



UNLEASHING THE GREY POUND –

OLDER CONSUMERS' CONTRIBUTION TO HIGH STREET REVIVAL

THE CHALLENGES FOR LONDON'S HIGH STREETS

Eighteen months of the pandemic months has exacerbated the difficulties facing the High Street, but now we are in recovery there is the opportunity to re-look at how High Streets can play a greater role in our communities.

Key is how to make High Streets benefit all ages but particularly older people, ensuring they play a full part in their economic contribution to the High Street. Yet the stark evidence is that nearly a quarter of older people aged 70+ say they feel 'shut out' from the high street.

This involves rethinking older people's needs in partnership with them, ensuring there is better access and making High Streets welcoming and appealing. Much will involve reimagining the High Street in different ways. We believe this is necessary not just to help our fragile High Streets economically but also to help plan for the future for an ageing population and to make London an age friendly city.

Positive Ageing in London (PAiL) believes there is a need for a new bold agenda for policy makers on maximising the over a million older Londoners' spending in their High Streets and to ensure High Streets are for all generations.

OLDER PEOPLE SUPPORT THEIR LOCAL HIGH STREETS

A survey this year by Retail Week shows the persistence of support from older people for their local High Street despite Covid **(1)**. For many older people the local High Street provides the convenience of local shopping plus support for local businesses and for the good of the community. As a recent GLA report stated High Streets are very much "social" and people value this opportunity to be around other people **(2)**. And, for many more vulnerable older people having shops and amenities close by is important. Indeed the 15-minute city has been attempted by many older people for some time!

THERE ARE FINANCIAL BENEFITS OF OLDER PEOPLE SPENDING ON THE HIGH STREET

Despite the various solutions to London's economic recovery post-pandemic the "grey pound" has not featured much by London policy makers in thinking about regenerating their High Streets. Yet there is growing evidence that unlocking this economic potential could be a key ingredient for recovery once people feel there is Covid-safe shopping in place. The work of the International Longevity Centre UK (ILCUK) has been influential in raising this issue in what they term the "Longevity Dividend" and the impact this has had on older people's spending patterns **(3)**. Their key facts are:

- The "longevity dividend" in 2019 revealed that older consumers spent £319 billion (54% of all UK consumer spending) in 2018 – and that this was likely to increase to £550 billion (or 63p of every pound spent by consumers) by 2040.
- This is not down to demographic changes of older consumers but because they are spending more.
- Older households (aged 50 and over) own 52% of total disposable income, thus already dominating the UK consumer market.
- Tackling the barriers to older people's spending could add 2% (or £47 billion) to UK GDP a year by 2040.
- ILCUK analysis shows that people aged 50+ are now shifting their spending towards non-essentials like leisure. Their prediction is the top growth sectors for older consumers will be recreation and culture; transport; and household goods and services.
- By 2031, for the first time since 2001, older households are projected to spend more than their younger counterparts.
- The particularly strong growth in spending on recreation and culture, household goods and services, communication, and restaurant and hotels points to the fact that spending on non-essential items by older households is growing.

ONS figures show on average over 50s spend more than those below 50 on goods and services (excluding housing etc). The 50-64 age group spend per annum £29,920; the 65-74 age group £22,552 and for the over 75s this drops to £16,265. **(4)**. This illustrates the spending potential of older people. And this spending is likely to be higher in London.

Translated to London's High Streets we obviously need to get better data on the impact of older Londoners spending locally. But evidence from Homes for Later Living (McCarthy and Stone and Churchills) show the power of the grey pound in urban high streets and economic benefits from locating retirement housing projects in urban centres **(5)**.

- Evidence is that in retirement flats 80 per cent of older people who live there use **shops daily**.
- For each retirement development (consisting typically of 45 flats) the people living there generate £550,000 of spending per year, **£347,000 of which is spent on the local High Street**. Some £225,000 of this is new spending in the local authority, directly contributing to keeping local shops open.
- The estimates are that a **typical retirement housing development has the potential to support more than three local retail jobs (equivalent to one shop)**. Over the lifetime of the development, a typical development would contribute £2.25m of Gross Value Added (GVA) to the high street.

BUT THERE ARE BARRIERS TO OLDER PEOPLE'S SPENDING ON THE HIGH STREET

Yet despite this economic potential there are barriers to spending locally by older people. We know that spending drops after the age of 75 but there is also the phenomenon of what economists called "under consumption" – older people would like to go out and eat and visit places but don't find the environment conducive. Between a third and a quarter of these people say they would like to do more. ILCUK's research has identified several factors which hold back older people's expenditure. **(6)** These include poor health; non-inclusive goods and services not catering for older people, the lack of accessible and welcoming retail areas and neighbourhoods; a lack of innovation in products and services; and a tendency to make precautionary savings.

THE CHALLENGES OF HIGH STREET ACCESSIBILITY FOR OLDER PEOPLE

The biggest challenge are the accessibility issues which become barriers to older people using their High Street and so inhibit spending. Chief of these are health and physical issues. ILCUK research shows that a walking difficulty is one of the biggest barriers to consumption among those aged 50 and over **(7)**. Approximately 5.4 million people aged 50+ in England have difficulty walking 1/4 mile unaided; 60% of the people aged 50 and over who have a walking difficulty are women. The incidence of walking difficulties rises with age: while only 2 in 5 men and 1 in 4 women aged 50- 74 have a walking difficulty, half of all over 75s have the same problem. After controlling for all other socio-demographic factors, people with a walking difficulty spend on average 14.5% less; however, having a walking difficulty does not have the same impact on all spending categories: it leads to 16% less spending on clothing, 15% less spending on eating out and 11.5% less spending on leisure; but has no association with spending on food and groceries. Walking difficulty is associated with poor eyesight, hearing difficulties, incontinence issues, and, above all, arthritis. Other factors include lack of public transport and for those who have a physical impairment the ability to drive and park close to the high street.

PROMOTING ACCESSIBLE AND WELCOMING HIGH STREETS FOR OLDER PEOPLE

There is growing evidence from various sources of the importance of age-friendly environments which can help older consumers **(8)** There are other sources of good advice through studies on how to make High Streets more inclusive of older people **(9)**.

Age-Friendly High Streets

The key elements of accepted best practice include

- Improving the number of places for older people to **rest** in the High Street - it is difficult for many older people to walk around their local area without somewhere to

sit down. Many have been affected by the lack of physical activity during lockdown **(10)**.

- **Improved walking facilities** for older people, including walkways with wide pavements; safe pavements without uneven or other barriers; well-designed stopping places, which encourage older people to engage in social activities and provide incentives for walking; well-designed weather shelters, that protect older people from the wind and rain **(11)**.
- **Improved street environment** with good street-lighting and removal of unnecessary obstructions from streets particularly those arising from Covid measures such as schemes to promote scooters and cycling.
- Certification schemes for **age-friendly businesses** showing how they meet older people's needs.
- **More accessible public toilets** - having clean, conveniently located toilets that are accessible for people with disabilities is generally regarded as an important age-friendly feature of the built environment **(12)**.
- **Improved access to public transport** for older people such as buses, taxis, and trains. Given risks around cuts to services post-Covid this needs to ensure that transport to High Streets is not curtailed.
- A **secure environment**: older people feeling secure affects their willingness to go out into the local community, which in turn helps with independence, physical health, social integration, emotional well-being, and consumption. In the post-pandemic situation feeling safe from exposure to Covid is also important. **(13)**
- But shops and institutions in the High Street also need to ensure that their **own premises do not create barriers such as cramped aisles, shelving** etc as well as having toilets available where possible.

Ensuring that physical post-Covid changes to the High Street do not adversely affect older people

Initiatives post-Covid to ensure more walking and cycling in urban centres have impacted on accessibility for older people. Public Health England cites cluttered pavements and non-inclusive design as one of the features of unhealthy high streets **(14)**. Positive Ageing in London's own focus group on age friendly high streets has shown that changes to street furniture, tables outside cafes and restaurants, cycling lanes and increased cycling on joint pedestrian cyclist routes and especially the use of e-scooters has harmed confidence in going out to the High Street.

Maximising the social benefits of High Streets for older people

Apart from accessibility there is also the need to promote the social benefits of the High Street which can help older people **(15)**. Chief is combatting loneliness which has risen with Covid and still remains **(16)**. Shopping can help with providing independence and connections and local independent stores can provide a community or place making role for older people. Simple things like adequate seating can help people congregate. But also, community infrastructure settings along the lines of "care hubs" providing support facilities

within a short radius of the High Street and facilities to promote inter-generational connections are important.

ENGAGING MEANINGFULLY WITH OLDER PEOPLE ON SHAPING HIGH STREETS

London Boroughs have a clear duty under the Public Sector Equality Duty to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities **(17)**.

We believe that to progress age-friendly High Streets there needs for better and more systematic engagement locally with older people. There is merit in getting the older person lens on planning right at the start of designing new high streets rather than rely on assumptions about what older people “want” which may be wide off the mark. Key is the varied nature of “older people” who are all different which needs to be fully recognised in developing engagement to allow capturing diversity of perspectives. A good example is Northampton’s approach to getting older people’s qualitative views on the regeneration of their town centre **(18)**. All London Boroughs need to have a forum whereby older people can give feedback on the quality of the local High Streets. PAiL’s own experience of conducting street audits is a way of getting a true older person “on the ground” audit of local high streets from a physical standpoint. But audits also need to look at amenities and facilities for older people - the American AARP Older People Liveability index is a good model to be investigated further for London **(19)**.

RECOMMENDATIONS FOR DEVELOPING AGE-FRIENDLY HIGH STREETS IN LONDON

We set out an agenda for London to ensure that High Streets are age-friendly and older Londoners can contribute economically and play their part in inclusive regeneration. We recognise that not all High Streets are the same and different solutions will therefore be necessary **(20)**.

Actions for local stakeholders:

- 1. Post-Covid, local communities led by London Boroughs should have published plans to make their urban centres and High Streets attractive and accessible to older people.**
- 2. London Boroughs should set up partnerships with older people organisations to review their High Streets from an age-friendly perspective. Older people organisations in Boroughs should carry out street and community audits – assessing not just physical impediments but also what facilities, amenities and resources are available locally for older people.**
- 3. London Boroughs and local businesses should work to ensure that their premises and physical infrastructure do not create barriers to older customers shopping and playing a full part in the community. Bristol’s Ageing Better initiative for local business is a great example of what can be done. (21)**

Actions for London-wide organisations

4. The GLA and London Councils should commission research on spending and shopping patterns by older Londoners and their use of local High Streets.
5. Older people organisations in London such as Positive Ageing in London should develop training schemes for officials about age-friendly perspectives and implications for designing High Street changes.
6. The London Recovery Board's High Street Mission should develop and publish an age-friendly statement for High Streets and review all funded schemes on how age-friendly they are with clear evaluation criteria. They should specifically fund a pilot Age-Friendly High Street to help promote best practise.

Action for Central Government

7. Finally, Central Government's plans for regenerating High Streets need to be much more age-friendly (22). Planning law should be amended and used to encourage and support local authorities and businesses. London MPs, London Councils and the GLA should commit to influencing central government to ensure this happens.

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