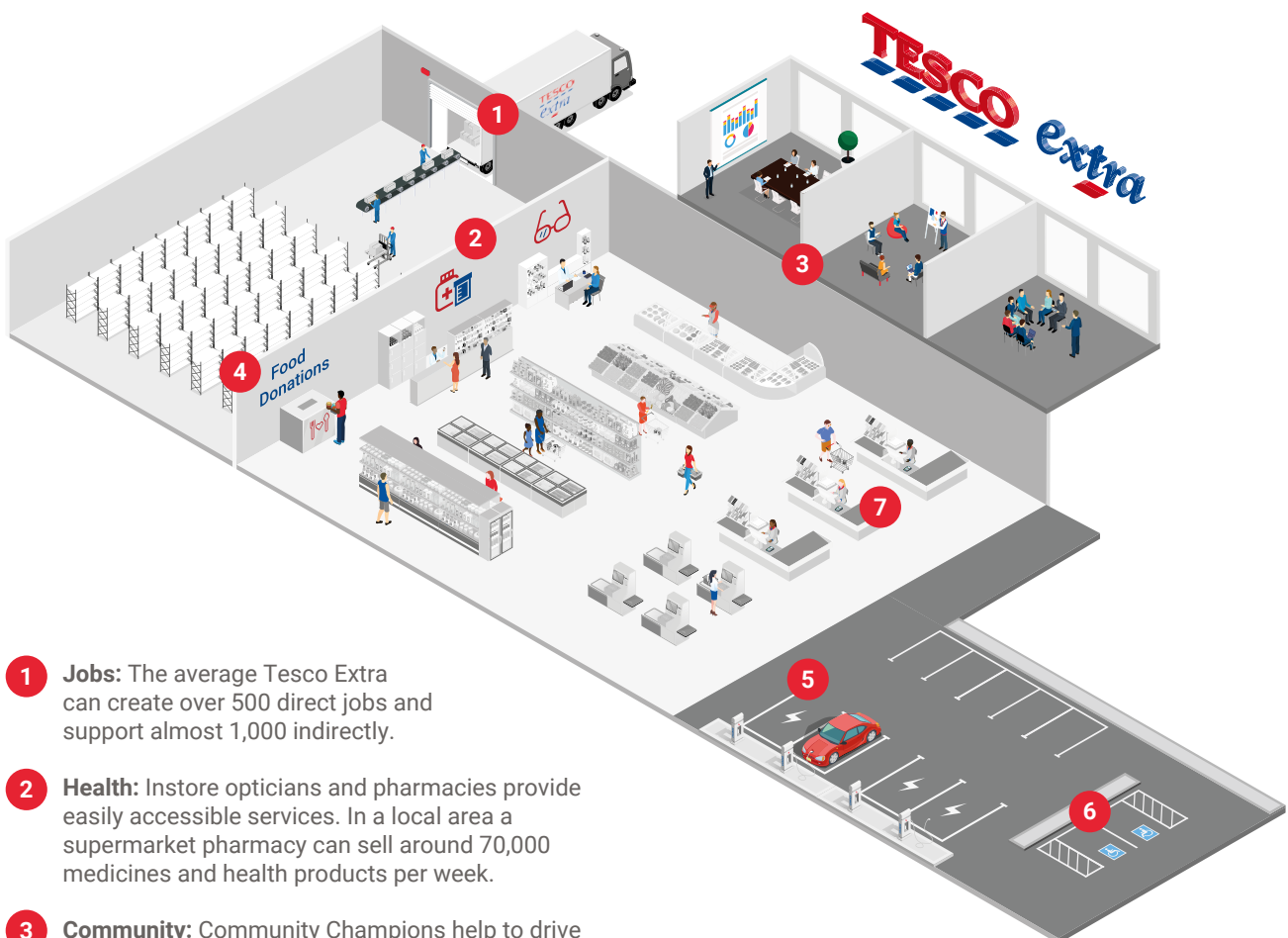
Tesco at a regional level

Many retailers in the UK have different markets and focus areas, largely related to their origins, but the benefit of national food retailers is that their operations are spread across each UK region and have significant operations outside the more affluent London and South East region. Data provided by Tesco shows how their operations break down across the UK and the significant presence in levelling up regions:

- **70 per cent of Tesco's UK stores are located outside London and the South East and this rises to 80 per cent of its large stores.** There are 500 stores in the North of England (North West; North East and Yorkshire and the Humber) and a further 350 in the Midlands. Together this is 40 per cent of Tesco's English stores. This means that the largest hubs for jobs and investment are in the regions that we have identified are most in need of levelling up: the North, Midlands, Wales and South West.⁸⁴
- **75 per cent of Tesco's employment footprint is located outside London and the South East and 65 per cent of Tesco's economic impact (GVA) is located outside London and the South East.**⁸⁵ Due to the nature of retail business operating models, with a small head office staff and large number of frontline employees, the majority of the company's employment and economic footprint is located in the regions we are focused on. This is different to other sectors, such as manufacturing and pharmaceuticals, which will have large concentration of jobs in a small number of specific hubs across the UK or at a major head office, often located in the South East.

- Due to their size, grocery retailers can have a large impact on local and regional economies. Tesco contributes £7bn to the Northern economy each year and supports 150,000 jobs, 32,000 of which are direct Tesco jobs.⁸⁶ Tesco also contributes £5bn to the Midlands economy each year and supports 110,000 jobs, 24,000 of which are direct Tesco jobs.⁸⁷ Retail is already a significant anchor of local economies in these regions and as the Government considers levelling up, it should look to be building on these major foundations.
- Tesco invests over £70m in stores in the North and Midlands each year.⁸⁸ This investment takes place at a store level, helping to drive new economic growth and spending across hundreds of communities.

Benefits brought to the local area from a typical supermarket



1 Jobs: The average Tesco Extra can create over 500 direct jobs and support almost 1,000 indirectly.

2 Health: Instore opticians and pharmacies provide easily accessible services. In a local area a supermarket pharmacy can sell around 70,000 medicines and health products per week.

3 Community: Community Champions help to drive forward positive local change whilst local groups can use Tesco's Community Rooms as meeting spaces free of charge.

4 Charity: Food donations can be collected instore through Tesco's Community Food Connection whilst the Bags of Help grant scheme uses money raised through the carrier bag charge to fund to local causes.

5 Environment: Automatic sensors, LED lighting and natural refrigerants help to reduce Tesco's carbon emissions. Electric vehicle charging points cater for and encourage the take-up of electric vehicles across the UK.

6 Accessibility: Supermarkets are often key destinations for the vulnerable, who need accessibility.

7 Skills: Supermarkets can offer a range of training and development opportunities, which can help people to increase their life skills and wages.

Based on Tesco data for the 50 selected parliamentary constituencies.

Tesco in the 50 levelling up constituencies

We have drilled down further into the data, analysing Tesco's contribution to 50 representative constituencies across the North, Midlands, and Wales, which are nearly all in the lower half of the LUI. They represent the diverse economic and social landscape as it actually exists in the UK's regions. By analysing Tesco's contribution on financial, social and place-based factors, we can understand the national contribution of a well-functioning and efficient retail sector. We present first the statistics, but then also local case studies to bring the data to life.

In terms of the 50 constituencies we have identified, they have common features and many should be a focus for levelling up:

- The average salary across these constituencies is £2,400 less than the EWA
- The employment rate is nearly five per cent lower than the EWA
- The number of people on JSA or universal credit is over 40 per cent higher than the EWA
- The number of people with no or low qualifications is nearly 30 per cent higher than the EWA
- The deprivation score is nearly 25 per cent higher than the EWA
- 35 of these seats are served by a Conservative MP, 15 by a Labour MP

Key findings

- There are 250 Tesco stores across the 50 constituencies, with an average of five per constituency – making the company one of the largest businesses in each constituency.
- There are over c. 50,000 jobs supported across all 50 constituencies, with an average of over c. 1,000 per constituency – in a typical levelling up constituency this would mean Tesco supporting one in every 40 jobs.¹⁰⁰
- There are 430 community facilities across the 50 constituencies, including accessible shopping locations, recycling centres, electric vehicle charge points and 40 pharmacies each providing an average of c.70,000 medicines and health products per year.

Tesco's contribution across the 50 constituencies

Constituency	Number of Stores	Direct Jobs	Total Jobs Supported	Bags of Help Projects	Bags of Help Funding	Community Food Connection (meals supplied)	Total Community Facilities *
Barnsley Central	5	100	487	35	£92,665	£38,052	4
Barnsley East	5	545	1,914	49	£129,864	£145,978	12
Barrow and Furness	6	465	728	45	£125,854	£212,856	14
Bassetlaw	7	307	982	49	£148,670	£44,732	5
Birmingham, Northfield	3	55	374	4	£21,000	£36,623	4
Bishop Auckland	1	230	573	21	£74,332	£44,860	6

Constituency	Number of Stores	Direct Jobs	Total Jobs Supported	Bags of Help Projects	Bags of Help Funding	Community Food Connection (meals supplied)	Total Community Facilities *
Bolsover	2	195	886	65	£178,418	£43,743	5
Bradford South	4	619	1,095	25	£87,882	£197,825	15
Bridgend	6	651	1,040	35	£113,510	£131,880	13
Burnley	7	512	882	44	£128,132	£133,402	14
Bury North	4	307	768	76	£198,421	£78,143	13
Bury South	4	350	628	25	£81,220	£50,210	9
Coventry North West	7	139	304	12	£36,278	£67,252	4
Crewe and Nantwich	4	338	2,742	42	£136,297	£100,640	10
Derby North	5	322	514	23	£69,514	£67,284	6
Dewsbury	5	80	454	23	£61,166	£30,061	7
Don Valley	6	102	439	27	£61,980	£23,422	2
Doncaster North	6	95	334	20	£52,212	£13,344	2
Dudley North	5	630	923	25	£90,107	£118,729	10
Great Grimsby	2	201	1,923	26	£76,354	£133,121	7
Hartlepool	7	423	633	49	£136,469	£108,352	10
Heywood and Middleton	9	631	1,406	70	£212,984	£100,998	22
High Peak	6	430	816	73	£223,400	£141,937	12
Hyndburn	6	617	1,433	87	£224,727	£185,727	19
Keighley	2	134	335	31	£61,961	£18,724	4
Leigh	3	368	835	37	£78,661	£133,335	9
Makerfield	6	290	549	31	£95,058	£89,922	10
Newcastle upon Tyne North	3	563	876	11	£18,166	£104,430	9
Newcastle-under-Lyme	3	78	403	25	£70,010	£34,466	4
Normanton, Pontefract, and Castleford	6	167	1,211	37	£103,371	£51,627	4
North West Durham	3	255	609	44	£158,266	£57,208	8
Oldham East and Saddleworth	6	565	1,098	28	£67,229	£104,047	17
Redcar	4	395	695	23	£85,727	£117,126	9
Rotherham	6	331	588	37	£104,874	£75,261	13
Scunthorpe	6	97	621	40	£118,467	£7,808	2
Sedgefield	1	225	545	21	£42,893	£90,658	5
Stalybridge and Hyde	5	488	2,089	26	£68,166	£68,760	8
Stockton North	6	739	1,221	44	£129,085	£244,564	14
Stoke-on-Trent Central	4	671	1,245	22	£65,666	£206,325	13
Stoke-on-Trent North	2	192	427	32	£91,726	£164,687	6
Stroud	8	447	936	97	£279,327	£48,076	14
Vale of Clwyd	4	308	474	61	£131,075	£45,739	3
Wakefield	6	110	3,543	12	£20,972	£21,136	6
Warrington South	7	462	1,134	36	£105,374	£146,740	12
Wentworth and Dearne	4	316	1,071	51	£120,636	£66,466	10
West Bromwich East	3	441	768	33	£78,898	£54,401	12
Wolverhampton North East	8	199	507	7	£11,205	£24,680	4
Wolverhampton South East	6	219	475	12	£39,000	£92,037	1
Workington	5	260	598	60	£170,992	£35,254	4
Wrexham	2	435	1,227	37	£118,056	£64,304	8
Total	241	17,099	46,358	1,845	£5,196,317	£4,416,950	434

* Community Facilities include pharmacies, opticians, cafes, community rooms, community champions, cash points, disability support, recycling facilities and electric vehicle charging points.

Financial benefits

In our index, 'spending power' (made up of the employment rate and earnings) is the key indicator which measures the financial potential of an area, and grocery retail is in a unique place to help. A large retail employer can bring large financial benefits to an area. Tesco, for example, directly employs 17,000 people spread evenly across the 50 constituencies, in roles ranging from senior management to store colleagues, and a further 30,000 jobs in the supply chain, according to previous KPMG analysis.⁸⁹ That means that on average Tesco is supporting around c. 1,000 jobs in each of our 50 constituencies, with many more across retail as a whole. This impact is significant, in Barrow and Furness for example Tesco supports c. 1,200 jobs, which compared to the employment population in the area, 34,000, is equal to nearly one in 30 jobs.⁹⁰

Retail jobs are also seeing above average increases in pay in these areas, directly boosting 'spending power'. Tesco is no exception to the increase in pay rates across retail as a whole; employees in-store have had their basic pay increased by over 20 per cent between 2016 and 2020, and pay rates are now around 10 per cent higher than the National Living Wage.

Many areas of retail have a largely British supply chain, especially grocery. Much of this comes from a shift towards long-term investment, creating stability and sustainability for retailers and suppliers. The benefits of this approach are felt all the way through Tesco's supply chain, and companies around the UK, especially after Tesco changed its approach from annual negotiations to "long-term partnerships"⁹¹ in 2014. That model, at scale, could point a way forward for the retail sector. Tesco's supply chain supports 449,000 jobs in the UK and the company spends £32.7bn with UK suppliers, according to previous KPMG analysis.⁹²

One of the important benefits of retail's wide geographic spread is the ability it has to train the next generation of key workers. In total, Tesco trains 1,200 apprentices per year with a 91 per cent pass rate, many of whom are looking to develop the transferable skills that will set them up to move into other high-productivity sectors.⁹³ And the work of retail isn't only shop-floor focused, apprenticeships have been launched in LGV driving, project management, software development, finance, human resources, and food science and technology.

Much of the retail sector wants to take on more apprenticeships, but the current apprenticeship levy makes this difficult. In the 50 constituencies, for example, Tesco currently employs only 73 apprentices but would be able to take on many more given the right conditions and if particularly beneficial for the area. In the policy chapter of this report, we lay out some further changes to skills policy that we estimate could, when taken as a whole, nationally boost Tesco's apprenticeships scheme by 500 places per year and the retail sector by 1,500 per year.⁹⁴

Case study: Stalybridge and Hyde

Many areas of the North, such as Greater Manchester's Stalybridge and Hyde, suffer from a lack of long-term stable employment. As a result, unemployment in the borough of Tameside – where the constituency lies – stands at 4.5 per cent against a UK average of 3.9 per cent. The retail sector has filled the jobs gap here, providing increasingly higher productivity jobs in a well-paid sector. In Tameside, over 13% of the working population are employed in retail, almost a third higher than the national average of 10%.⁹⁵ Tesco alone has directly created almost 500 jobs in Stalybridge and Hyde, supporting a further 2,000 jobs indirectly.⁹⁶

But the area is also an example of how far there is to go, and how a freed-up retail sector with more investment capacity could bring further employment and skills boosts to an area. Currently there are only three Tesco apprentices working in a constituency with youth unemployment 56 per cent higher than the national average. Allowing changes to the apprenticeship levy could create more apprenticeship starts across Tesco's stores, driving up our financial indicators and levelling up the constituency.

Social benefits

The 'health' indicator in our index is one of the key measures of the 'social benefits' brought to areas by the retail sector. Across the country, pharmacies within larger retail stores play a key role in health provision for millions of people. Tesco's pharmacy presence in the 50 constituencies is particularly strong – supporting 1.3 million people and dispensing 1.85 million items per year.⁹⁷

Supermarket pharmacies are prized by Government because of their access and reach, and are increasingly the frontline of community health triage. As healthcare provision becomes more localised, pharmacies within supermarkets can play a role as 'community hubs', providing key services in a familiar setting to people in especially hard to reach categories.

As the Government has made clear in its 2020 obesity strategy, pressures on frontline care can also be reduced if food retail customers can be encouraged to make healthier choices – and 77 per cent of customers want retailers to help them do so.⁹⁸ Tesco's initiatives include reformulating products to remove 50bn calories by the end of 2020, encouraging customers in places with high obesity (areas of the country with low spending power and low health outcomes on our index) to choose the healthiest options possible. Approaches like these can drive up life expectancy and boost the health indicators across all 50 constituencies.

“High streets and town centres are at the heart of the community and, as Jake Berry, [then] Minister for the Northern Powerhouse and Local Growth, put it, are our ‘original social network.’”

The Future of High Streets and Town Centres in 2030 Report, Ministry of Housing, Communities, and Local Government Committee

Finally, retailers like Tesco are also uniquely placed within the private sector to impact crime reduction first-hand. The large grocers have collaborated successfully with the trade union USDAW in an attempt to minimise shoplifting, violence, and the abuse of staff. It is unacceptable that there are still over 400 incidents of violence or abuse against shopworkers every day in the UK⁹⁹ and there is more the sector can do, in partnership with Government, to bring these figures down.

Case study: Stockton-on-Tees

In Stockton-on-Tees, where health indicators on our index are around nine per cent lower than the England and Wales average, Tesco's pharmacy team go far beyond dispensing prescriptions; they support customers from NHS 111 referral, and deliver a large volume of drug addiction, sexual health, and palliative care services, working proactively with local healthcare professionals as another link in the chain of responsible public health provision.

Stockton-on-Tees in-store pharmacy manager Przemyslaw Pindor says a physical store is very important for some customers: *“We get lots of customers, particularly the older ones, who will come at a specific time and specific day. They know who they want to see on our staff and they'll spend fifteen to twenty minutes talking to them. I'm sure that sometimes our staff are one of only one or two people they'll see all week.”*

He adds that this close community connection is important in a place like Teesside: *“I came here 15 years ago from Poland and of course I know the history of the coal mines and steel works going, and how thousands lost their jobs. A lot of these people now are depressed and suffer from other mental health problems. Expanding our services in store is a way to make sure we don't leave anyone else behind.”*

Place-based benefits

Due to their close connections with customers and local communities, retailers of all shapes and sizes are often natural charity partners. Across the 50 constituencies, Tesco has supported over 150,000 charity projects since 2016, providing over £4 million of funding. In total, that means £160,000 of support per constituency per year going to help people all over the UK, working across various projects including Tesco's Bags of Help scheme and the Community Food Connection. These initiatives are often run by Tesco's Community Champions, colleagues who have been specially chosen to drive forward positive change in the community.

Many of these benefits come through being based in hundreds, or even thousands, of locations across the UK, something achieved uniquely by physical retail. Forming partnerships with local communities and orienting charitable initiatives towards projects chosen by and run for local people is often simply the natural result of day in, day out community engagement.

The housing crisis has also been a constant backdrop to place-based inequality issues in the UK for at least the past two decades. Luckily, the evolution of retail may allow for sizable benefits for housing provision in all areas of the country. Retailers increasingly have large portions of unused land – former sites for physical stores or car parks – which could be used to boost housing provision. A Tesco project in London is an example of this, where the company hopes to allow thousands of new homes to be built on empty space. If the project is a success, and investment can be freed up within the business, the example could be rolled out across the country, allowing tens of thousands of new homes to be built, including in our 50 constituencies.

Case study: Workington

In Workington, 45 local charities and community projects have been supported by Tesco's Bags of Help initiative, the local community grant scheme where money raised from the sale of carrier bags goes towards good causes within local communities. Customers who shop in store will then vote on where their money goes and who should benefit most from local projects. Despite having an average salary nearly £3,000 less than the national average, Workington punches above its weight in terms of charity donations, giving over £141,000 to Tesco good causes since 2016.

A school play area, community centre gardening area and local ambulance service are amongst recent recipients of the Bag for Help scheme in Workington. When we spoke with Workington Superstore store manager Darren Hewer, he said he was always impressed by the community-focused attitudes of his colleagues. During the Covid-19 pandemic, his colleague Julie Smith exemplified this tendency to go the extra mile: *"We have an elderly customer who has shopped with us for as long as I remember. When it became apparent that he was finding it hard to get to us and do his shopping, Julie volunteered to shop for him – even batch cooking meals to ensure he had a balanced diet. She's continued to send him weekly food parcels since just to make sure someone's there to look after him."* It is these close connections, face-to-face interactions, and real relationship building which are only possible in physical retail.

Takeaways

- **The benefits discussed in this chapter are not unique to retail in each instance, but retail is the only sector which can bring every one of them together day in, day out.**
- **Retail's 'foundational' status isn't just financial. As we have shown, the social and place-based benefits are tangible.**
- **Our aim has been to show how retailers can drive up the indicators measured on our LUI – moving from simply operating in certain areas to becoming an essential part of the social and civic ecosystem.**
- **This foundational role is essential and provides a bridging link to other high-growth, high-productivity sectors, boosting the economic prospects of areas too often simply considered 'left behind'.**

Tesco's GVA and employment contribution to each UK nation and region.¹⁰¹

1. Northern Ireland	
Total GVA: £348.2m	Total jobs: 10,798 (FTEs)
- Direct GVA: £98.6m	- Direct jobs: 5,667
- Indirect GVA: £188.6m	- Indirect jobs: 3,698
- Induced GVA: £60.9m	- Induced jobs: 1,423
0.9% of total regional GVA	1.3% of total regional jobs

2. North West	
Total GVA: £3,351.4m	Total jobs: 71,440 (FTEs)
- Direct GVA: £339.6m	- Direct jobs: 16,253
- Indirect GVA: £2,524.0m	- Indirect jobs: 44,790
- Induced GVA: £487.8m	- Induced jobs: 10,397
2.0% of total regional GVA	2.1% of total regional jobs

3. West Midlands	
Total GVA: £2,627.9m	Total jobs: 55,335 (FTEs)
- Direct GVA: £255.6m	- Direct jobs: 11,764
- Indirect GVA: £1,991.6m	- Indirect jobs: 35,142
- Induced GVA: £380.7m	- Induced jobs: 8,429
2.0% of total regional GVA	2.1% of total regional jobs

4. Wales	
Total GVA: £937.8m	Total jobs: 22,654 (FTEs)
- Direct GVA: £217.7m	- Direct jobs: 10,067
- Indirect GVA: £570.0m	- Indirect jobs: 8,898
- Induced GVA: £150.1m	- Induced jobs: 3,689
1.6% of total regional GVA	1.6% of total regional jobs

5. South West	
Total GVA: £2,313.1m	Total jobs: 48,358 (FTEs)
- Direct GVA: £447.3m	- Direct jobs: 16,306
- Indirect GVA: £1,539.2m	- Indirect jobs: 25,002
- Induced GVA: £326.6m	- Induced jobs: 7,050
1.8% of total regional GVA	1.8% of total regional jobs

6. South East	
Total GVA: £6,800.3m	Total jobs: 137,640 (FTEs)
- Direct GVA: £660.6m	- Direct jobs: 27,195
- Indirect GVA: £5,166.3m	- Indirect jobs: 92,938
- Induced GVA: £973.3m	- Induced jobs: 17,507
2.6% of total regional GVA	3.3% of total regional jobs

7. London	
Total GVA: £6,467.7m	Total jobs: 123,262 (FTEs)
- Direct GVA: £475.3m	- Direct jobs: 19,546
- Indirect GVA: £5,092.4m	- Indirect jobs: 91,217
- Induced GVA: £900.0m	- Induced jobs: 12,499
1.6% of total regional GVA	2.4% of total regional jobs

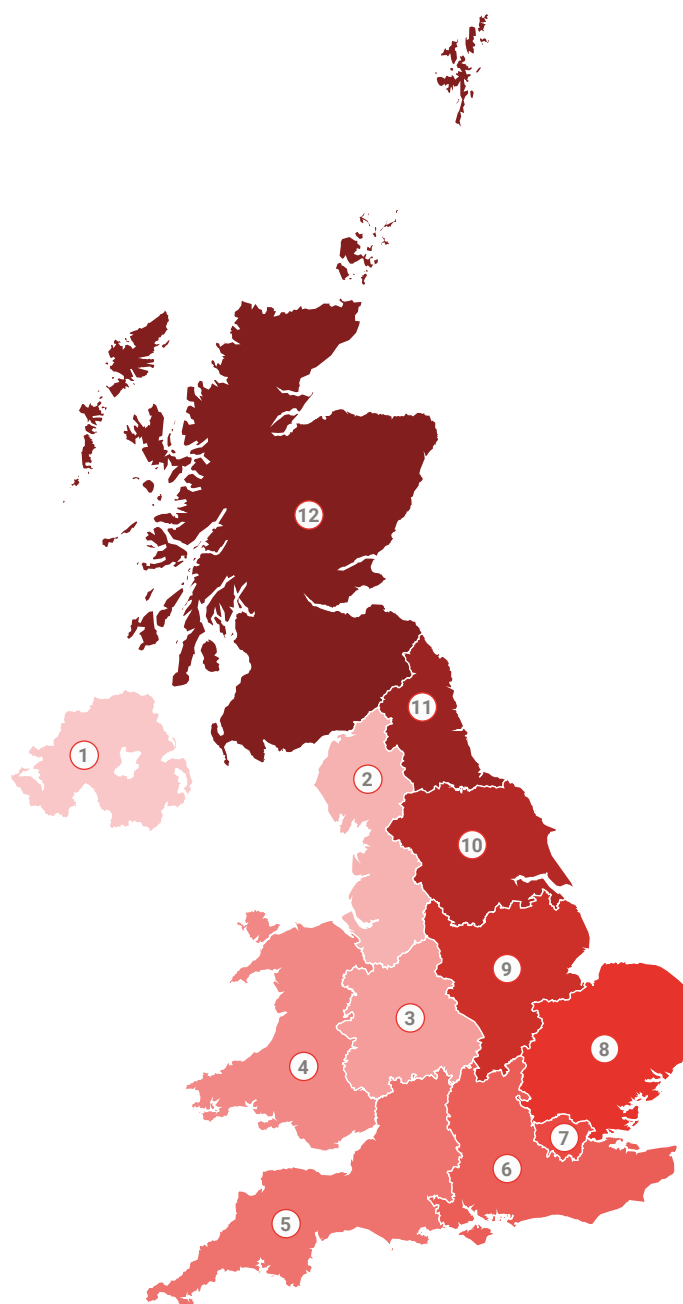
8. East	
Total GVA: £4,395.4m	Total jobs: 83,905 (FTEs)
- Direct GVA: £1,160.0m	- Direct jobs: 27,475
- Indirect GVA: £2,598.0m	- Indirect jobs: 43,851
- Induced GVA: £637.3m	- Induced jobs: 12,568
2.9% of total regional GVA	3.0% of total regional jobs

9. East Midlands	
Total GVA: £2,368.7m	Total jobs: 57,900 (FTEs)
- Direct GVA: £133.2m	- Direct jobs: 12,121
- Indirect GVA: £1,867.6m	- Indirect jobs: 37,708
- Induced GVA: £368.0m	- Induced jobs: 8,071
2.3% of total regional GVA	2.7% of total regional jobs

10. Yorkshire & The Humber	
Total GVA: £2,535.4m	Total jobs: 51,082 (FTEs)
- Direct GVA: £178.8m	- Direct jobs: 10,734
- Indirect GVA: £1,987.3m	- Indirect jobs: 31,820
- Induced GVA: £369.2m	- Induced jobs: 8,528
2.2% of total regional GVA	2.0% of total regional jobs

11. North East	
Total GVA: £1,015.4m	Total jobs: 24,160 (FTEs)
- Direct GVA: £65.6m	- Direct jobs: 4,849
- Indirect GVA: £767.3m	- Indirect jobs: 15,173
- Induced GVA: £182.5m	- Induced jobs: 4,138
2.0% of total regional GVA	2.1% of total regional jobs

12. Scotland	
Total GVA: £2,093.8m	Total jobs: 42,677 (FTEs)
- Direct GVA: £366.0m	- Direct jobs: 17,351
- Indirect GVA: £1,411.4m	- Indirect jobs: 19,053
- Induced GVA: £316.4m	- Induced jobs: 6,273
1.6% of total regional GVA	1.6% of total regional jobs



Barriers to Growth and Policy Options

- Retail faces multiple challenges that limit growth, but two of the most relevant to the levelling up agenda are business rates and the apprenticeship levy.
- Retailers pay more than double in business rates, as a proportion of earnings, than any comparable sector.¹⁰² The UK property tax burden is the highest in Europe.¹⁰³
- More worryingly the tax hits communities in certain regions hardest – particularly the North. New data shows that 77 per cent of the constituencies hardest hit by business rates are in the North and Midlands.¹⁰⁴
- In terms of Transitional Relief, in 2018/19 retailers in the North West paid an estimated gross cost of £480m in tax compared to £329m in the South East.¹⁰⁵
- Apprenticeships policy also penalises retailers by making it harder to recruit apprenticeships in smaller, convenience formats, which are disproportionately located in town centres.
- Other barriers to growth, related to the levelling up indicators, are around rising crime rates in retail and the need for an effective planning policy.

The future of shops

The UK will naturally see some shops disappear in the coming years, as business models and conditions change, but given the right business and policy environment we have shown that there could also be significant opportunities for growth, particularly in food stores. As we have shown, predictions suggest a large proportion of retail sales will continue to be made in store in years to come and although Covid-19 has undoubtedly sped up the growth of online retail, stores with a bigger employment and investment footprint will remain a vital part of communities into the future. There are opportunities for growth in smaller stores and through the redevelopment of larger stores, opening up new space for community services.

There is no doubt that Covid-19 has had a severe impact on retailers. At Tesco the costs of Covid-19 will outstrip any benefits.¹⁰⁶ This short-term barrier will accelerate many changes for the sector, including putting previously viable retailers out of business. Once the immediate threat from Covid-19 is over, however, longer term structural issues will remain. In two crucial areas, indicators have been moving in the wrong direction for some time:

- Business rates have increased significantly in recent years, piling more financial pressure on retailers in levelling up areas
- Apprenticeship starts have decreased, with the number of new apprenticeships between August 2019 and January 2020 7.3 per cent lower than the same period a year earlier¹⁰⁷

In this chapter, we lay out the primary business and policy challenges which need to be overcome to ensure retail can fulfil its role as a foundational levelling up sector.

Business rates

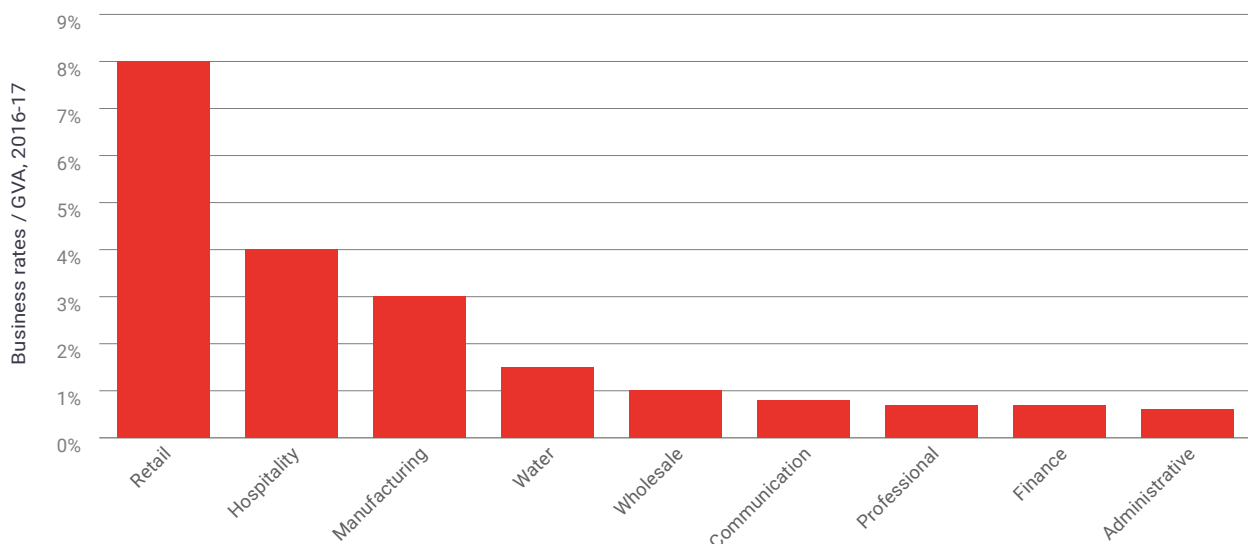
Overall burden

As the 2019 Treasury Select Committee report into business rates stated, quoting flexible workspace provider The Clubhouse, "the increase in the tax rate of business rates appears to be inconsistent when compared to the UK's other corporate tax rates which are falling. The business rates multiplier has continued to increase over time, resulting in the UK having one of the highest property-based taxes in the OECD as a proportion of GDP."¹⁰⁸ The Government has recognised the burden is unsustainable in the period of Covid-19 providing 100% relief for retail, hospitality and leisure. This is positive, but longer term reform will be necessary to provide a sustainable basis for the next decade.

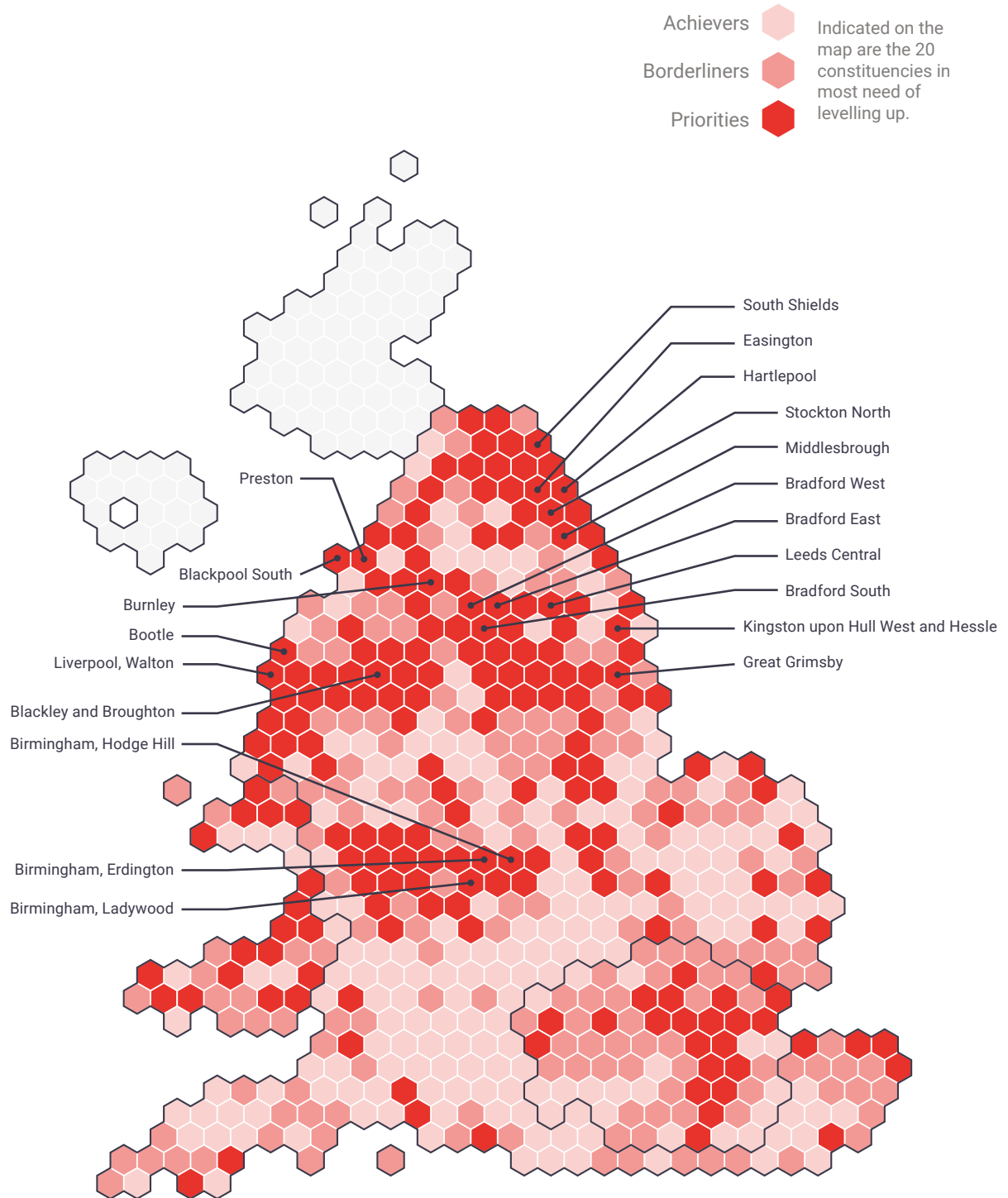
“Since their introduction, business rates receipts have increased from £8.8bn in 1990 to £27.3bn in 2017-18, an increase of 210 per cent compares with a 75 per cent increase in inflation in this period.”

The situation wasn't always like this. Since their introduction, business rates receipts have increased from £8.8bn in 1990 to £27.3bn in 2017-18, an increase of 210 per cent compares with a 75 per cent increase in inflation in this period.¹⁰⁹ The tax rate has increased from 35 per cent at introduction to a level of over 50 per cent currently and some analysis suggests that it could rise further. In the last 10 years alone, business rates have increased by 80 per cent for retailers like Tesco, coinciding with store closures, vacancies, and job losses. The UK now has the highest property taxes in Europe and business rates are a central plank of a system which disincentivises investment in some of the most disadvantaged areas of the UK.¹¹⁰ The burden of rates on a supermarket in the UK is double the nearest comparable country or territory.¹¹¹

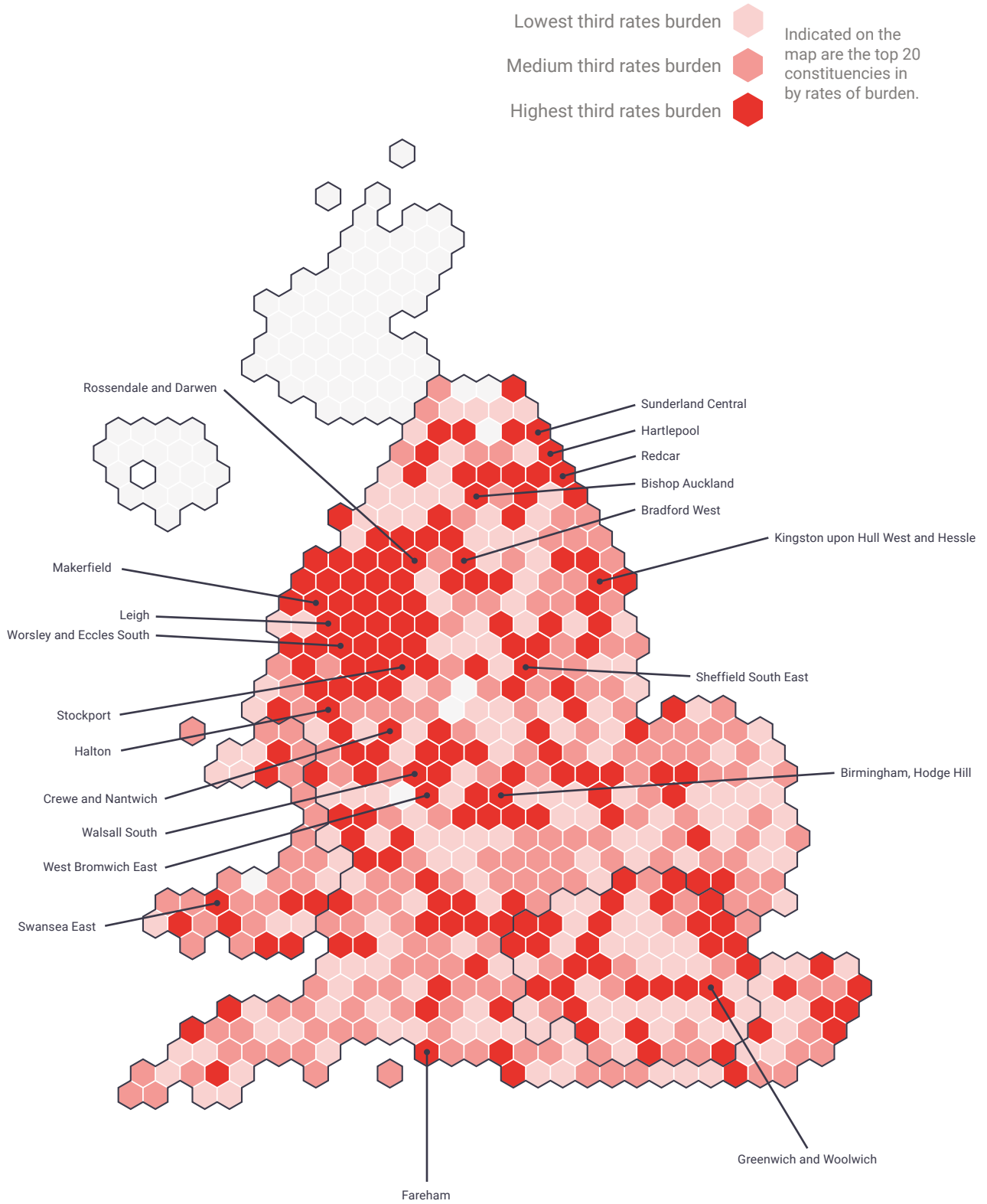
Business rates as a share of economic value by comparable sector



Map of constituencies most in need of levelling up (68 per cent located in the North and Midlands) according to the WPI Levelling Up Index



Map of constituencies most burdened by rates as a proportion of earnings (77 per cent located in the North and Midlands) according to Frontier analysis.



Regional burden: Regional shops tax

More concerning than the overall burden of business rates on retailers is the regional distortion in the system. Levelling up constituencies, whether in the North or South, are often paying far more in business rates as a proportion of earnings than wealthier areas of the country. Business rates are not accurately reflecting performance. Most other taxes are linked to prosperity and are progressive, but in the case of business rates that system has broken down. This is not something that can be solved on a purely regional basis – there are 20 levelling up constituencies in London alone, for example, and more in the wider South, particularly in coastal areas. Throughout this report we define the business rates 'burden' as the cost of business rates paid as a proportion of earnings. Whilst it is true that using data from Tesco we can see that the burden of rates falls hardest on levelling up constituencies in the North and Midlands, it does not only fall here. New data, which calculates the burden of rates by assessing rates as a percentage of earnings (which is a proxy for economic performance), shows:

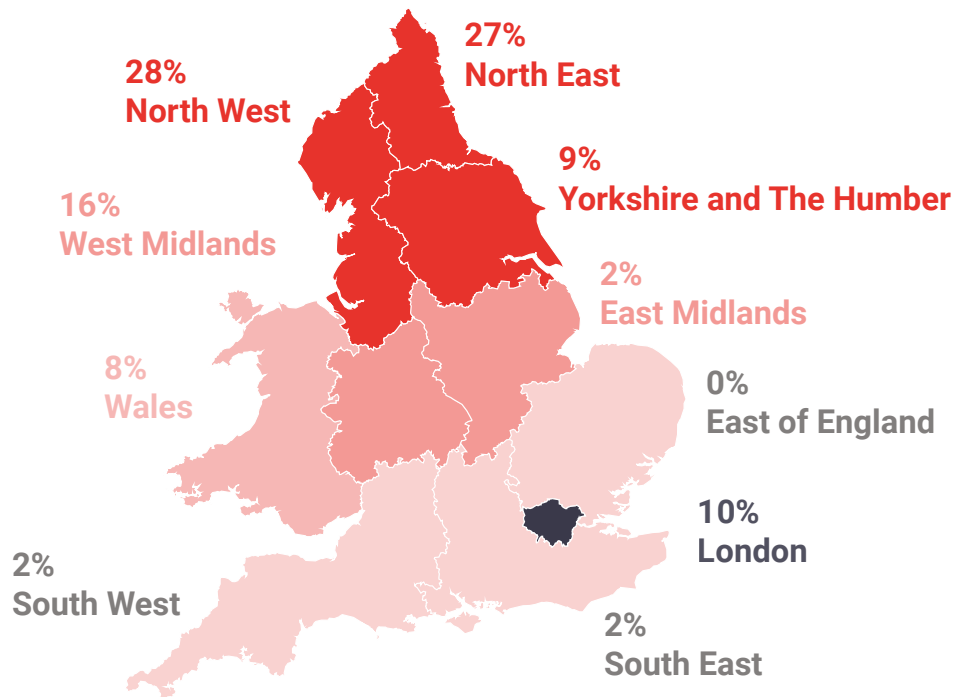
- **There is a significant range in rates burden as a proportion of earnings** - the highest burdened constituencies pay more than two times the national average, whilst the lowest pay one-fifth.
- **For the areas with the highest burden, this is a significant cost** – in some cases business rates are up to half a store's net income.
- **The cost affects the North and Midlands more than the South** – 77 per cent of constituencies in the top 10 per cent of rates burden are in the North and Midlands, compared to just 18 per cent in London and the South.
- **The impact is hardest on stores in need of levelling up** – The 50 constituencies facing the highest burden of rates pay £54m more than the 50 constituencies facing the lowest burden.
- **At a constituency level, the difference is even starker** – a typical supermarket in Bishop Auckland faces a rates burden eight times higher than one in Surrey Heath. If the supermarket in Bishop Auckland faced the same burden as that in Surrey Heath, it would pay £820k less in rates per year.¹¹²

What this data is showing is that in areas where economic performance is lower the tax continues to operate at a high rate, meaning these stores are paying more in rates, as a proportion of their sales or profit, than stores in the South. For many taxes, the rate adjusts with economic performance, like Corporation Tax, unfortunately business rates have become distorted meaning the burden can be unequal, as this data shows. The cost affects the North more than the South - 56% of constituencies in the top 10% of rates burden are in the North, 18% are in the Midlands, 16% in London and 10% in the South.¹¹³

The disparate impact is so stark we would be justified in calling the current business rates regime a 'regional shops tax', or even a 'Northern shops tax' given the worst affected areas are outside the South of the UK. It is important to note, however, that any proposals for reform need to look at the data closely. Whilst the trends are starkest in the North and Midlands, the impact is broad and impacts levelling up constituencies across the UK. The top 20 most burdened seats are across multiple regions including the North West North East, West Midlands, Yorkshire and Humber and even London.

For this reason, the answer is not to look to localise the burden of rates through local multipliers – this system was previously in place in the UK before 1990 and led to a fractious and diverse system with areas of winners and losers. Corporation Tax is a good example of a tax that operates simply at a national level but is better aligned with economic performance. At the very least there needs to be regular (annual) revaluations – a measure the Government is already taking – and a lowering of the overall burden of the tax, which has steadily grown in recent years.

Regional breakdown of business rates burden' (proportion of constituencies in each region in the top 10% most burdened by rates category)



Source: Tesco financial data on stores 18/19

Note: Includes constituencies with at least one Tesco store within them. Top 10% most burdened based on rates as a share of store gross profit at the constituency level.

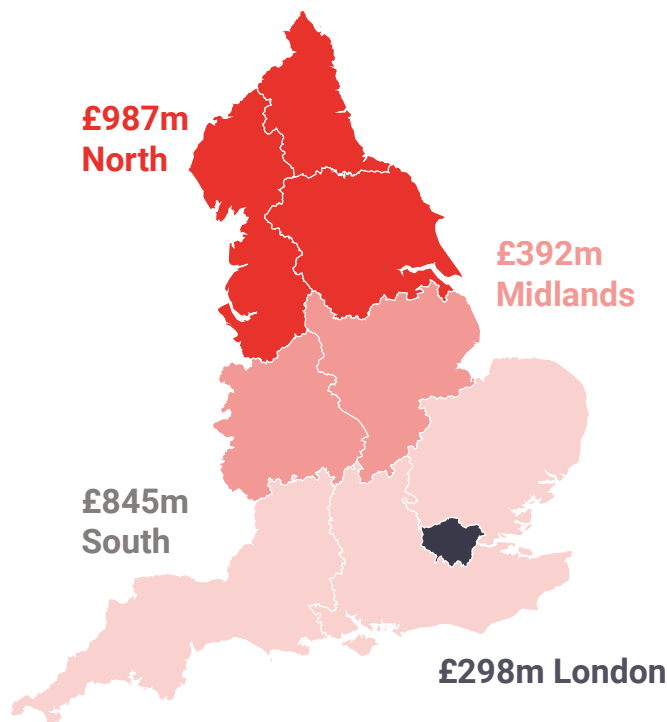
Additional burden: Transitional relief

In addition to the standard business rates multiplier, a policy mechanism called 'transitional relief' has been introduced, which looks to subsidise certain businesses by limiting the amount that other businesses can see their business rates bill fall. This means that shops that should have seen their tax bill fall (because the value of their property has fallen) are not given their full tax reduction. This is having two perverse impacts. Firstly, it penalises retail, a sector critical to levelling up, which paid a net £600m into the system between 2017 and 2021. Secondly, it specifically burdens stores in levelling up areas, where property values have fallen fastest. When Transitional Relief is taken into account some stores in the North West are paying a business rates effective tax rate of over 70 per cent (in terms of the tax compared to the market rental value of the property). Across the UK the North and Midlands paid almost £1.4bn into this system – £400m more than London and the South and retail as a sector paid more than any other. This further distorts the system and should be reformed to ensure it works fairly for all businesses.

As the charts show, stores in the North are already paying higher levels of rates as a proportion of earnings. Transitional Relief is simply an additional burden on top of this. Reducing business rates and ensuring they are fair geographically would be a significant measure to support levelling up.

Our analysis suggests that a 20 per cent rates cut – taking the multiplier from around 50 per cent to 40 per cent – combined with additional support for SMEs based on the system in place pre-Covid-19 – would support all areas of retail. Large stores would be able to maintain their presence, redevelop, and change spaces to support more services, or develop proposals for alternate uses such as housing; smaller stores could further grow, including in our levelling up areas; and those stores which are trying to increase their online presence would be given the ability to free up capital to invest.

Regional business rates burden caused by capping of downwards transitional relief



Source: Frontier Economics analysis of MHCLG data (NNDR3) on non-domestic rates by local authority

Note: Gross transitional relief includes the total amount paid by businesses in a constituency due to downward caps for the whole revaluation period for England. Data on extra yield collected due to transitional relief was projected forward to 2021/22 using the estimated cost profile of transitional relief over time in the 2017 consultation. Transitional relief is calculated at the local authority level and allocated to constituencies proportionately based on the number of local units from the Business Structure Database.

Critically, the reduction in rates wouldn't just save jobs, it would also create them. Across food and groceries retail and its supply chain, our analysis suggests that the money that could be saved through a 20% business rates cut could deliver 10,000 additional jobs in our 50 representative constituencies.¹¹⁴ This would be an average of 200 new jobs in each constituency – a vital new boost to the local economy.

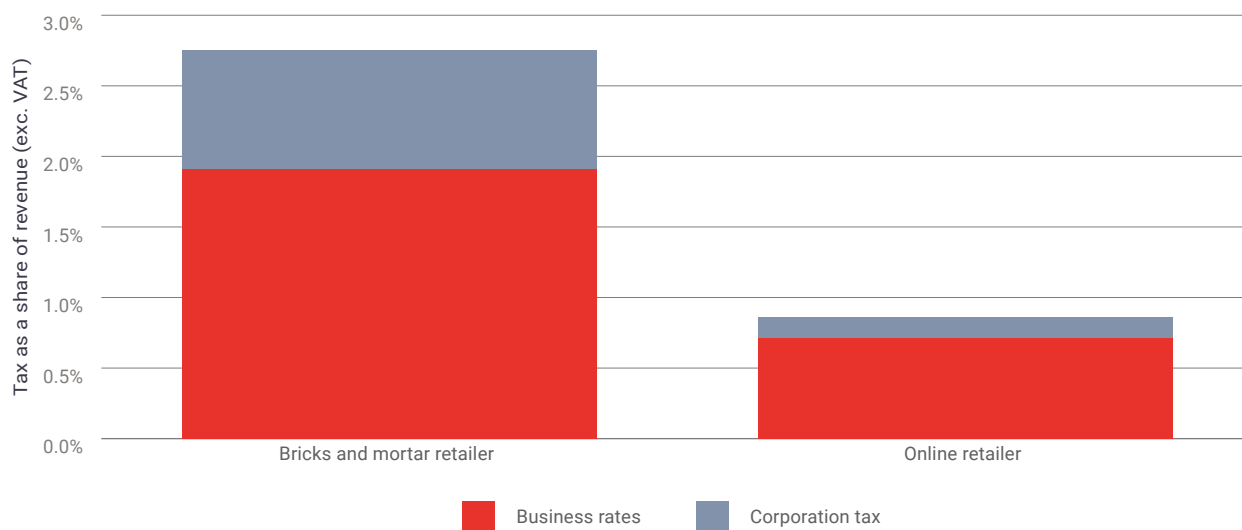
The cost affects the North more than the South - 56% of constituencies in the top 10% of rates burden are in the North, 18% are in the Midlands, 16% in London and 10% in the South.¹¹⁵

Non-level playing field on tax in the retail sector

As the Housing, Communities and Local Government Select Committee noted in their report on the future of high streets, a non-level playing field exists in the retail sector, where physical stores pay more in business rates than their online equivalents. The retail sector pays more (as a proportion of economic contribution) than any comparable sector¹¹⁶ and 25 per cent of all business rates overall.¹¹⁷ Online retailers, by comparison, pay a far lower rate – typically less than one per cent of sales compared with close to three per cent or more for bricks and mortar. This creates a significant cost advantage for online retailers compared to shops as the diagram on page 43 shows. Limited rates for online property (e.g. warehouses) create a cost advantage of two per cent or more in an industry where typical profit margins are only two to four per cent.

Some have suggested that this would be a cost on consumers, but this ignores the fact that consumers are already being penalised for shopping in stores rather than online. Also, the design of the tax would ensure it was paid by the online retailers, who would then need to choose whether to pass the cost on to customers.

Difference in tax payments between physical and online retailers



This is a problem that has been recognised by MPs. Recent polling showed that 80 per cent of MPs didn't feel that online retailers were paying a "fair share of tax" and 96 per cent of MPs didn't feel the business rates system was fair.¹¹⁸ The HCLG Select Committee, Treasury Select Committee and now HMT have all suggested that an Online Sales Levy should be considered further. A simple new levy on online sales, with exemptions for small businesses and sales that have a physical element (like Click and Collect), would level the playing field and ensure online and physical shops pay a similar contribution towards local taxes.

Apprenticeship Levy

Apprenticeships are another area that could provide significant benefits to levelling up communities, but face policy barriers. As outlined previously in this report there is hard evidence that apprenticeships benefit retail workers, as evidenced by Tesco data, where there is a notable salary benefit to an apprenticeship that leads to a higher skilled, higher wage role:

- Overall, there is around a 10 per cent wage premium in retail for those who complete an apprenticeship.¹¹⁹
- 91 per cent of apprentices are in employment after they complete an apprenticeship with Tesco.¹²⁰
- After completing an LGV apprenticeship, Tesco distribution colleagues can increase their salary by 40 per cent and by January 2021 Tesco will have developed over 200 colleagues through this scheme.¹²¹

The apprenticeship levy, however, is not fit for purpose from a retailer perspective. Companies, like Tesco, are only able to spend about 15 per cent of its apprenticeship levy funds.¹²² One particular challenge is that the Levy does not work for retail opportunities in small shops, which are often at the heart of communities.

Apprenticeships require 20 per cent off-the-job training and for small stores with a small number of employees, removing a colleague from the shop floor for 20 per cent of the time is not viable. To backfill the role and find cover for that 20 per cent costs almost as much as the annual spend on training each apprenticeship: £4,000 (levy cost) and £3,456 (backfill cost).¹²³ That is not sustainable. Many retailers with small stores, such as Co-op and the Association of Convenience Stores, have highlighted this challenge and the impact is stark.

72 per cent of Tesco's UK stores are smaller formats and the impact of backfill costs has already driven a 67 per cent decline in their apprenticeships in these stores (2017-18). For example, across London, Manchester and the West Midlands they are only able to provide eight apprenticeships across 576 smaller stores.

In the levelling up constituencies that we have looked at there are 170 stores that would currently not be able to offer apprenticeships.¹²⁴ As our indicators show, these are the areas where an apprenticeship would be most valuable. We estimate that if these changes to the apprenticeship levy were made, Tesco could boost its apprenticeship numbers by 500 per year nationally, including a boost to Tesco's smaller store apprenticeships from 48 (2018 cohort) to 317, a huge 589 per cent increase.¹²⁵

Moreover, allowing the apprenticeship levy to include backfill costs would allow Tesco to create 500 extra apprenticeship places per year nationally. By extension, such a change would create 1,500 apprenticeship roles across the wider retail sector. Crucially, this change would not increase costs for Government, as retailers already have excess levy funds that they are unable to use.

Even more importantly, allowing more targeted training could deliver transformational benefits to individual colleagues. By allowing apprentices to complete functional skills training before they take up an apprenticeship place, we could deliver a step change in literacy and numeracy rates, as well as hugely boosting the confidence of those who turn up for our apprenticeship courses.

Finally, Tesco welcomes the Government's Kickstart scheme, which aims to create high quality jobs for young people at the highest risk of long-term unemployment, and indeed has committed to creating 1,000 fully self-funded opportunities on the scheme for young people. The value in these kinds of programmes is in the opportunities they give young people to progress to permanent employment, and the Kickstart scheme could become more effective if placements represented the beginning of an employment journey. Allowing businesses to combine Kickstart Scheme placements with additional programmes such as apprenticeships or Movement to Work could set more young people on the path to permanent employment. The Government should also consider how its incentive programme can be expanded to include Movement to Work, as a proven route into employment for young people.



Crime

Retail is uniquely placed within the private sector to impact crime reduction first-hand. The sector has worked successfully with the trade union USDAW to minimise shoplifting, violence, and the abuse of staff. It is unacceptable that there are still over 400 incidents of violence or abuse against shopworkers every day in the UK.¹²⁶ A concerted effort from central government, retailers, trade unions, and the police is ongoing, and the ladder from petty to serious crime is being removed from some of the most deprived constituencies. We would recommend the Government take a further step: making assault against shopworkers an aggravated offence could start to bring these figures down. The Government is currently considering changes of this nature for emergency workers and given the role retail workers played during Covid-19, this change would give them fair protection.

Planning

Planning can be a barrier to growth in local areas, causing delays and disincentivising investment. Recent changes to the planning system in England have made it faster and easier for changes of use in high streets and town centres (Class E - Commercial, Business and Service). The recent White Paper on planning is proposing some of the biggest changes in a generation, including radical reform of the local plan process. This will mean that in certain locations when a local plan is adopted it will establish outline planning consents. Most of these outline planning consents will be substantial land releases for housing, but may include other uses such as retail.

Three areas that the Government should consider further to ensure no adverse impact on the growth of shops are the proposed Infrastructure Levy, the National Planning Policy Framework (NPPF) and amendment to Class E. On the Infrastructure Levy, the proposed nationally set levy rate across the country may be detrimental to development viability for new shops. The levy should, therefore, be set at a local rather than national level. The levy should also ensure that the value of existing floorspace on a site can be off-set from the development value used in any levy calculation. Without the ability to off-set existing development value it is likely that development viability will be affected and some schemes to redevelop existing brownfield sites will not proceed. As proposed in the White Paper levy in kind payments will be limited to the on-site delivery of affordable housing. There are other infrastructure requirements that are paid for by development, such as highway improvements. It would seem straightforward for infrastructure provision such as this to be considered in the same way and be treated as in kind payments.

In terms of the NPPF, local plans should identify town centres and promote a town centre first approach to development. Any new retail allocations identified outside town centres, such as within Growth or Renewal areas, should be assessed against robust retail policy set within the NPPF with a strengthening of the sequential and impact tests. Many town centres are in a fragile condition and face significant challenges in a period of unprecedented change. At no other time has there been such a need to strengthen retail planning policy in order to protect town centres.

The new Class E will enable buildings in town centres to change between uses without the need for planning permission, which will provide greater flexibility. However, Class E is not confined to town centres and instead is applicable across all areas England (other than protected landscapes). A consequence of this is that, for example, some business units in out of town locations can be changed to shops without the need for planning permission. This could see retailers move from fragile town centres, which will have a detrimental impact on town centres and increase vacancy rates. A simple amendment to the secondary legislation could ensure that these types of changes require planning permission.

Summary of Policy Recommendations

Throughout this report we have suggested that the right business and policy environment could free-up investment, create jobs, and grow local economies across our levelling up constituencies. In the previous chapter, we set out the benefits of delivering this policy programme. In this chapter, we set out four policy changes aimed at improving our levelling up constituencies, which in turn could bring major benefits to other areas.

1. Reduce business rates: Business rates penalise levelling up constituencies. The Government should reduce business rates to a fixed, lowered rate of 40 per cent for retail, instead of 50 per cent currently.

- Business rates currently penalise shops in levelling up constituencies in the North and Midlands – some shops are facing double the burden of stores in the South.
- Reintroduce business rates from April 2021 but fixed at a permanent 40 per cent tax rate for retail. This would take the tax rate closer to OECD and historic UK norms.
- On top of this general reduction, there should be additional reliefs for small businesses, ranging from 100% for the smallest to a 35% discount for small-medium businesses.
- Regional multipliers should not be introduced as they will be complex to administer and have previously been tried pre-1990.
- The Government should also ensure regular revaluations ensure accurate property values are used for determining the tax base for business rates. This should remove the need for Transitional Relief. If Transitional Relief needs to continue in the short to medium term the Government should remove the distortions that downwards transition creates by heavily penalising retailers, particularly in the North of England.

2. Level the playing field between physical and online shops: Introduce a new one per cent Online Sales Levy, which will ensure online and physical shops pays a similar level of tax.

- A one per cent Online Sales Levy should be introduced for all sales of physical goods online. Exemptions would exist for small online businesses (who wouldn't pay unless annual revenues were over £1m) and sales connected to a physical store, such as Click and Collect.
- The one per cent Online Sales Levy would raise enough to ensure a 20 per cent cut in business rates for retailers is broadly revenue neutral for the Government.
- It would mean that both physical and online shops are paying a similar proportion of tax per sale.

3. Reform apprenticeships: The Government should turn the apprenticeship levy into a flexible 'Future Skills and Transition Training Fund' to allow employers to better use this money according to future workforce needs.

- The apprenticeship levy strongly disincentivises retailers to invest in apprenticeships, particularly in smaller shops, due to its inflexibility.
- Allow the Levy pot to be used to cover backfill costs for retailers. Funding could be administered in the same way as incentive payments (via the provider) to ensure that the payments are traceable and auditable.

- Allow businesses to combine Kickstart Scheme placements with additional programmes such as apprenticeships or Movement to Work. The Kickstart schemes should only be the beginning of an employment journey.

4. Protect shopworkers: The Government should bring in tougher sentences for those who assault shopworkers.

- Increase the options for more serious sentences for those convicted of assaults against shopworkers by making assaults against shopworkers an aggravated offence. The number of criminal incidents against shopworkers has this year hit the highest level recorded.

5. Streamline planning to support communities: The Government should streamline the planning system to ensure it aids redevelopment of town centres and supports communities.

- The Government has made considerable changes to the planning systems through increased permitted development rights and has set out radical reforms in the White Paper on Planning for the Future.
- The Government should progress these proposals, but consider making the new Infrastructure Levy a locally set charge and ensure that existing buildings and highways cost are discounted from any levy calculations – ensuring it is fair for levelling up constituencies.
- The Government should ensure that the planning policy framework for retail is strengthened to ensure that high quality retail is being brought forward and town centres are protected, which will benefit local areas.
- The Government should amend secondary legislation to ensure that changes from business units to shops require planning permission if they are outwith town centres.

Annex: The Levelling Up Index

Methodology

We have compared each constituency against the England and Wales average (EWA) on four key indicators of economic performance and social wellbeing, with an extra two for all English constituencies. These indicators were calculated as follows:

- **Spending power:** A constituency's employment rate multiplied by its average salary, including both full time and part time income. The resulting figure has then been turned into a percentage of the EWA. This figure should capture the biggest and most variable chunk of spending power in the shops by constituency, given state benefits and state pension amounts are set at national levels (they do not vary by constituency for those eligible) and because those on working age on benefit are less likely to have money to spend in the shops beyond the basic essentials. This figure should also be a good proxy for the productivity of residents in the constituency.
- **Financial dependency:** The 'financial dependency' figure is made up of two equally-weighted components that reflect both dependency on, and vulnerability to, relying on the state or others for financial support, for those of working age. We have equally weighted the claimant count for Job Seekers Allowance and Universal Credit for job seekers for the working age population of a constituency and the share of working age residents with low or no qualifications, taken as NVQ level one or below. The resulting figure has then been turned into a percentage of the EWA. This data, in short, provides a clear picture of the number of constituents in receipt of Job Seekers Allowance and Universal Credit.
- **Crime:** The crime rate or number of all crimes per 100 residents, e.g. burglary, theft from the person, shoplifting, arson and so forth, per 1,000 of working day population. Working day – as opposed to residential – population is used to not distort the picture for constituencies where lots of people commute to, such as the Cities of London and Westminster.
- **Health:** 'Health' is the number of GPs per 1,000 patients for the GP surgeries located in the parliamentary constituency, as well as average life expectancy beyond 65 years. Due to an inability to obtain GP per patient data in Wales, the health indicator only applies to England.
- **Empty commercial properties:** This indicator has been calculated by working out the number of empty commercial properties as a share of all commercial properties estimated for each constituency. Direct constituency data was not available, so the numbers have been approximated using local authority data; where a constituency lies wholly within a local authority then the data for that local authority is substituted in. Where a constituency lies across two local authorities, we simply take the average of the data for both local authorities and substitute the value in.
- **Deprivation:** Deprivation is based on the English Index of Multiple Deprivation. Crudely, this measures the degree to which people are deprived across seven domains: income, employment, education, health, crime, access to housing and services, and the living environment (indoors and out). Due to an inability to make an accurate comparison between the English and Welsh IMDs, the 'deprivation' indicator applies only to England.

Constituency	Spending power	Dependency	Crime	Deprivation	Health	Empty commercial properties
Aberavon	100	123	87			107
Aberconwy	80	94	99			86
Aldershot	157	57	95	69	100	109
Aldridge-Brownhills	94	72	73	87	103	104
Altrincham and Sale West	114	55	38	48	106	107
Alyn and Deeside	111	97	78			107
Amber Valley	117	75	104	97	112	97
Arfon	81	87	102			132
Arundel and South Downs	94	67	58	52	108	65
Ashfield	98	103	110	125	91	113
Ashford	106	112	107	87	97	96
Ashton-under-Lyne	87	135	77	159	87	159
Aylesbury	118	78	67	56	99	95
Banbury	134	48	75	70	102	105
Barking	86	163	125	155	89	88
Barnsley Central	91	143	127	142	83	97
Barnsley East	78	146	131	150	93	72
Barrow and Furness	94	99	100	126	95	159
Basildon and Billericay	110	144	118	101	93	130
Basingstoke	147	71	90	68	86	112
Bassetlaw	91	125	115	105	90	121
Bath	106	65	77	56	104	103
Batley and Spen	77	139	135	124	85	129
Battersea	140	88	123	76	114	98
Beaconsfield	131	55	70	40	105	67
Beckenham	101	65	88	46	104	69
Bedford	108	149	127	107	93	114
Bermondsey and Old Southwark	163	94	120	120	98	102
Berwick-upon-Tweed	66	81	81	92	110	99
Bethnal Green and Bow	147	117	156	139	98	142
Beverley and Holderness	94	78	65	73	93	82
Bexhill and Battle	80	73	75	79	104	65
Bexleyheath and Crayford	97	89	106	79	107	59
Birkenhead	88	164	142	202	110	139
Birmingham, Edgbaston	100	143	97	146	116	75
Birmingham, Erdington	88	234	123	216	85	108
Birmingham, Hall Green	68	192	95	181	106	96
Birmingham, Hodge Hill	77	247	97	228	85	65
Birmingham, Ladywood	92	266	104	210	94	111
Birmingham, Northfield	78	198	129	181	116	74
Birmingham, Perry Barr	76	225	108	173	96	81
Birmingham, Selly Oak	84	124	104	142	98	96
Birmingham, Yardley	101	181	108	187	85	95
Bishop Auckland	86	129	132	134	95	148
Blackburn	91	169	130	182	78	128
Blackley and Broughton	95	200	93	217	79	115
Blackpool North and Cleveleys	94	120	163	162	80	107
Blackpool South	75	184	233	224	81	173
Blaenau Gwent	75	148	111			173

Constituency	Spending power	Dependency	Crime	Deprivation	Health	Empty commercial properties
Blaydon	82	114	108	97	101	99
Blyth Valley	79	151	147	126	111	120
Bognor Regis and Littlehampton	71	98	112	99	94	92
Bolsover	89	101	100	114	105	61
Bolton North East	74	160	81	158	98	143
Bolton South East	79	177	81	170	90	152
Bolton West	86	94	55	100	102	92
Bootle	92	175	126	197	95	141
Boston and Skegness	84	149	128	134	88	99
Bosworth	108	71	74	65	99	84
Bournemouth East	133	88	122	100	100	106
Bournemouth West	102	97	148	103	94	92
Bracknell	159	61	63	50	92	97
Bradford East	79	212	166	204	101	121
Bradford South	75	180	175	177	107	113
Bradford West	73	228	153	197	77	178
Braintree	92	65	97	69	91	106
Brecon and Radnorshire	83	75	68			88
Brent Central	104	122	131	142	97	124
Brent North	88	98	112	95	101	82
Brentford and Isleworth	140	106	117	90	101	100
Brentwood and Ongar	119	78	103	53	101	86
Bridgend	98	94	86			109
Bridgwater and West Somerset	97	98	93	109	109	92
Brigg and Goole	94	115	79	81	93	108
Brighton, Kemptown	106	112	114	125	98	102
Brighton, Pavilion	96	61	142	80	103	117
Bristol East	101	75	120	121	98	114
Bristol North West	83	97	91	113	106	96
Bristol South	107	103	148	151	101	121
Bristol West	121	55	117	105	107	147
Broadland	83	30	46	64	101	83
Bromley and Chislehurst	108	63	109	77	97	94
Bromsgrove	101	60	86	54	120	79
Broxbourne	107	124	112	81	97	70
Broxtowe	94	54	90	58	112	86
Buckingham	105	49	44	41	116	76
Burnley	82	178	153	175	73	149
Burton	106	105	79	93	93	130
Bury North	91	122	60	110	90	98
Bury South	83	110	60	109	93	108
Bury St Edmunds	104	75	65	62	111	74
Caerphilly	84	117	91			118
Calder Valley	94	83	107	95	92	109
Camberwell and Peckham	102	135	153	132	99	126
Camborne and Redruth	83	104	72	123	101	134
Cambridge	138	59	122	71	106	97
Cannock Chase	100	75	85	94	98	81
Canterbury	83	79	111	72	100	65

Constituency	Spending power	Dependency	Crime	Deprivation	Health	Empty commercial properties
Cardiff Central	94	76	147			129
Cardiff North	101	65	66			82
Cardiff South and Penarth	110	115	106			72
Cardiff West	96	129	122			86
Carlisle	94	99	133	106	92	125
Carmarthen East and Dinefwr	84	93	65			69
Carmarthen West and South Pembrokeshire	85	106	77		97	118
Carshalton and Wallington	98	101	97	79	103	98
Castle Point	89	86	105	78	97	67
Central Devon	85	67	45	75	125	76
Central Suffolk and North Ipswich	87	69	53	68	107	43
Ceredigion	69	71	70			105
Charnwood	105	46	69	49	110	45
Chatham and Aylesford	106	93	122	115	88	48
Cheadle	113	47	35	53	118	79
Chelmsford	113	77	131	58	102	82
Chelsea and Fulham	118	72	121	80	91	118
Cheltenham	116	71	107	67	108	110
Chesham and Amersham	106	54	57	32	111	83
Chesterfield	76	91	119	113	109	100
Chichester	105	61	69	64	116	77
Chingford and Woodford Green	94	96	109	86	110	95
Chippenham	104	65	78	58	113	96
Chipping Barnet	99	78	99	65	106	93
Chorley	83	90	102	82	93	79
Christchurch	101	74	58	54	118	75
Cities of London and Westminster	244	68	79	78	110	107
City of Chester	108	91	98	83	115	132
City of Durham	103	62	91	84	97	97
Clacton	64	171	147	166	69	98
Cleethorpes	96	108	89	103	90	86
Clwyd South	84	100	106			6
Clwyd West	81	120	104			123
Colchester	100	82	142	91	84	120
Colne Valley	84	88	99	90	115	75
Congleton	90	53	87	58	102	106
Copeland	131	86	75	108	90	123
Corby	107	109	100	93	100	66
Coventry North East	88	134	98	147	79	68
Coventry North West	104	106	85	104	89	39
Coventry South	105	93	72	103	103	126
Crawley	131	80	112	88	99	62
Crewe and Nantwich	106	125	115	91	91	109
Croydon Central	129	142	128	112	101	187
Croydon North	90	178	137	127	94	130
Croydon South	113	70	82	68	105	108
Cynon Valley	70	134	112			136
Dagenham and Rainham	110	120	105	124	85	103
Darlington	97	138	158	129	94	162

Constituency	Spending power	Dependency	Crime	Deprivation	Health	Empty commercial properties
Dartford	129	76	123	84	95	90
Daventry	113	67	80	58	98	82
Delyn	87	116	97			119
Denton and Reddish	98	126	64	130	102	90
Derby North	116	92	130	106	97	69
Derby South	119	183	165	160	86	123
Derbyshire Dales	104	51	57	55	119	92
Devizes	101	66	62	58	114	89
Dewsbury	83	134	123	116	96	158
Don Valley	73	116	130	123	85	88
Doncaster Central	88	162	143	142	85	154
Doncaster North	82	146	144	155	89	124
Dover	92	117	122	107	109	103
Dudley North	79	226	97	138	99	107
Dudley South	85	153	80	117	109	110
Dulwich and West Norwood	125	95	134	110	101	108
Dwyfor Meirionnydd	67	63	69			63
Ealing Central and Acton	125	65	132	92	105	107
Ealing North	103	156	116	108	94	83
Ealing, Southall	86	159	127	117	91	118
Easington	76	201	165	167	89	130
East Devon	115	47	49	54	132	72
East Ham	101	137	112	132	90	114
East Hampshire	107	33	63	51	113	111
East Surrey	98	54	89	56	106	74
East Worthing and Shoreham	114	73	83	76	112	78
East Yorkshire	84	102	82	95	89	103
Eastbourne	92	110	108	98	110	102
Eastleigh	102	63	83	53	97	56
Eddisbury	89	72	73	81	100	55
Edmonton	66	138	136	152	94	75
Ellesmere Port and Neston	109	110	107	99	105	108
Elmet and Rothwell	100	51	87	64	113	59
Eltham	95	86	113	104	88	94
Enfield North	104	133	108	124	102	90
Enfield, Southgate	93	92	115	75	104	99
Epping Forest	110	82	122	69	101	87
Epsom and Ewell	95	41	84	38	120	85
Erewash	102	87	118	95	105	105
Erith and Thamesmead	95	117	122	112	87	84
Esher and Walton	115	65	83	38	109	91
Exeter	94	55	90	79	121	98
Fareham	133	43	71	44	100	75
Faversham and Mid Kent	104	119	109	88	102	49
Feltham and Heston	141	161	114	109	86	70
Filton and Bradley Stoke	133	44	57	52	103	62
Finchley and Golders Green	105	93	110	69	108	94
Folkestone and Hythe	113	114	114	110	87	93
Forest of Dean	84	101	64	82	113	23

Constituency	Spending power	Dependency	Crime	Deprivation	Health	Empty commercial properties
Fylde	142	62	69	73	80	90
Gainsborough	100	86	84	95	94	132
Garston and Halewood	106	141	87	164	106	84
Gateshead	89	168	140	164	98	154
Gedling	82	84	87	73	99	68
Gillingham and Rainham	96	95	146	105	94	72
Gloucester	112	106	135	107	102	131
Gosport	87	87	100	85	84	98
Gower	83	78	73			72
Grantham and Stamford	92	69	94	67	93	122
Gravesham	102	114	157	99	82	94
Great Grimsby	74	180	158	175	74	199
Great Yarmouth	90	185	120	153	90	102
Greenwich and Woolwich	115	113	138	115	83	108
Guildford	148	52	83	41	105	102
Hackney North and Stoke Newington	70	115	152	142	128	136
Hackney South and Shoreditch	138	121	150	159	125	145
Halesowen and Rowley Regis	93	155	83	110	99	101
Halifax	87	169	145	149	83	135
Haltemprice and Howden	99	56	62	40	108	59
Halton	90	139	136	147	90	108
Hammersmith	160	121	128	116	109	133
Hampstead and Kilburn	130	83	117	82	120	120
Harborough	98	59	69	50	117	91
Harlow	109	133	144	94	90	99
Harrogate and Knaresborough	118	67	91	49	114	116
Harrow East	86	91	91	73	99	90
Harrow West	101	76	118	73	103	90
Hartlepool	79	196	182	162	87	166
Harwich and North Essex	85	69	82	79	94	127
Hastings and Rye	86	156	126	149	77	109
Havant	96	85	102	111	95	113
Hayes and Harlington	120	123	117	113	90	40
Hazel Grove	86	71	49	87	112	65
Hemel Hempstead	109	80	108	73	101	85
Hemsworth	72	117	131	134	89	94
Hendon	101	117	110	89	101	90
Henley	118	53	50	39	131	75
Hereford and South Herefordshire	98	101	98	89	94	132
Hertford and Stortford	103	59	88	37	97	96
Hertsmere	138	104	100	64	112	72
Hexham	84	60	54	58	122	99
Heywood and Middleton	80	133	66	141	102	88
High Peak	78	76	87	72	105	101
Hitchin and Harpenden	97	54	76	38	105	86
Holborn and St Pancras	140	100	110	109	126	115
Hornchurch and Upminster	97	96	85	76	97	81
Hornsey and Wood Green	105	80	152	96	101	89
Horsham	111	39	70	43	100	96

Constituency	Spending power	Dependency	Crime	Deprivation	Health	Empty commercial properties
Houghton and Sunderland South	78	141	128	141	91	97
Hove	97	73	97	83	88	96
Huddersfield	84	164	140	138	86	145
Huntingdon	112	60	77	58	101	79
Hyndburn	102	115	135	154	85	181
Ilford North	92	99	95	75	92	75
Ilford South	74	119	127	94	87	119
Ipswich	101	122	120	121	88	138
Isle of Wight	82	84	79	108	97	106
Islington North	117	111	154	131	95	136
Islington South and Finsbury	190	114	101	123	105	127
Islwyn	95	96	92			95
Jarrow	80	141	128	130	93	87
Keighley	81	116	118	119	106	115
Kenilworth and Southam	157	52	58	45	115	49
Kensington	116	70	157	106	117	110
Kettering	96	109	108	89	95	112
Kingston and Surbiton	113	68	100	58	120	111
Kingston upon Hull East	77	150	146	176	69	116
Kingston upon Hull North	87	133	164	181	74	116
Kingston upon Hull West and Hessle	97	174	155	186	72	165
Kingswood	99	49	85	60	129	91
Knowsley	92	177	107	214	91	104
Lancaster and Fleetwood	78	67	104	111	91	135
Leeds Central	103	173	140	193	92	139
Leeds East	113	166	184	197	109	89
Leeds North East	87	85	130	94	99	99
Leeds North West	84	49	97	74	106	112
Leeds West	99	141	179	175	97	109
Leicester East	67	167	87	126	98	71
Leicester South	89	115	122	135	87	126
Leicester West	86	156	149	170	89	60
Leigh	79	124	63	119	90	137
Lewes	93	65	74	69	114	98
Lewisham East	106	107	130	123	98	94
Lewisham West and Penge	89	98	131	111	95	121
Lewisham, Deptford	125	100	153	123	100	113
Leyton and Wanstead	94	89	120	103	104	125
Lichfield	100	67	66	56	107	72
Lincoln	89	100	144	113	86	117
Liverpool, Riverside	91	115	121	171	98	117
Liverpool, Walton	74	219	172	258	95	125
Liverpool, Wavertree	82	139	123	176	103	99
Liverpool, West Derby	84	159	130	209	93	66
Llanelli	91	107	110			124
Loughborough	98	68	88	67	96	106
Louth and Horncastle	77	90	80	122	96	92
Ludlow	79	80	64	82	110	79
Luton North	90	120	96	109	84	58

Constituency	Spending power	Dependency	Crime	Deprivation	Health	Empty commercial properties
Luton South	115	164	127	127	86	123
Macclesfield	107	88	88	61	112	112
Maidenhead	156	54	62	35	106	98
Maidstone and The Weald	104	69	115	71	91	99
Makerfield	90	91	50	101	100	97
Maldon	101	65	82	61	94	88
Manchester Central	105	137	78	196	86	121
Manchester, Gorton	72	172	76	181	92	124
Manchester, Withington	97	80	63	123	92	93
Mansfield	76	124	151	132	97	114
Meon Valley	123	37	71	51	113	93
Meriden	117	113	93	102	100	80
Merthyr Tydfil and Rhymney	82	164	118			104
Mid Bedfordshire	109	42	71	43	103	41
Mid Derbyshire	96	52	76	48	105	88
Mid Dorset and North Poole	112	66	70	49	131	72
Mid Norfolk	82	63	56	77	99	74
Mid Sussex	116	54	61	36	116	87
Mid Worcestershire	94	73	92	76	109	105
Middlesbrough	74	212	220	210	84	157
Middlesbrough South and East Cleveland	80	123	150	126	106	78
Milton Keynes North	128	89	91	76	83	96
Milton Keynes South	127	83	90	91	87	62
Mitcham and Morden	97	114	116	93	95	98
Mole Valley	153	28	69	45	110	99
Monmouth	92	66	60			109
Montgomeryshire	83	75	65			90
Morecambe and Lunesdale	93	112	128	130	94	145
Morley and Outwood	105	51	105	85	93	79
Neath	79	134	87			104
New Forest East	118	57	74	63	115	74
New Forest West	98	67	68	57	128	84
Newark	90	94	91	74	97	94
Newbury	154	57	61	49	104	102
Newcastle upon Tyne Central	99	178	165	166	85	124
Newcastle upon Tyne East	85	121	126	131	99	88
Newcastle upon Tyne North	97	110	122	113	110	59
Newcastle-under-Lyme	78	76	90	90	98	108
Newport East	88	117	115			64
Newport West	98	123	118			199
Newton Abbot	89	60	69	78	118	84
Normanton, Pontefract and Castleford	104	124	142	140	102	107
North Cornwall	80	89	54	109	104	73
North Devon	91	74	68	95	115	102
North Dorset	91	56	56	64	106	73
North Durham	89	131	145	121	96	135
North East Bedfordshire	100	54	72	51	93	81
North East Cambridgeshire	80	78	92	110	94	101
North East Derbyshire	88	83	81	82	110	104

Constituency	Spending power	Dependency	Crime	Deprivation	Health	Empty commercial properties
North East Hampshire	131	31	59	29	102	80
North East Hertfordshire	109	62	83	56	102	88
North East Somerset	99	58	60	53	122	105
North Herefordshire	92	68	64	85	113	115
North Norfolk	77	45	49	97	112	91
North Shropshire	109	82	75	84	106	109
North Somerset	112	39	54	40	121	91
North Swindon	116	91	96	81	96	67
North Thanet	74	137	139	124	81	96
North Tyneside	103	135	157	123	113	119
North Warwickshire	112	103	90	92	94	82
North West Cambridgeshire	110	78	86	82	98	57
North West Durham	82	100	99	109	98	119
North West Hampshire	109	45	72	55	96	90
North West Leicestershire	92	68	66	67	105	78
North West Norfolk	95	85	77	114	96	111
North Wiltshire	108	69	51	55	113	84
Northampton North	111	110	119	113	87	74
Northampton South	100	141	157	125	82	127
Norwich North	106	92	88	99	92	63
Norwich South	92	88	114	113	103	119
Nottingham East	84	147	161	168	108	126
Nottingham North	74	187	156	205	105	69
Nottingham South	80	94	126	117	90	144
Nuneaton	84	111	132	111	88	104
Ogmore	89	120	87			80
Old Bexley and Sidcup	109	48	82	55	90	52
Oldham East and Saddleworth	68	169	67	146	100	128
Oldham West and Royton	88	163	75	164	97	111
Orpington	111	61	88	59	106	72
Oxford East	129	75	95	86	110	103
Oxford West and Abingdon	122	39	56	41	109	80
Pendle	86	145	108	142	95	117
Penistone and Stocksbridge	90	68	79	78	113	69
Penrith and The Border	100	58	60	78	121	98
Peterborough	89	157	138	145	74	98
Plymouth, Moor View	94	131	87	139	84	70
Plymouth, Sutton and Devonport	87	120	136	143	104	143
Pontypridd	91	71	85			75
Poole	108	82	97	73	109	104
Poplar and Limehouse	263	130	70	120	110	118
Portsmouth North	112	76	102	115	97	73
Portsmouth South	81	105	141	133	83	115
Preseli Pembrokeshire	88	93	87			149
Preston	97	154	179	176	81	124
Pudsey	103	46	94	70	90	83
Putney	136	66	110	75	105	121
Rayleigh and Wickford	97	72	81	46	95	57
Reading East	143	75	80	67	90	131

Constituency	Spending power	Dependency	Crime	Deprivation	Health	Empty commercial properties
Reading West	129	111	89	88	93	69
Redcar	73	145	165	150	88	134
Redditch	100	124	113	101	113	99
Reigate	145	63	78	53	101	89
Rhondda	72	146	112			127
Ribble Valley	116	36	61	57	95	59
Richmond (Yorks)	91	55	60	56	102	100
Richmond Park	126	44	88	42	124	104
Rochdale	81	169	81	177	88	96
Rochester and Strood	102	87	146	98	80	105
Rochford and Southend East	89	162	175	128	96	144
Romford	102	106	112	75	92	108
Romsey and Southampton North	93	50	69	62	110	69
Rossendale and Darwen	85	108	120	116	89	130
Rother Valley	90	100	101	105	100	69
Rotherham	89	130	133	178	90	176
Rugby	119	89	96	67	103	94
Ruislip, Northwood and Pinner	118	49	84	49	120	85
Runnymede and Weybridge	150	46	79	50	96	94
Rushcliffe	112	41	63	33	115	67
Rutland and Melton	93	62	58	49	104	77
Saffron Walden	116	51	85	47	111	64
Salford and Eccles	120	126	61	157	80	118
Salisbury	99	65	84	63	115	111
Scarborough and Whitby	84	115	139	123	119	103
Scunthorpe	85	164	131	123	91	122
Sedgefield	93	134	122	123	89	108
Sefton Central	72	54	73	66	111	82
Selby and Ainsty	99	79	75	57	109	95
Sevenoaks	107	83	89	56	105	62
Sheffield Central	102	75	107	116	92	146
Sheffield South East	95	91	100	129	133	97
Sheffield, Brightside and Hillsborough	76	145	142	203	110	100
Sheffield, Hallam	93	26	61	35	115	82
Sheffield, Heeley	74	106	137	147	123	98
Sherwood	99	101	96	94	102	74
Shipley	93	89	125	87	118	83
Shrewsbury and Atcham	90	61	99	75	113	113
Sittingbourne and Sheppey	87	135	137	132	89	88
Skipton and Ripon	96	46	56	57	122	69
Sleaford and North Hykeham	94	61	62	55	94	81
Slough	136	113	110	106	98	102
Solihull	138	59	68	57	103	83
Somerton and Frome	105	77	59	74	116	76
South Basildon and East Thurrock	101	121	137	112	93	78
South Cambridgeshire	142	30	54	37	115	44
South Derbyshire	109	49	78	67	98	50
South Dorset	73	83	106	103	103	74
South East Cambridgeshire	141	49	60	47	113	59

Constituency	Spending power	Dependency	Crime	Deprivation	Health	Empty commercial properties
South East Cornwall	73	85	61	100	112	92
South Holland and The Deepings	96	78	82	78	87	82
South Leicestershire	104	51	57	46	113	44
South Norfolk	103	74	48	64	104	68
South Northamptonshire	122	52	62	39	106	60
South Ribble	101	64	88	65	89	67
South Shields	75	171	158	155	89	176
South Staffordshire	96	55	63	61	106	31
South Suffolk	84	78	59	66	104	80
South Swindon	117	110	116	91	95	102
South Thanet	86	133	155	133	87	99
South West Bedfordshire	114	72	115	73	85	104
South West Devon	91	47	44	52	107	75
South West Hertfordshire	134	34	70	38	109	70
South West Norfolk	89	83	66	102	102	86
South West Surrey	108	43	71	35	118	90
South West Wiltshire	84	87	88	76	97	118
Southampton, Itchen	116	98	160	126	91	106
Southampton, Test	108	118	135	129	86	95
Southend West	84	100	105	74	107	85
Southport	75	120	92	102	102	120
Spelthorne	146	58	109	69	97	94
St Albans	120	55	91	44	103	103
St Austell and Newquay	84	87	75	111	98	72
St Helens North	97	122	110	141	100	84
St Helens South and Whiston	98	135	124	156	96	149
St Ives	68	71	57	112	126	105
Stafford	99	82	69	66	98	132
Staffordshire Moorlands	95	82	62	71	102	111
Stalybridge and Hyde	75	131	70	139	88	133
Stevenage	135	63	115	85	95	96
Stockport	94	113	62	141	93	165
Stockton North	87	163	170	152	94	178
Stockton South	94	104	115	90	91	79
Stoke-on-Trent Central	86	148	128	167	93	159
Stoke-on-Trent North	80	141	133	156	85	132
Stoke-on-Trent South	93	127	130	143	90	121
Stone	82	48	59	58	106	94
Stourbridge	87	139	85	95	101	109
Stratford-on-Avon	102	60	75	55	113	94
Streatham	109	93	140	105	96	118
Stretford and Urmston	110	97	43	107	88	92
Stroud	104	49	70	52	112	98
Suffolk Coastal	112	59	49	74	111	85
Sunderland Central	91	149	163	142	90	172
Surrey Heath	133	59	79	41	114	92
Sutton and Cheam	112	84	93	50	104	110
Sutton Coldfield	105	57	74	62	96	86
Swansea East	82	141	93			74

Constituency	Spending power	Dependency	Crime	Deprivation	Health	Empty commercial properties
Swansea West	76	124	115			164
Tamworth	98	101	82	90	93	105
Tatton	133	53	64	52	116	74
Taunton Deane	81	67	90	82	109	105
Telford	100	119	133	138	81	82
Tewkesbury	118	49	57	54	115	87
The Cotswolds	113	56	52	49	114	80
The Wrekin	94	89	96	84	98	85
Thirsk and Malton	94	57	53	71	105	76
Thornbury and Yate	103	43	56	50	127	87
Thurrock	94	131	146	105	78	121
Tiverton and Honiton	83	57	57	72	126	120
Tonbridge and Malling	112	64	86	59	106	82
Tooting	122	77	121	79	103	120
Torbay	73	113	121	136	102	120
Torfaen	89	134	108			98
Torridge and West Devon	78	72	49	98	120	99
Totnes	78	68	58	90	115	73
Tottenham	109	158	182	160	89	125
Truro and Falmouth	91	66	62	85	123	96
Tunbridge Wells	113	60	85	51	108	111
Twickenham	132	64	81	43	108	93
Tynemouth	100	97	107	82	102	93
Uxbridge and South Ruislip	133	78	101	72	91	70
Vale of Clwyd	85	136	142			116
Vale of Glamorgan	94	86	90			79
Vauxhall	159	102	154	124	115	110
Wakefield	98	127	132	121	100	133
Wallasey	76	123	109	162	109	117
Walsall North	80	175	109	183	93	103
Walsall South	83	177	103	156	101	173
Walthamstow	97	133	137	126	88	128
Wansbeck	76	151	134	128	110	117
Wantage	145	57	46	41	102	105
Warley	85	203	99	160	95	84
Warrington North	108	114	92	109	99	68
Warrington South	109	73	95	69	99	105
Warwick and Leamington	123	71	96	62	107	99
Washington and Sunderland West	89	145	112	142	75	115
Watford	105	81	117	67	93	99
Waveney	87	127	86	124	87	107
Wealden	94	60	59	57	121	72
Weaver Vale	123	80	91	99	106	121
Wellingborough	102	112	121	94	93	103
Wells	80	88	77	79	125	94
Welwyn Hatfield	147	65	92	67	96	77
Wentworth and Dearne	83	146	119	144	94	89
West Bromwich East	77	193	95	161	91	108
West Bromwich West	102	180	94	169	87	102

Constituency	Spending power	Dependency	Crime	Deprivation	Health	Empty commercial properties
West Dorset	94	65	57	73	116	80
West Ham	113	141	153	141	96	129
West Lancashire	86	102	74	92	87	110
West Suffolk	103	69	72	80	102	77
West Worcestershire	80	62	79	72	116	77
Westminster North	130	89	142	107	99	128
Westmorland and Lonsdale	98	40	63	56	110	93
Weston-Super-Mare	88	98	114	104	107	127
Wigan	92	154	62	129	98	137
Wimbledon	118	60	86	40	105	95
Winchester	99	29	62	37	110	78
Windsor	138	52	66	39	109	84
Wirral South	103	68	60	79	119	109
Wirral West	90	82	62	81	107	91
Witham	95	89	84	62	81	67
Witney	107	43	52	40	116	78
Woking	168	68	97	50	105	109
Wokingham	136	36	56	28	97	58
Wolverhampton North East	94	216	88	156	100	55
Wolverhampton South East	78	227	114	170	89	91
Wolverhampton South West	83	177	107	116	88	152
Worcester	101	104	134	94	97	129
Workington	88	92	96	114	98	120
Worsley and Eccles South	92	130	69	148	95	129
Worthing West	87	62	95	78	97	117
Wrexham	90	131	125			154
Wycombe	140	76	84	60	101	109
Wyre and Preston North	103	62	64	53	91	60
Wyre Forest	77	76	125	104	100	109
Wythenshawe and Sale East	108	125	59	161	105	77
Yeovil	99	99	77	85	101	125
Ynys Môn	88	90	92			105
York Central	98	65	122	73	94	95
York Outer	106	30	57	32	113	67

Endnotes

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