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Urban Regeneration Through Public Sector Location: A Desk-Based Review

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Cover Photo: The Belfast City Hall at Donegall Square in Belfast, Northern Ireland at Night.

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Executive Summary

Background

This study was undertaken in the context of the Centre First for Public Services, which featured in the Shaping Sustainable Places consultation ongoing during the main research period in 2025. Shaping Sustainable Places is a programme jointly developed by the Department for Communities, the Department for Infrastructure and the Department of Agriculture, Environment and Rural Affairs. Its objective is to address the decline of village, town and city centres in Northern Ireland by providing funding for physical and infrastructure projects through local councils. While Centre First for Public Services is not a formal component of the Shaping Sustainable Places proposal, it was included in the consultation for its potential to deliver complementary regeneration benefits. Centre First for Public Services aims to strategically locate public sector jobs and services in urban centres, to boost footfall, economic activity and public transport access.

Research Objectives

The primary objective of this desk-based review is to examine the evidence base for the strategic rationale of locating public sector jobs and services in urban centres, including the benefits, challenges and potential solutions to the challenges.

Secondary objectives are to examine:

- The historical context behind urban centre vacancy and decline.
- Urban regeneration literature, exploring approaches that have proven effective or ineffective in revitalising urban centres.
- Policy context surrounding Town Centre First policies in both the UK and Ireland.

Methodology

The methodology for this desk-based research involved a multi-method, multi-stage approach to assess the evidence supporting the strategic placement of public sector jobs and services in urban centres. The process included a systematic literature review, snowballing and supplementary searches, high level analysis of policy documents and incorporation of Northern Ireland contextual sources.

Urban Centre Vacancy

Urban centre vacancy, defined as premises that are unoccupied yet suitable for reuse, remains a persistent challenge across Northern Ireland. The proportion of non-domestic property vacancies varies significantly across Northern Ireland, with Belfast City experiencing the highest rate at 35.1%. Despite relatively stable non-domestic property vacancy rates over the past decade, nearly a quarter continue to stand empty. This widespread vacancy undermines economic activity, community vitality and public perception, deepening urban decline and threatening the sustainability of urban centres.

Urban Centre Decline

Reviewed literature highlights that urban centres have experienced longstanding structural, economic and social challenges. Factors such as deindustrialisation, suburbanisation, public sector decentralisation and underinvestment in public transport have contributed to declining footfall and economic activity, particularly in Northern Ireland where the legacy of the Troubles exacerbated urban decline. More recently, online shopping, financial crises and the COVID-19 pandemic have intensified these pressures.

Despite these challenges, evidence points to the resilience and adaptability of urban centres. Predictions of the 'death knell' for high streets has been sounded before, and yet urban centres have endured, adjusting to previous waves of change such as the rise of supermarkets and out-of-town retail. While today's challenges are significant, characterised by high inflation, falling disposable incomes and a surplus of retail space, they do not signal an inevitable decline but rather the need for further adaptation.

Evidence from Rudlin et al. (2023) and Audit Wales (2021) indicate that a retail-centric regeneration led to an oversupply of retail spaces, homogenised town centres and an unstable foundation for long-term economic resilience. The literature now advocates for a transition towards mixed-use urban centres, integrating housing, services, hospitality and cultural activities to boost footfall and support sustainable, vibrant town centres.

Urban Centre Regeneration

Urban centres play an important role in regional prosperity, acting as economic powerhouses with higher productivity and most high-skilled and well-paying jobs. These centres are vital spaces for exchanging ideas, information and services, delivering agglomeration benefits that draw in knowledge-intensive businesses. In addition, the vibrancy of urban centres is closely linked to social and cultural interactions, which are crucial drivers of innovation, community wellbeing and wealth creation.

Regarding 'what works', the literature emphasises the need to reimagine urban centres as multifunctional places for living, working, accessing services and enjoying culture. Key factors influencing regeneration success include the strength of the local economy, catchment size, local incomes and the number of visitors. Effective regeneration strategies require bespoke responses tailored to each centre's needs and circumstances, underpinned by long term commitment and robust collaboration between local authorities, stakeholders and residents. International case studies highlight that, while there is no single blueprint, successful regeneration consistently involved empowered local authorities with the vision and tools to reshape the city's strategic direction, rather than merely revitalising run-down areas. Moreover, it is

important to recognise that urban centres are in constant competition to attract residents, investment and businesses.

Regarding ‘what doesn’t work’, the literature cautions that fragmented ownership and weak strategic oversight often undermine outcomes, and that short-term planning or failing to empower residents can result in unsuccessful regeneration. Meanwhile, Out-of-town enterprise zones, frequently do not deliver the desired benefits but come with adverse consequences for urban centres.

There is broad consensus that successful regeneration approaches must integrate economic, social and environmental objectives within a coherent framework. Combining economic renewal with social measures to strengthen community life, investing in cultural infrastructure and delivering environmental improvements can not only catalyse long-term economic growth but also reduce regional inequalities and advance climate goals.

Town Centre First Policy History

The Town Centre First policy in the UK originated in England during the 1990s in response to the rise of out-of-town retail developments that threatened the vibrancy of town centres. Early efforts were largely focused on prioritising retail within town centres, but over time, it became clear that retail alone was not the key to city centre success.

The policy evolved to embrace a wider range of uses, including offices, leisure and cultural facilities, with public sector jobs and services also becoming increasingly prominent. Scotland broadened the approach by recognising the value of public sector jobs, although it stopped short of making their location in urban centres a statutory requirement. Wales adopted the policy later but recognised its strategic importance most extensively, mandating significant public sector facilities in town centres and empowering government intervention when needed. Meanwhile, the Republic of Ireland adopted Town Centre First in 2022, promoting holistic regeneration and local empowerment, and committed to developing tools to guide government investment decisions that consider economic, social and sustainability impacts on town centres.

Locating Public Sector Jobs and Services in Urban Centres

Strategic Rationale

Locating public sector jobs and services in urban centres emerged as a strategic approach to address urban decline and tackle rising vacancy, especially after many essential services left high streets due to decentralisation. When libraries, post offices, health facilities and council offices move out of town centres, these areas lose important anchors that used to draw people in and support the local economy.

Therefore, planning policies increasingly focus on making town centres more than just retail destinations. By encouraging a mix of uses including housing, schools, public services, libraries, leisure venues and offices, urban centres can become livelier places with better public transport links and more opportunities for people to live, work and connect.

Benefits

The literature demonstrates that locating public sector jobs and services in urban centres delivers a range of economic, social and environmental benefits.

Economically, public services serve as reliable anchors, generating consistent footfall and supporting nearby businesses. Evidence indicates that centrally situated services encourage trip chaining, where people combine commutes with shopping and leisure activities, thereby boosting the local economy. Moreover, relocating public sector facilities can create positive multiplier effects for private sector employment and attract knowledge-intensive businesses through agglomeration benefits.

From a sustainability perspective, placing public sector jobs and services in town centres helps reduce car dependency and promotes walking, cycling and public transport use, which supports climate objectives and lowers emissions. Compact development in urban centres curbs urban sprawl, while decentralisation tends to reinforce car reliance and disadvantage those without access to private vehicles. For employees, central locations often mean shorter commutes and improved public transport links, leading to higher satisfaction. Mixed-use environments also enable workers to integrate errands and social activities into their day, enhancing well-being, whereas peripheral relocations typically lengthen commutes and limit opportunities for social interaction.

Moreover, locating public services in urban centres offers spaces for civic engagement, cultural activities and social interaction that out-of-town retail parks cannot replicate. Examples such as converting vacant department stores into libraries or health hubs illustrate how reintegrating essential services restores urban centres' multifunctional role, strengthens community life and improves access to public services.

Evidence from Case Studies

The reviewed case studies demonstrate that relocating public services to urban centres can positively influence sustainability, commute patterns and stimulate private sector activity. However, these studies did not assess broader regeneration outcomes, such as vacancy reduction or overall revitalisation. Although additional public sector relocation examples exist including Bradford's 'b-works', Ulster University relocation to Belfast, and West Dunbartonshire Council's office move, most lack publicly available evaluations on their regeneration or vacancy impacts. This highlights a gap in evidence, as the actual impacts on urban renewal remain

unclear. As Town Centre First policies become more widespread, new case studies may emerge but are not guaranteed to include comprehensive post-project evaluations.

Challenges

Locating public sector jobs and services in urban centres can offer regeneration benefits, but it is not without considerable challenges. The anticipated economic benefits may be less significant than expected, as evidence of strong multiplier effects is limited and the evidence that does exist points to modest and highly localised impacts on private sector employment. There are also risks of crowding out, where public sector pay and conditions compete with local businesses for skilled staff. Social value outcomes, such as enhanced wellbeing and civic pride, are difficult to measure, adding complexity to the evaluation of success. Furthermore, fragmented property ownership, disused or ‘orphaned’ buildings and high upfront costs present significant practical and logistical barriers to effective town-centre development. Relocation of public sector jobs and services is further limited without complementary actions including on housing, transport and safety. Accessibility remains a challenge, due to car dependency, limited parking and inadequate public transport, which can reduce equity of access. Employee considerations, including commuting costs and hybrid working compatibility, must also be addressed to support staff wellbeing.

Potential Solutions

To address the challenges, a realistic and integrated strategic approach is required. Policymakers should adopt robust evaluation frameworks to capture both economic and social outcomes and draw on best practice from other jurisdictions in assessing the costs and benefits of public investment. Strong cross-departmental collaboration is essential to enhance the multifunctionality of urban centres and effectively tackle wider issues such as crime and dereliction. Practical solutions include improving land assembly powers, providing small-scale fit-out grants and offering flexible arrangements like pop-up leases to reduce upfront costs for businesses. Strengthening accessibility through investment in public transport and active travel networks is also vital. In addition, flexible working policies and early staff engagement can help address employee concerns. Ultimately, the location of public sector jobs and services should be seen as one tool for regeneration, rather than a standalone intervention.

Recommendations

While recognising that not all recommendations may be feasible due to budgetary and/or resource constraints, the following suggestions are drawn from the general consensus of the evidence reviewed:

Centre First for Public Services

1. Adopt Centre First for Public Services across government decision-making
2. Strengthen cross-departmental collaboration
3. Facilitate stakeholder and community involvement
4. Assess and mitigate displacement in rural areas
5. Manage expectations of impact
6. Build-in evaluation from the outset
7. Build and maintain a robust evidence base
8. Monitor and evaluate major public sector relocations in the UK and Ireland
9. Learn from best practice and comparative approaches
10. Ensure adequate enforcement
11. Incorporate employee considerations into decision-making

Complementary Measures

12. Improve accessibility and transport integration
13. Develop affordable housing in or near urban centres
14. Support mixed-use development
15. Tackle dereliction
16. Support independent business start-ups

Background

Shaping Sustainable Places

Shaping Sustainable Places is a programme jointly developed by the Department for Communities, the Department for Infrastructure and the Department of Agriculture, Environment and Rural Affairs. This programme aims to reverse the decline of village, town and city centres in Northern Ireland by funding physical and infrastructure projects via local councils, with a strong focus on community engagement from the outset. The programme will be co-funded over a 10-year period by the Departments involved and local councils. The draft proposal for the programme was published for consultation in June 2025 and the aim is to develop a final programme for Ministerial and Executive Committee consideration thereafter (Department for Communities, 2025a).

Centre First for Public Services

The Shaping Sustainable Places consultation is also used to consult on Centre First for Public Services to strategically locate public sector jobs and services in urban centres, aiming to boost footfall, economic activity and public transport access. It is noted that the adoption of a Centre First for Public Services does not need to be an essential component of the Shaping Sustainable Places proposal but is included in the consultation due to its potential to deliver significant complementary regeneration benefits alongside Shaping Sustainable Places (Department for Communities, 2025a)

Urban Centre Definition

Urban centres are referred to by various terms in policy and literature, including town centres, city centres and high streets. For clarity, this paper will use these terms interchangeably and adopt urban centre as an umbrella term, as distinguishing between them is often difficult across broad literature and government publications. The definition of urban also varies by jurisdiction and as this desk-based research spans multiple jurisdictions, the focus is on the broader concept of urban centres rather than rigid definitions. For context, in Northern Ireland, The Department of Agriculture, Environment and Rural Affairs (n.d.) states that urban/rural statistical comparisons are based on settlement classifications developed by the Northern Ireland Statistics and Research Agency in 2015. The webpage elaborates that the 2015 classification proposed a population threshold of 5,000 to differentiate urban and rural but also took access to a range of key services for each settlement into account, meaning in practice, a settlement containing at least 10,000 residents is generally considered to be suitable definition for such a location.

Introduction

Research Objectives

The primary objective of this desk-based research is to assess the evidence underpinning the strategic rationale for situating public sector jobs and services within urban centres. This includes examining the benefits, challenges and potential solutions to these challenges. This work is undertaken to support evidence gathering for the Centre First for Public Services outlined in the Background section. The research also briefly examines the historical context of urban centre vacancy and decline, the wider literature on urban regeneration and high-level policy context of the Town Centre First policies in the UK and Ireland.

Methodology

This desk-based research adopted a multi-method, multi-stage approach to examine the evidence base behind the strategic rationale for locating public sector jobs and services in urban centres as a means of reducing vacancy and support regeneration.

The process combined:

1. Systemic Literature Review

Searches were conducted across databases (IDOX Knowledge Exchange, ScienceDirect, EBSCO) using multiple keyword combinations and synonyms (e.g., public sector relocation, town centre regeneration, urban vacancy reduction, place-based policy). Boolean operators were applied to refine results. Titles and abstracts were screened, and relevant papers were logged in an Excel spreadsheet. Full texts were then reviewed and scored by two researchers for inclusion.

2. Snowballing and Supplementary Searches

Bibliographies of key papers were examined to capture related studies. Additional sources were also identified through further searches on Google Scholar and Google.

3. Policy Document Analysis

Government publications and strategic plans were reviewed to provide high-level context on Town Centre First policies in the UK and Ireland. Given the extensive volume of documents spanning several decades, the review only focused on overarching policy background, aims and principles.

4. Northern Ireland Contextual Sources

To provide contextual information where applicable, Google searches using neutral language were conducted and policy colleagues suggested additional contextual sources; this material was used solely to frame background and did not affect the scope, assessment or conclusions of the evidence review.

Urban Centre Vacancy

Vacancy refers to premises that are unoccupied but remain capable of occupation or reuse.

Department for Communities' town centre database provides statistics on town centre non-domestic property vacancies. The table below displays the percentage of vacant non-domestic properties in Northern Ireland's town centres as of April 2025. This table demonstrates how the vacancy rate varies across Northern Ireland, with Belfast City, the capital and most populated urban centre, having the highest percentage of vacant properties at 35.1%.

Northern Ireland Town Centre Non-Domestic Property Vacancies, April 2025

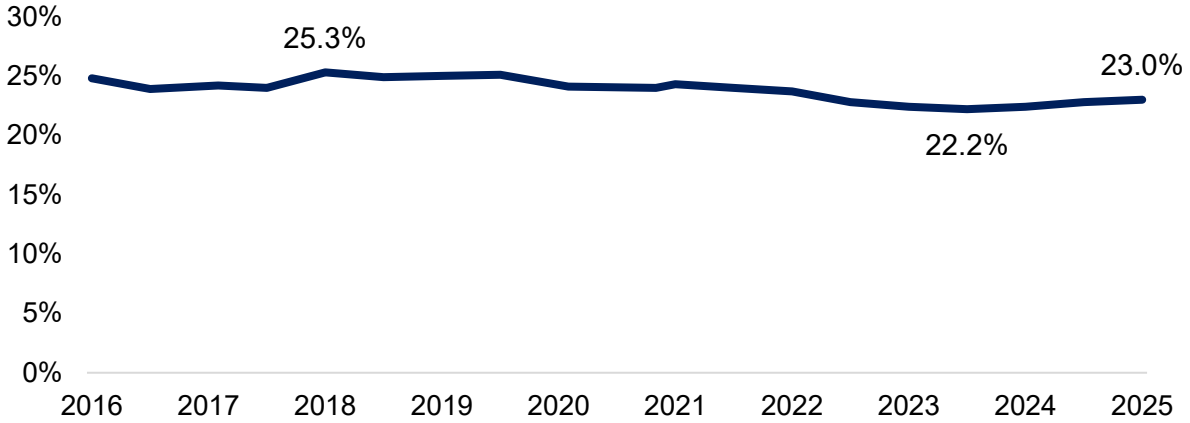
Town Centre	No. of Vacant Properties	% of Vacant Properties
Belfast City	1,991	*35.1%*
Randalstown	37	*28.7%*
Coalisland	37	*27.4%*
Kilkeel	47	*24.4%*
Strabane	83	*23.6%*
Dromore	29	*23.0%*
Downpatrick	66	*22.8%*
Coleraine	155	*22.2%*
Larne	85	*22.0%*
Bangor	145	*21.8%*
Newry	201	*20.9%*
Newtownards	112	*20.9%*
Portadown	142	*20.6%*
Antrim	62	*20.5%*
Dungannon	98	*20.4%*
Ballymoney	54	*19.6%*
Omagh	132	*19.5%*
Derry	330	*19.3%*
Crumlin	19	*19.0%*
Lurgan	94	*18.8%*
Warrenpoint / Burren	36	*18.6%*
Cookstown	73	*18.5%*
Lisburn City	143	*18.2%*
Armagh	129	*17.6%*
Ballycastle	28	*17.5%*
Limavady	50	*17.4%*

Enniskillen	115	*17.2%*
Ballynahinch	31	*17.0%*
Portstewart	17	*16.7%*
Ballymena	123	*16.3%*
Comber	21	*16.3%*
Carrickfergus	46	*15.0%*
Banbridge	64	*14.9%*
Donaghadee	17	*14.4%*
Magherafelt	51	*12.7%*
Portrush	16	*12.2%*
Ballyclare	21	*10.2%*
Newcastle	23	*10.2%*
Holywood	26	*8.5%*
Craigavon	8	*7.8%*
Carryduff	2	*4.3%*
Total	**4,959**	***23.0%***

Source: Town Centre Database, Department for Communities, August 2025

The total non-domestic property vacancies of all the town centres as of April 2025 displayed in the table above was 23.0%, signifying that almost a quarter of non-domestic properties were vacant in Northern Ireland's town centres. As shown in the graph below, this rate has remained fairly constant over the last ten years. The total vacancy rate has slightly trended downwards since its local peak of 25.3% in April 2018, although it rose marginally from a trough of 22.2% in October 2023. Encouragingly, the data does not suggest a sharp increase in vacancies following the Covid-19 pandemic or the subsequent cost-of-living crisis. Despite this, a significant proportion of non-domestic properties remain vacant across Northern Ireland town centres.

Northern Ireland Town Centre Non-Domestic Vacancy Rate, April 2016 to 2025



Source: Town Centre Database, Department for Communities, August 2025

Negatives of Urban Centre Vacancy

The House of Lords (2024) warn that even structurally sound high streets can suffer if they are visually unappealing and have many vacant units. Such urban environments can deter visitors and risk triggering a downward spiral for the remaining businesses. Similarly, Calafati et al. (2021) underscore the importance of reducing vacancy as a cornerstone of town-centre vitality. They argue that reusing empty buildings offers opportunities for housing, culture activities and public services. Calafati et al. (2021) explain that vacancy has far-reaching economic, social and perceptual consequences that exacerbate urban decline. Examples include reducing footfall, weakening investor confidence and undermining the attractiveness of town centres. Audit Wales (2021) adds that growing number of vacancies harm landlords and discourage investment in new or improved retail spaces due to lower expected returns.

Moreover, the House of Lords (2024) note the challenge posed by large vacant units left behind by anchor stores, which often destabilise the surrounding retail mix. Beyond the immediate retail impacts, Carmona (2021) contends that visible vacancy contributes to the “existential crisis” facing traditional shopping streets, signalling decline and undermining their role as community hubs. Echoing this concern, the Institute of Place Management (2024) identifies persistent vacancy as a key indicator of high street ill-health, linking it not only to reduced consumer spending but also to negative perceptions around safety and vibrancy.



Urban Centre Decline

At the heart of the issue of urban vacancy lies the broader story of urban centre decline. An inquiry by The House of Lords (2024) Built Environment Committee notes that high streets have been impacted by several factors, with the past decade seeing the closure of large retail chains and outlets on high streets. The following are some of the factors attributed to urban decline, arranged in a way that broadly reflects how these processes have emerged over time.

Deindustrialisation



The roots of decline can be traced back to structural economic changes, particularly the widespread deindustrialisation that reshaped many European and UK cities from the 1970s onwards. Clark et al. (2018) report that many Western European cities lost between 30% and 80% of their manufacturing jobs in the 1980s and 1990s. They state that this process generally worsened intra-city inequality, as job losses were concentrated in the poorest neighbourhoods, and increased inter-regional disparities where industry was geographically concentrated. Clark et al. (2018) also note that the rise of the service industry intensified regional disparities, as new service hubs were often located away from the cities hardest hit by industrial decline.

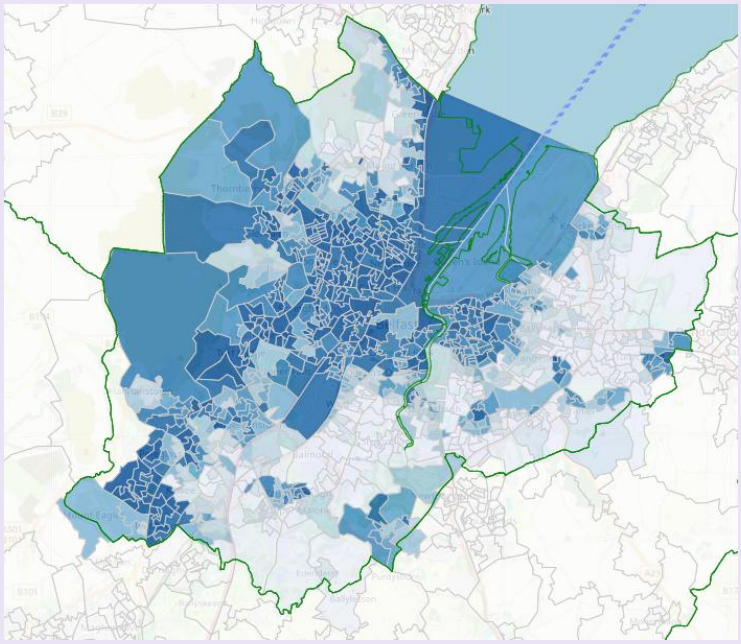
NI context: Manufacturing in February 1972 accounted for 34.7% of employee jobs (NISRA, 2016), while in March 2025 it was only 10.8% (NISRA, 2025a). McKibben (2000) states that those made redundant in the traditional blue-collar industries during the 1970-80s were not absorbed into the expanding service sector, and unemployment nearly doubled.

Suburbanisation



The loss of urban centre jobs through deindustrialisation not only weakened local economies but also prompted significant demographic shifts. Clark et al. (2018) state that many cities in Western Europe experienced population decline from the 1960s to the 1980s, as residents moved to suburban areas to avoid the economic and social disruption caused by city centre job losses. They argue this relocation eroded housing markets, schools, neighbourhood services and public transport, with the impact felt most acutely in poorer districts where industrial job losses were concentrated. Likewise, Calafati et al. (2021) observe that town centres have increasingly served lower-income residents, while higher-income groups have been attracted to new housing developments outside traditional centres. They state that this has contributed to a divide between pockets of wealthier suburbs and poorer neighbourhoods in town centres.

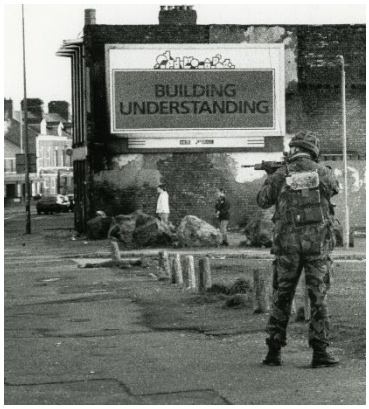
NI context: The map on the right shows the NI Multiple Deprivation Measure 2017 for Belfast City Council (NISRA, 2017). The darker coloured areas represent higher deprivation. This illustrates that the city centre and some areas around it demonstrate higher levels of deprivation compared to more suburban neighbourhoods.



Source: NISRA (2017)

Additionally, McKibben (2000) note that although by 1981 there were more jobs per economically active residents in Belfast than a decade earlier, fewer residents worked in the city as population dispersed to growth centres within 30 miles.

The Troubles



In addition to deindustrialisation and the subsequent suburbanisation, Northern Ireland experienced more than three decades of civil conflict known as the Troubles (1969–1998). The Troubles was a period of complex intercommunal, paramilitary and state violence that intensified in the 1970s into open civil disorder marked by oppressive policing, “no-go” areas and violence including bombing. McKibben (2000) notes that in Belfast, these conflict dynamics compounded structural change, producing acute unemployment and severe population decline, with the population falling by about a third in the Belfast City District and by more than half (55 per cent) in the inner city between 1971 and 1991. The author elaborates that this deepened segregation led to a spatially segmented labour market and presented major challenges to any development process. Although the conflict formally ended in 1998, its legacies continue to constrain renewal, with deeply rooted societal tensions acting as ongoing barriers to recovery (Forsgren, 2019).

Supermarkets and out-of-town shopping centres



Portas (2011) note that the emergence of supermarkets significantly reduced demand for specialists by offering a wide range of non-food products and services such as clothing and opticians all under one roof. Similarly, Rudlin et al. (2023, p.30) note that the rise of car ownership and fridges shifted shopping patterns from daily local visits to weekly supermarket trips. They report that the number of UK supermarkets grew from 572 in the early 1960s to around 8,000 by 2012, capturing 97% of grocery sales. Consequently, traditional independent retailers such as butchers, bakers and greengrocers declined sharply, falling from 120,000 in 1950 to fewer than 30,000 in more recent times (Rudlin et al., 2023, p.30).

Furthermore, Rudlin et al. (2023, pp.43–44) argue that the emergence of retail parks posed an even greater threat to town centres, exploiting derelict industrial sites to create low-cost, car-accessible shopping hubs. They note that between 1987 and 1990, half of all new retail space was built in such parks, expanding from just 1 to 25 million square feet in a short span. Similarly, Carmona (2021) highlights the challenge of competition for activity between town centres and out of town development, which has seen businesses move away from high streets, reducing footfall and local spend. Welsh Government (2023) contends that over the last 40 years, most new development has been undertaken by the private sector in cheaper, more profitable out-of-town locations. Audit Wales (2021) notes that the rise of out-of-town shopping has negatively affected town centres, creating the “Doughnut Effect”, a hollowing out of central areas as institutions, shops and businesses relocate to the outskirts or close entirely. Rudlin et al. (2023, pp.44-45) state that regional shopping centres had the greatest impact on weaker centres rather than the largest or closest ones. Likewise, the House of Lords (2024) emphasise that towns and small cities have been particularly affected, as major cities have retained larger retailers thanks to continued flows of commuters and students.

NI context: CBRE NI (2025) report that retail parks in NI are strongly outperforming the broader retail market in terms of footfall, with their research across 40 retail parks showing very high occupancy rate of 96%. At the same time, they note that in-town shopping retail continues to face pressures.

Public sector decentralisation



There is growing evidence that the outward movement of public sector jobs and services from urban centres has played a significant role in accelerating their decline. Phillips et al. (2021) argue that decades of service decentralisation, spanning retail, schools and civic facilities, have hollowed out town centres. The Welsh Government (2023) notes that town centres were historically successful due to a rich mix of civic functions, cultural and retail offerings, and the strategic location of health and education facilities. They argue that this diversity gave people multiple reasons to visit, sustaining footfall and vibrancy, with each outward movement challenging the vitality of town centres and viability of remaining uses.

Note: This form of decentralisation refers to relocating public sector jobs and services away from urban centres, including small towns. It differs from the separate policy of moving public sector jobs out of the capital to address regional inequalities. Crucially, public sector jobs can be both located in urban centres and distributed across the country/region.

Car dependency and public transport



Another important driver of urban centre decline has been the rise of car dependency and related shifts in accessibility. Wrigley et al. (2015) note that many traditional town centres face problems arising from the growth in car dependence, arguing that the availability of parking has become a significant issue affecting footfall in town centres. Welsh Government (2023) observes that out-of-town developments, with large provision for free parking and often poor public transport links, reinforce a reliance on cars. They state that this dependency on the private car has supported the continued development of out-of-town locations and encouraged many away from town centre living.

NI context: Department for Infrastructure (2021) Travel Survey for Northern Ireland 2017–2019 found that 76% of urban workers (excluding home workers) primarily travelled to work by car or van, compared with 11% walking, 7% by bus, and just 2% each by train, bicycle or other modes. For main food shopping trips (urban and rural), 76% used a car or van, 9% had shopping delivered and 3% each used bus or taxi. In addition, only around a quarter of respondents used the bus at least once a month, and just one in ten used the train as frequently.

Consumer Council (2025a) found that, despite recent improvements, older people, disabled individuals and those travelling with young children still face challenges accessing public transport in Northern Ireland. Furthermore, Consumer Council (2025b) notes that while most respondents rely on cars as their main mode of transport, the majority would like to use public transport more often. The report suggests that making public transport more affordable, improving frequency and reliability, expanding park-and-ride facilities and raising awareness of available options could encourage greater uptake.

Decline of the built environment



Welsh Government (2023) states that town centres are often left with neglected and empty buildings, which negatively affect infrastructure, footfall and spending, creating a vicious cycle of reduced attractiveness and lack of inward investment. The House of Lords (2024) report that between March 2020 and 2022 there was a net loss of 9,300 retail outlets on high streets in Britain, with department stores, pharmacies, clothing stores, pubs and banks all seeing closures. They state that many of these properties have since become vacant, leading to drops in footfall and posing challenges for landlords, businesses and local authorities. Maintaining and restoring historic assets on high streets can be difficult due to the costs of refurbishment and ongoing management, meaning heritage buildings on high streets are at a particular risk of long-term vacancy (House of Lords, 2024).

NI Context: Department for Communities (2025b) reports that in 2023, a statistical survey of the condition of Northern Ireland's listed buildings found that only 24.4% of listed buildings were in good or very good condition. This was considerably less than a previous survey in 2013 where 40.6% of listed buildings were in good or very good condition.

Online shopping



Carmona (2021) states that a further driver of decline has been the rise of online shopping and banking, which have diverted both spending and activity away from urban centres. He highlights that the reasons why online shopping has become such a powerful disruptor can be captured in four "Cs": convenience, choice, certainty and cost. He notes that online platforms offer easier access, wider product ranges, more reliable availability and lower prices through effortless comparison. Rudlin et al. (2023, pp.82–83) expand on this by noting that the growth of online retail has led to the emergence of 'dark stores', which are customer-free warehouses often located on industrial sites. Furthermore, Rudlin et al. (2023, pp.106–107) observe that online

sales surged during the Covid-19 pandemic, though future growth rates are uncertain. The authors believe that online retail will remain high but unlikely to completely replace physical stores as surveys find that young people still prefer physical stores. Rudlin et al. (2023, p.110) also highlight opportunities for high street retailers to leverage online channels, combining logistical and marketing advantages with the experiential and distinctive qualities of physical stores. They cite evidence of a 'halo effect', with web traffic 27% higher in locations where retailers maintain a physical presence.

Context: Although not specific to NI, data from the Office for National Statistics (n.d.) shows that internet sales in Great Britain increased from 3.4% of total retail sales in 2007 to 27.2% in 2024, though it remains below the pandemic driven peak of 36% in 2021 Q1.

Financial and economic pressures

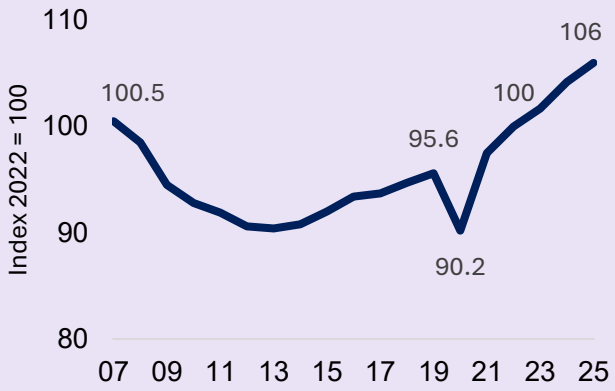


Swinney et al. (2025) argue that the most fundamental factor for successful high streets is incomes, with a struggling high street being the outcome of a struggling economy. Rudlin et al. (2023, p.49) explain that the UK policy shifts in the 1990s drove heavy institutional investment into town centres, turning them into vehicles for capital returns rather than community spaces. The following retail boom of the early 2000s enabled large chains to dominate high streets, creating homogenisation, eroding local identity and outcompeting independent businesses (Rudlin et al., 2023, p.54). They note that this lack of diversity left high streets vulnerable, and when the 2008 economic downturn coincided with the rise of online retail, many major chains began to struggle, negatively impacting the high streets they came to dominate. Rudlin et al. (2023, p.59) observe that retail experienced a brief recovery leading up to 2018, with falling vacancy rates and rising sales. However, by 2018, storm clouds were gathering as rising costs outpaced sales growth, while high levels of debt and poor property deals persisted. Many retailers remained on the high street with debts exceeding asset values, and late 2017/early 2018 saw another retail crisis, resulting in widespread closures and job losses (Rudlin et al., 2023, p.59).

Furthermore, since 2010, austerity and broader economic pressures have undermined the vitality of UK town centres. Centre for Cities (2019) found that people living in cities experienced funding cuts equivalent to £386 per head since 2009/10, compared to £172 elsewhere. They note that rising demand for social care now consumes over half of many city budgets, limiting resources for planning, development and regeneration.

NI context: NI has been particularly affected by austerity, with long-term impacts on economic performance. This is shown by the Northern Ireland Composite Economic Index (NICEI) on the right, which is an estimate of overall economic activity. According to NICEI, economic output remained below pre-2008 levels for over a decade, taking until 2023 to finally surpass economic activity level achieved in 2007 (NISRA, 2025b).

NICEI, 2006 to 2025



Change in work patterns



Swinney and Selby (2025) note that while life after the pandemic looks much closer to what it did in 2019 than predicted, hybrid working is far more popular today than it was five years ago. They state that a key reason why large city centres had vibrant high streets, despite the rise of out of town and online shopping, was because of the volume of workers who commuted into them each day, creating a steady market for shops, bars and restaurants. The reduction in worker footfall in many large cities therefore poses significant risks to urban centre vitality (Swinney and Selby, 2025). Rudlin et al. (2023, p.64) add that prior to COVID-19, a 'winner-takes-all' trend saw big cities thrive at the expense of smaller towns and suburban centres. This dynamic shifted during the pandemic as work-from-home orders deprived cities of office workers and travel restrictions reduced tourism, while smaller suburban centres benefited from local spending by home workers. Rudlin et al. (2023, p.154) cite a 2022 PwC report showing that remote working lowered overall consumption, particularly in retail, hospitality and leisure, redirecting spending away from town centres. The authors also cite that over half of major UK employers surveyed in early 2021 expected to reduce their property portfolios, signalling long-term structural change, with likely outcome being hybrid working models combining home and office work in varied configurations. Carmona (2021) highlights that this trend is global, with many large firms offering employees greater flexibility, justified by claims of increased productivity at home.

NI Context: Magennis and Desmond (2023) report that remote working in Northern Ireland increased from just under 10% of the workforce in 2019 to 41% at its peak in April 2020. They note it has since fallen back to 17% but remains considerably above pre-pandemic levels. Of those working remotely, a hybrid format of 2 to 3 days per week away from the office was most common, with most employees expressing a desire to increase the level of remote working to 3 to 4 days per week.

Covid pandemic and cost of living crisis

Rudlin et al. (2023, pp.63–64) note that COVID-related restrictions hit non-essential retail, hospitality and cultural industries the hardest, while supermarkets and other 'essential' retailers performed well. The authors explain that government support offered temporary relief, but the pandemic hit traditional shopping centres and malls the most, whereas retail parks, with ample parking and easier social distancing, experienced a revival. Rudlin et al. (2023, p.149) note that cities can survive if their advantages outweigh disadvantages, yet the pandemic temporarily erased many urban benefits, prompting people to question commuting, housing quality and cost, access to green spaces and opportunities to do things that don't involve spending money.

Beyond immediate impacts, Rudlin et al. (2023, p.89) highlight how the pandemic, geopolitical conflicts and the climate crisis have driven up food and energy prices, resulting in a cost-of-living crisis. According to Simply Business (2025), 74% of high street businesses report declining footfall due to the cost-of-living crisis, and 63% fear the high street may not survive the next decade. High inflation, wage growth and higher National Insurance contributions have further squeezed small businesses, forcing two in five to consider raising prices (Simply Business, 2025).

NI Context: Consumer Council (2025c) Pulse Survey of 1,000 Northern Ireland residents conducted in July 2025 report that when compared to 12 months ago, 37% of respondents felt that their household was worse off due to increases in the cost of food and groceries, and other essentials such as energy. 36% of respondents stated that they have £150 or less remaining each month after their mortgage/rent and all essentials' bills have been paid. In addition, most respondents (93%) were concerned about food and home energy prices and 81% about petrol and diesel prices. Overall, there has been an improvement from the previous survey in March 2025, and the worse figures recorded in November 2022 but the survey still shows that some households continue to struggle with the cost of living.

Change in urban centre purpose



Altogether, changing consumer behaviours and the loss of town centre functions have reduced the attractiveness of many urban centres. The House of Lords (2024) note that whilst some high streets have successfully adapted to evolving demands, those in towns and small cities have often struggled, lacking the attractions and population of major cities and the niche offerings of smaller settlements. Decades of decentralisation (development away from town centres) and disaggregation (separation of uses) has steadily reduced reasons to visit and dwell (Town Centre Action Plan Review Group [TCAPRG], 2021). Audit Wales (2021) reports a dramatic decline in essential

services such as banks, building societies and post offices, with 79% of businesses and 68% of citizens surveyed stating that their local town centre lacked these services. Alongside this, the growth of online shopping has shifted retail from convenience and essentials towards luxury and experience, with shopping increasingly serving as a leisure activity built around dining, socialising and entertainment (Audit Wales, 2021). Rudlin et al. (2023, p.79) argue that in an age when anything is available online, people expect town centres to offer authenticity and experiences rather than just products. The authors note that the ‘clone towns’ of the 2000s, dominated by identical chains, contributed to the current crisis, but independent retailers present a potential solution to fill the gap left by them. Services are already reshaping town centres, rising from 56% of units in 2012 to 63.2% in 2021, with food and beverage uses leading this shift (Rudlin et al., 2023, p.93).

Portas (2011) states that new benchmarks and expectations have been created in terms of value, service, entertainment and experience against which high streets are being judged. She notes that this means high streets need to recognise what has happened but deliver something new by being lively, dynamic and social places that give the community a sense of belonging and trust. Carmona (2021) highlights that the COVID-19 lockdowns supercharged the technology-based takeover of daily life, allowing people to work, shop, socialise and access many public services from home. He argues that many of these behaviour changes are likely to endure, reinforcing long-term structural challenges for town centres and the need to adapt. Looking forward, Rudlin et al. (2023, pp.207-211) foresee six trends that will shape retail: the rise of independents, the return of out-of-town brands to high streets, omni-channel retail, tactile and sensory shopping, authenticity and uniqueness, and experience over goods.

Commentary

Urban centres have faced several structural, economic and social challenges over the years. Historically, deindustrialisation eroded the employment base that sustained town centres, while suburbanisation shifted populations and spending power away from traditional high streets. In Northern Ireland, especially Belfast, three decades of conflict known as the Troubles amplified these trends. The troubles deepened segregation, accelerated urban population loss and unemployment, raised redevelopment costs, deterred investment and made development a lot more challenging. Although the conflict formally ended in 1998, the Troubles has left lasting scars on Northern Ireland and its urban centres. On this backdrop, the rise of supermarkets, out-of-town shopping centres and car dependency further diverted retail activity, reinforced by public sector decentralisation and underinvestment in public transport. Over time, the decline of the built environment and loss of essential services compounded these trends, reducing reasons to visit and dwell. More recently, online shopping, financial crises and austerity have accelerated structural change, while shifts in work patterns, particularly hybrid working, have weakened the daily footfall that once underpinned urban vitality. The COVID-19 pandemic and cost-

of-living crisis intensified these pressures, exposing fragilities in a system already under strain.

Despite these challenges, high streets have shown resilience. Rudlin et al. (2023, p.65) state that the ‘death knell’ was sounded in the 1970s and 1990s, yet high streets adapted, surviving supermarkets and out-of-town retailing. The authors note that although today’s crisis is deeper, compounded by inflation and falling disposable incomes, it is just a transition, a shift from one stable pattern to another (Rudlin et al., 2023, p.204).

Rudlin et al. (2023, pp.206-207) contend that we do not have a crisis on the high street but in big retail. They argue that over decades town centres were allowed to become dominated by 100 or so retail chains, many of which have collapsed or contracted over the last 10 years, severely affecting urban centres that became reliant on them. Rudlin et al. (2023, p.65) estimate that the UK currently has 40% more retail space than demand can support, and they suggest that refurbishing or building new units is no longer commercially viable. On this basis, the authors underscore the failure of the retail-centric regeneration model that dominated policy for decades. Similarly, Audit Wales (2021) profess that from the late twentieth century onwards local authorities increasingly expanded shopping districts in an effort to attract major retail chains and increase non-domestic rate revenue, with retail activity treated as a proxy for economic prosperity. They argue that this retail-led development model generated a series of structural vulnerabilities, including an oversupply of retail space, the emergence of homogenised ‘clone towns’ and town centres that largely ceased to function outside of trading hours. In the authors’ assessment, retail provided a weak foundation for long-term economic resilience: employment was typically low-paid and insecure, while technological innovation within the sector was oriented towards cost-cutting rather than wider wealth creation. Consequently, Audit Wales (2021) conclude that town centres became dependent on absorbing disposable income rather than generating new economic value.

The forward look demands a fundamental rethinking of town centres. Audit Wales (2021) argues that retail remains important but is no longer town centre’s primary purpose. Rudlin et al. (2023, p.213) suggest that the opportunity now lies in transitioning towards mixed-use urban centres, incorporating housing, public and private services, hospitality and cultural activities alongside more resilient retail chains and independent businesses. The Northern Ireland High Street Task Force echoes this vision, calling for diverse high streets that address social needs, deliver green growth and repurpose vacant premises for new enterprises (Northern Ireland Executive, 2022b). Similarly, the External Advisory Group (2013) notes that increasing urban centre diversity through a rich and social mix of homes, businesses, parks, culture, leisure and public institutions will help increase footfall and support retail.

In summary, urban centre decline is the product of many forces, but its future lies in adaptation. If managed proactively, through informed local authority intervention, community engagement and a commitment to mixed-use, the transition, however painful it may have been, may lead to more sustainable urban centres that are vibrant, socially valuable and economically resilient.



Urban Centre Regeneration

While this report's focus is on the strategic rationale for locating public sector jobs and services in urban centres to reduce vacancy, it is useful to first consider the broader context of urban regeneration. Urban regeneration is a complex and extensively studied field, encompassing a wide range of perspectives. Therefore, rather than attempting to capture the full breadth of urban regeneration literature, this section offers a brief overview to support a clearer understanding of the wider context in which the strategic rationale for locating public sector jobs and services in urban centres sits.

Benefits of a Strong Urban Centre

McGough and Thomas (2014) argue that city centres are fundamental to the national economy, citing that they are more productive than non-urban areas and host the majority of high skilled jobs. They note that beyond the traditional function as retail hubs, urban centres serve as vital spaces for the exchange of ideas, information and services, offering agglomeration benefits that attract knowledge-intensive businesses. These benefits include shared infrastructure, access to a larger labour pool and enhanced opportunities for face-to-face interactions, which are essential for spreading knowledge. Strong city centres therefore help attract businesses that offer high-quality, well-paid jobs.

Similarly, Swinney et al. (2025) highlight that the performance of high streets is a strong indicator of an area's overall success, while an External Advisory Group (2013) to the Scottish Government highlights the importance of town centres as economic powerhouses, where social and cultural interaction drives innovation and wealth-creation. Furthermore, the High Street Task Force in Northern Ireland acknowledges the critical role of cities and city regions as centres for commerce, employment, foreign direct investment, culture, tourism and learning (Northern Ireland Executive, 2022b). They note that cities and city regions are seen as key drivers of regional economic growth and as potential hubs for shared services to avoid duplication and promote sustainable development.

What Works?

To reduce urban vacancy and combat urban centre decline, policy and academic literature agree that regeneration strategies must move beyond retail and reimagine town centres as multifunctional places for living, working, services and culture (House of Lords, 2024, TCAPRG, 2021).

Rudlin et al. (2023, pp.45-46) highlight the influential 1994 UBRED report 'Vital and Viable Town Centres' which helped shape the UK's first Town Centre First polices. The report proposed a practical framework based on four key factors to guide town centre strategies: Attractions, Access, Amenity and Action. 'Attractions' refer to the uses that attract people to town centres, 'Access' to how easy it is to get there by a

variety of means, ‘Amenity’ to the quality of the environment and ‘Action’ to the town’s ability to act on all of these issues. Rudlin et al. (2023, pp.45-46) elaborate that these factors work in tandem. For instance, strong attractions can justify limited access, while weaker centres may need to improve access and environmental quality.

Swinney et al. (2025) note that not all high streets are underperforming in Great Britian, with centres in cities such as London and Cambridge having only one in 10 shops vacant. Their research found four key factors that affect the performance of a high street:

- **The size of the catchment**, with larger catchment meaning more potential customers to sell to.
- **Incomes in the catchment and the performance of the export economy**. The more people earn, the more they spend. An important addition is that Swinney et al. (2025) found that companies in the export base that sell to national and international markets bring in more money into the local economy and in turn more money into people’s pockets which they spend on the high street.
- **The geography of the economy**. The location of economic activity can shape how successful an urban centre is. Swinney et al. (2025) state that cities such as Swindon and Slough, have high performing businesses but as they are located in suburban business parks, workers are spread out and less likely to spend in the city centre. In contrast, Birmingham, despite having a weaker overall export economy, has a concentration of high skilled jobs in its centre, boosting footfall, spending and the overall vitality of the high street.
- **The size of the visitor economy**. Bringing in visitors from outside the catchment area increases the number of potential customers.

Likewise, McGough and Thomas (2014) note that city centre economic performance varies widely across the UK, with some centres experiencing job growth while others decline. They argue that this divergence calls for different policy responses based on whether the city has a strong or weak centre. Cities with strong centres must manage rising costs to maintain their attractiveness, while weaker centres should focus on boosting business activity, improving connectivity and enhancing livability. They elaborate that for the cities with weaker centres, increasing economics of scale and attracting office-based businesses are key to unlocking future growth and higher-skilled jobs, as long as they are simultaneously supported by efforts to improve local skills and transport links.

From another perspective, Portas (2011) highlights that all high streets are unique and there is no such thing as a generic solution to urban regeneration, with each high street requiring a bespoke response. To do this, she notes that there needs to be strong collaboration between all the relevant stakeholders including local authorities, landlords, retailers and the public. Portas (2011) makes 28

recommendations on how to improve the high street which includes implementing a high street management team, supporting businesses, reducing regulatory barriers, making high streets more accessible, community-led planning, tackling vacancy and prioritising town centre development.

Similarly, Cadell and Falk (2008) study on European cities of Gothenburg, Rotterdam and Roubaix to draw lessons for UK policy and practice, found that there is no single 'European model' for successful urban regeneration. However, they note that a consistent approach in the case studies they studied was a powerful local authority who oversaw the regeneration scheme and used their powers to change the image of the city and transform its strategic economic position rather than just revive run-down areas. Their research also emphasises that it is important to recognise that urban centres are in competition with each other for people to live, invest and do business. They state that successful urban regeneration requires long term commitment and collaboration between many agencies and interests.

Moreover, Rockwool Group (2018) study on urban regeneration across England, Denmark, Sweden and the Netherlands identified that a strong commitment from the public authorities, combination of social and physical measures, involvement of people living in the area and an early collaboration between multiple actors with different expertise are key success factors.

What Doesn't Work?

Portas (2011) argues that by investing in and creating social capital in the heart of urban centres, the economic capital will follow. However, Swinney et al. (2025) rebuke that, arguing that a struggling high street is the outcome of a struggling economy and not the other way around. They note that since 2010, a long list of policies has been tried to support high streets that are struggling. Swinney et al. (2025) believe that these efforts have largely misdiagnosed the problem, focussing on retail decline, parking and business rates rather than the underlying weakness of local and city-centre economies. They elaborate that while initiatives have evolved to include culture, heritage and planning flexibility, policy still overlooks the need for strong city-centre economic growth as the foundation of successful high streets.

From another standpoint, Rockwool Group (2018) state that pushing policies without involving and empowering residents in the process and short-term planning can result in urban regeneration schemes failing. They highlight that doing so can result in gentrification, pushing out the most vulnerable residents. Instead, they recommend a bottom-up approach where residents are involved, which helps them feel ownership of the process and increase their willingness to participate.

Moreover, a key challenge in urban regeneration is the lack of single ownership on high streets, which makes coordinated planning and investment more difficult. Portas (2021) note that unlike out-of-town shopping centres with unified management, town centres often suffer from fragmented ownership and limited strategic oversight. Her

review highlights that without a clear vision and coordinated leadership, high streets struggle to adapt to changing consumer needs. However, Rudlin et al. (2023, p.217) caution that the assumption that coordinated management is always preferable can be questioned by the collapse of Intu, the real-estate giant which owned a large portfolio of UK shopping centres such as Trafford Centre in Manchester. They argue that if town centres contain within them the seeds of their own recovery, then stifling that complexity under a single ownership model may not be a good idea.

In addition, McGough and Thomas (2014) note that out-of-town Enterprise Zones that provide tax incentives and support for businesses to locate in one area in hopes to replicate agglomeration benefits, often have unintended consequences. They argue that these zones tend to displace existing businesses from city centres, weakening their economic vitality. Similar issues arise with the subsidisation of out-of-town business parks and the relocation of public sector employers and universities to out-of-town locations, which further undermine the agglomeration benefits that city centres naturally provide (McGough and Thomas, 2014).

Types of Urban Regeneration

One way to conceptualise regeneration is in three overlapping strands (University of the Built Environment, 2025):

- **Economic regeneration**, which focuses on supporting businesses, attracting investment and diversifying uses.
- **Social regeneration**, which seeks to strengthen community life and improve access to services, culture and housing.
- **Environmental regeneration**, which emphasises adaptive reuse of buildings, sustainable transport and the quality of public spaces.

Economic

The University of the Built Environment (2025) notes that economic renewal strategies aim to strengthen the economic conditions and employment levels of urban centres. These strategies typically involve investment in commercial areas, support for small businesses and direct financial interventions such as business improvement districts, grants and tax relief, often combined with large-scale funding programmes for infrastructure and redevelopment. The rationale is that town centres cannot survive without sustaining the economic activity and employment levels that underpin them (Mitchell, 2024).

However, evidence points to significant limitations in current approaches. The House of Lords (2024) criticises the short-term and piecemeal nature of central government funding, particularly where resources are allocated through competitive bidding processes such as the Towns Fund and Future High Streets Fund. These processes require local authorities to expend scarce resources preparing bids, encourage fragmented delivery, and undermine the development of long-term, strategic

regeneration plans. Emmerson (2024) adds that when regeneration projects stall or funding runs out, the properties earmarked for redevelopment may be left abandoned, discouraging further business investment and leaving communities in a state of limbo. Without alignment to broader regional strategies and private sector investment, these programmes risk delivering one-off projects rather than addressing structural weaknesses.

Social

Social regeneration focuses on strengthening community life, improving access to services, and enhancing the overall liveability of urban centres (University of the Built Environment, 2025). It includes housing renewal and the provision of civic, health and cultural infrastructure that encourages people to live, work and spend time in central areas. When adequately resourced and designed with local participation, social regeneration can foster inclusivity, resilience and a stronger sense of place, thereby reinforcing the vitality of town centres (Calafati et al., 2021; TCAPRG, 2021; House of Lords, 2024).

However, delivering meaningful social regeneration is not without its challenges. Wrigley et al. (2015) highlight the difficulty of measuring outcomes such as wellbeing, social cohesion and civic pride, which are less tangible than economic indicators. Furthermore, Earley (2023) warns that rising property values linked to successful regeneration can lead to gentrification, displacing vulnerable residents and small businesses, which undermines inclusivity. At the same time, constrained public budgets often limit investment in cultural and social projects, even when their long-term benefits are widely recognised (Calafati et al., 2021).

Environmental

The University of the Built Environment (2025) notes that environmental regeneration strategies focus on strengthening the relationship between urban areas and the natural environment. These strategies emphasise the role of public spaces, sustainable transport and adaptive reuse of buildings in making town centres more attractive and resilient. Carmona (2021) argues that town centres can no longer rely solely on retail and must instead prioritise quality of place, with well-designed public spaces and accessible, sustainable transport networks. Similarly, the House of Lords (2024) emphasises that improving public spaces is essential to reversing urban decline. They highlight that while more green space and an enhanced public realm alone cannot solve the problem, they should form a core element of any regeneration programme. Ensuring that high streets are clean, well-maintained and include spaces for young people to socialise can help increase community use, boost footfall and support local businesses and public services (House of Lords, 2024). Rudlin et al. (2023, pp.217–218) reinforce this point, noting that simple measures such as improving paving, planting trees and maintaining cleanliness can instil confidence, change perceptions and address practical issues like pavement width, seating and space for markets.

Evidence also shows that environmental improvements can deliver significant economic and social benefits. Adaptive reuse plays a particularly important role, with Mulkowsky (2025) demonstrating that reusing existing buildings not only reduces embodied carbon but also brings vacant or underused properties back into productive use, supporting both environmental and economic goals. Furthermore, pedestrian-friendly design is associated with increased footfall and retail sales, while also improving accessibility, health outcomes and opportunities for community interaction (Hopkinson et al., 2024).

However, Rudlin et al. (2023, pp.217-218) caution that while environmental quality matters, small-scale works risk becoming “fiddling while Rome burns” if pursued in isolation. The authors note that environmental policies are often the first and sometimes the only measures implemented because they are easy to deliver, yet they cannot substitute for deeper structural change.

Mixed Approaches

Comparative studies across Europe indicate that the most effective regeneration strategies are those that integrate social, economic and environmental sustainability (Clark et al., 2018). Mitchell (2024) states that when applied strategically, urban regeneration can be transformative, acting as a catalyst for future investment and long-term economic growth within a region. The author adds that beyond stimulating growth, regeneration also holds the potential to reduce regional inequalities, enhance social outcomes and advance climate objectives.

Vacant to Vibrant Scheme (Belfast City Council, 2025)



Source: Belfast City Council (2025)

Overview: A £1m pilot programme launched by Belfast City Council to stimulate economic regeneration by bringing vacant city centre properties back into commercial use through capital grants and tailored business support.

Impact: Expected to generate over £3.5m in rates, a return of almost £4 for every £1 invested.

Economic outcomes: Created 139 direct jobs and 34 indirect jobs, while supporting new and existing businesses across retail, hospitality and the creative industries.

Social and cultural outcomes: Enabled a mix of tenants including cultural organisations, food businesses and artist studios, contributing to the vibrancy and diversity of the city centre offer. Of 48 grants awarded, 23 have helped, or are helping to regenerate a historic building or building of interest.

Sustainability and scalability: Following the pilot's success, the scheme was expanded in 2025 with an additional £500k investment from DfC and the UK Shared Prosperity Fund, extending support to neighbourhood centres beyond the city core.

Lesson for NI: Vacant property activation schemes can potentially generate significant financial returns for local authorities while also delivering wider social, cultural and place-making benefits.

Commentary

Urban centres are widely recognised as critical economic hubs, offering agglomeration benefits that attract high-skilled jobs and foster knowledge exchange (McGough and Thomas, 2014). Urban regeneration, however, is inherently multifaceted and complex. While retail remains an important component of town centres, evidence suggests that regeneration strategies must move beyond retail-centric models to create multifunctional spaces that support living, working and cultural activity (House of Lords, 2024; TCAPRG, 2021). High street performance varies significantly across the UK, shaped by factors such as catchment size, income levels, visitor economy and the geography of employment (Swinney et al., 2025). Cities with concentrated office-based employment tend to sustain vibrant high streets, whereas those with dispersed economic activity often struggle to maintain vitality. This underscores the need for strategies that strengthen the underlying city-centre economy.

The literature reviewed notes that successful regeneration approaches integrate economic, social and environmental dimensions within a coherent framework. Comparative studies across Europe highlight the importance of strong local authority leadership, long-term commitment and early collaboration among stakeholders (Cadell and Falk, 2008; Rockwool Group, 2018). Furthermore, tailored solutions are essential, as Portas (2011) argues that there is no general solution as each high street is different requiring a bespoke response based on local context.

The literature identifies that several policies are not effective. Out-of-town enterprise zones often displace activity and weaken urban vitality (McGough & Thomas, 2014). Short-term, competitive funding models encourage fragmented delivery and undermine strategic planning (House of Lords, 2024). Fragmented property ownership makes coordinated planning and investment more difficult (Portas, 2011) while lack of resident involvement and poorly managed interventions risk lack of community buy-in and gentrification (Rockwool Group, 2018).

Overall, the consensus across the literature reviewed is that regeneration strategies should combine economic renewal, with social measures that strengthen community life and cultural infrastructure, and environmental interventions that enhance public spaces and sustainability (Clark et al., 2018). When applied strategically, such integrated approaches can act as catalysts for long-term economic growth, reduce regional inequalities and advance climate objectives (Mitchell, 2024).

Town Centre First Policy History

Locating public sector jobs and services in urban centres forms part of the broader Town Centre First policy. This section briefly explores the history of Town Centre First policies in the UK and Ireland, focusing on major policy changes and announcements. This section is not intended to provide a comprehensive history of planning regulation but rather offer contextual background for understanding how Town Centre First policy has evolved over time.

1996 – England – Planning Policy Guidance Note 6[1]

Hallsworth and Coca-Stefaniak (2018) note that by the mid-1990s concerns were mounting over the damaging effects of out-of-town retail development on traditional town centres and rural economies. They state that in response, Environment Secretary John Selwyn Gummer, motivated by the belief that free market polices have gone too far, introduced Planning Policy Guidance Note 6 (PPG6) in 1996. This marked a turning point in English planning policy, establishing the Town Centre First policy to redirect retail, employment, leisure and other key town centre uses back into town centres.

Cheshire et al. (2011) explain that PPG6 introduced a 'sequential' test, which mandated that town centre sites must be first ruled out before out-of-town site can even be considered. This required a potential developer to demonstrate that suitable sites in town centres were not available before proposing an edge of town or out of town site. Rudlin et al. (2023, p.46) note that this policy had resulted in refusal of some out-of-town retail schemes, leading to 86% of development in 2001 being built in existing town centres as opposed to 86% of new retail space being developed in out-of-town locations in 1994. However, Cheshire et al. (2011) state that although the policy intended to support town centre regeneration through plan-led development, the policy was largely used to block out-of-town retail, rather than actively promote town centres. Moreover, Cheshire et al. (2022) research notes that while their findings show that the policy did lead to an increase in town centre shops, this was largely in the form of smaller shops. They state that their findings show that the average shop size, productivity and total town centre retail employment fell, without achieving any meaningful revival of town centre shopping. In addition, Geoghegan (2013) cites that both Centre for Cities and Policy Exchange think tanks have criticised the Town Centre First policy, with the former noting that it was too retail focussed.

[1] PPG6 and PPS6 applied to England. While policy in Wales has tended to follow that in England closely, differences in Northern Ireland and Scotland were significant particularly in terms of the Town Centre First, with England introducing the policy earlier and applying it more rigorously (Cheshire et al., 2011)

2005 – England - Planning Policy Statement 6

In 2005, the Office of the Deputy Prime Minister (2005) revised PPG6 by introducing the Planning Policy Statement 6 (PPS6). PPS6 set out national polices relating to planning for the future of town centres and the main uses that relate to them. According to Hallsworth and Coca-Stefaniak (2018), PPS6 marked a shift from a reactive to a more proactive role for local authorities. They note that the policy tightened the 'sequential test' and introduced the 'needs test' to assess retail proposals, which was a pass/fail hurdle. However, treasury advisors argued that the 'needs test' was stifling competitiveness and productivity, prompting a shift back to retail liberalisation after the 2006 Barker Review. Hallsworth and Coca-Stefaniak (2018) state that the Barker Review led to the replacement of the 'needs test' with an 'impact test' in 2008, with retail expansion becoming driven more by business decisions than planning constraints.

2012 – England - National Planning Policy Framework[2]

In 2011, the UK Prime Minister and the Deputy Prime Minister asked Mary Portas to conduct an independent review into the state of high streets and town centres (Portas, 2011). The Portas review contained 28 recommendations, however, only two recommendations directly related to prioritising town centre development: Recommendation 14 which called for a presumption in favour of town centre development, and Recommendation 15 that proposed exceptional sign-off for new out-of-town developments (Portas, 2011). Following the review, in 2012, the UK government introduced the National Planning Policy Framework (NPPF) in England. The Ministry of Housing, Communities and Local Government (2012) state that the NPPF encourages local authorities to take a positive, plan-led approach to managing and growing town centres, recognising their role as community hubs. The framework promotes allocating suitable sites for a range of uses and residential development to enhance town centre vitality. A 'sequential test' was required for proposals outside town centres, prioritising central, then edge-of-centre and finally out-of-centre sites. Larger developments outside of town centres were also required to undergo an impact assessment to evaluate effects on investment, vitality and viability of town centres (Ministry of Housing, Communities and Local Government, 2012). Geoghegan (2013) cites that the NPPF included office, cultural and recreational developments as main town centre uses.

Laing (2014) states that despite NPPF promoting a Town Centre First approach, there is evidence that the policy has struggled to effectively prioritise town centre development. The author references a written submission by the Association of Convenience Stores to the Communities and Local Government Select Committee inquiry into the operation of the NPPF, which argues that a strong policy statement is

[2] The NPPF was later revised in 2018, 2021, 2023 and 2024, with the latest version published in December 2024 (Ministry of Housing, Communities and Local Government, 2025).

only meaningful if enforced consistently at both local and national levels. The submission cites data from 2013, based on 50 case studies across 157 English planning authorities, showing that 76% of new retail floor space approved was located outside town centres. Laing (2014) also references a submission from the British Council of Shopping Centres to the same inquiry, which presented evidence of an increase in proposed out-of-town retail schemes after the introduction of the NPPF in 2012 compared to 2010. Rudlin et al. (2023, p.57) cite that Portas herself hoped for more government action following her review but was left disappointed. Hallsworth and Coca-Stefaniak (2018) explain that despite strong central government statements, enforcement of planning policy under the NPPF largely depends on local authorities, who may lack the incentive or capacity to apply it effectively.

2013 – Scotland - Town Centre Action Plan

In September 2012, the Scottish Government established an external advisory group led by Malcolm Fraser to conduct a national review of town centres (External Advisory Board, 2013). The review stated that Scottish Government needs to implement a Town Centre First policy which puts the health of town centres at the heart of their decision-making process. The External Advisory Board (2013) had made several recommendations including town centre living and supporting town centre business environment. The review also recommended that all public bodies should consider the costs of locating, not just retail but also public institutions out of town centres. They note that a Town Centres First presumption that already exists in the Scottish Planning Policy for retail development, should be applied to all footfall creating uses including office and public facilities. The External Advisory Group (2013) suggested that under the Town Centre First presumption, decisions on public services and infrastructure should aim to strengthen town centres as key hubs. This means recognising the broader value of keeping or relocating public institutions within town centres to support their economic and social vitality.

The Scottish Government (2013) welcomed the findings of the external advisory board's review of town centres and responded by publishing the Town Centre Action Plan in November 2013. It endorsed the review's key recommendation to introduce the Town Centre First principle and indicated intention to strengthen guidance in the Scottish Public Finance Manual to ensure town centres were properly considered in public asset decisions. In a review of the Action Plan two years later, the Scottish Government (2016) reported that it and the Convention of Scottish Local Authorities (COSLA) had formally agreed the Town Centre First principle in July 2014. This principle asks that government, local authorities, the wider public sector, businesses and communities prioritise town centres in investment decisions to promote vibrant, inclusive and sustainable communities but is not duty bound nor prescriptive. In addition, the Town Centre First policy in the Scottish Planning Policy has been updated with the 'sequential test' broadened for uses which attract significant number of people, including retail and commercial leisure, offices, community and

cultural facilities and where appropriate other public buildings such as libraries, education and healthcare facilities (Scottish Government, 2016).

The Scottish Government then commissioned a review group in July 2020, chaired by Professor Leigh Sparks, to assess the effectiveness of the Town Centre Action Plan (TCAPRG, 2021). The review stated that over the seven years since its launch, many towns experienced positive developments. They note that unlike England's retail centric approach to town centres, Scotland adopted a more holistic strategy, recognising town centres as key to achieving wider societal goals. However, they state that while the plan has had local impacts, its broader potential has been constrained by inconsistent adoption and investment, and by the fact that Town Centre First is not a statutory requirement. TCAPRG (2021) identified a need to formalise the prioritisation of town centres within the planning system, particularly through Scotland's National Planning Framework. Their review concludes with three groups of recommendations:

- To strengthen the national policy context with more structured support for town centres.
- To stop advancing policies that harm town centres or conflict with climate and wellbeing goals
- To build on successful initiatives to accelerate progress and share lessons across towns facing similar challenges.

Following the review, in 2022, the Scottish Government and COSLA responded positively, endorsing TCAPRG's vision and collaborative approach with local authorities, public bodies, businesses and communities (Scottish Government, 2022). However, the Scottish Government acknowledged that its role is limited, stating that towns are inherently local and unique, requiring tailored solutions rather than top-down directives. The Scottish Government (2022) committed to supporting the vision outlined in the review by promoting best practice, strengthening guidance in the Scottish Public Finance Manual to better reflect local needs, and placing towns and town centres at the heart of the National Planning Framework 4. This includes discouraging out-of-town developments and encouraging investment in existing town centre assets through the Infrastructure Investment Plan. Overall, the Scottish Government (2022) made a call to action to all stakeholders including local authorities, public bodies, businesses and communities to prioritise the health and vitality of town centres in decision-making processes, but again without making the Town Centre First principle a statutory requirement.

2015 – Northern Ireland - Strategic Planning Policy Statement

In Northern Ireland, the Planning Act (Northern Ireland) 2011 required the Department of the Environment (DOE) at the time to formulate and co-ordinate policy for securing the orderly and consistent development of land and the planning of that development (DOE, 2015). Following a period of extensive engagement with key planning stakeholders and Executive Committee agreement, DOE published the

Strategic Planning Policy Statement (SPPS) in 2015[3], consolidating around 20 separate policy documents into one. DOE (2015) states that the SPPS outlines strategic planning policies across various areas and underpins the reformed two-tier planning system, where councils now lead on local plan-making, development management and enforcement, while the Department retains oversight of regional planning and legislation. One of the central features of the SPPS was the introduction of Local Development Plans (LDPs), which are statutory documents that councils were now required to prepare to guide future development in their areas. DOE (2015) outlined a two-stage process approach to plan production of the LDP:

- A Plan Strategy, which is to set out the council's objectives for land development and use, along with strategic policies to implement these objectives.
- A Local Policies Plan, to be prepared after the Plan Strategy is adopted, which is to detail local policies consistent with the overarching strategy.[4]

Davies (2015) notes that, prior to the introduction of SPPS, retailing and town centre policy in Northern Ireland was governed by Planning Policy Statement 5 (PPS 5), published in 1996. The author explains that PPS 5 sought to sustain and enhance the vitality and viability of town centres while also permitting flexibility and consumer choice in retail development across Northern Ireland to promote competition, efficiency and accessibility. The new SPPS placed greater emphasis on a Town Centre First approach, identifying established town centres as the preferred locations for retail and related activities, including employment, leisure and cultural uses (DOE, 2015). As part of this framework the SPPS sets out regional objectives to guide the preparation of LDPs, including adopting a sequential approach to site selection, ensuring decisions are informed by robust evidence, encouraging diverse and high-quality town centre environments and improving accessibility. DOE (2015) state that LDPs are expected to define structured network and hierarchy of centres, outline the spatial boundaries of town centres and their primary retail cores and establish policies that specify permitted uses within these areas and the criteria for decision-making. Additionally, LDPs are required to support a diverse mix of uses tailored to local needs and allocate appropriate sites to accommodate the scale and type of retail and other town centre activities.

[3] On 11 December 2025, the Department for Infrastructure published Edition 2 of the Strategic Planning Policy Statement (SPPS), replacing the 2015 renewable energy policy following a focused review. All other policy provisions remain unchanged, aside from minor technical amendments and factual clarifications. Planning Policy | Department for Infrastructure

[4] As of the time of the research, 9 out of 11 council have drafted and/or adopted a Plan Strategy, with most adopting it in 2023 or 2025. No councils have yet drafted the Local Policies Plan. According to councils' timetables, earliest adoption of the Local Policies Plan could take place in 2026/27, but some extend to mid-2030s. The Plan Strategies, among many things, include each councils' strategy for its town centres, however, these are very long documents and out of the scope of this research project to study in detail. The important thing to note, is that local plans, strategies and policies around Town Centre First in Northern Ireland are being drafted to this day.

In addition to the SPPS, two other strategic frameworks shape Northern Ireland's approach to town and city centres. The Regional Development Strategy (RDS) 2035 published by the then Department for Regional Development, sets out the Executive's long-term spatial strategy to guide development to 2035. It provides an overarching framework for where development should occur. The RDS recognises Belfast as the regional economic driver and Derry/Londonderry as the primary focus for growth in the North West, emphasising balanced sub-regional growth through a network of key settlements that act as hubs for employment, services and investment (Department for Regional Development, 2012).

Similarly, the Urban Regeneration and Community Development (URCD) Policy Framework, published by the then Department for Social Development, sets out policy objectives for urban regeneration and community development. It provides clear strategic direction for central and local government and the voluntary and community sector, prioritising stronger, more competitive towns and cities and improved linkages between areas of need and opportunity, all helped by bringing public services/jobs into urban areas (Department for Social Development, 2013).

Further to this, in 2020, the Northern Ireland Executive announced that it will establish a cross-departmental High Street Task Force, with the aim to deliver "Sustainable city, town and village centres which are thriving places for people to do business, socialise, shop, be creative and use public services, as well as being great places to live." (Northern Ireland Executive, 2022a). The High Street Task Force completed a call for evidence that ran between 25th October 2021 and 6th December 2021, followed by a summary report. The High Street Task Force stated that they supported the proposals to locate key public services and amenities in the heart of town centres (Northern Ireland Executive, 2022b). Furthermore, the Department for Communities (2025a) is consulting on a Centre First for Public Services approach, which aims to promote the strategic location of public sector jobs and services within town and city centres.

2021 – Wales – Future Wales

In 2021, the Welsh Government published its first national development plan, 'Future Wales: The National Plan 2040'. Welsh Government (2021) state that the plan sets out a long-term vision for development aimed at enhancing wellbeing and quality of life across Wales. It establishes a national framework for the regeneration and growth of cities, towns and villages, while giving regional and local planning authorities the flexibility to identify projects that benefit communities and support wider national priorities, including responding to the climate emergency. In the foreword, the then First Minister, Mark Drakeford, described the plan as a major milestone in creating a distinctively Welsh planning system.

The plan contains 36 policies in total, three of which are particularly relevant to urban regeneration:

- Policy 2 ‘Shaping Urban Growth and Regeneration – Strategic Placemaking’ which promotes compact, walkable urban neighbourhoods with mixed-use centres, a diverse range of housing and strong integration with public transport and green infrastructure.
- Policy 3 ‘Supporting Urban Growth and Regeneration – Public Sector Leadership’ which emphasises the role of the public sector in leading regeneration efforts, including unlocking the potential of publicly owned land and taking a more active role in development.
- Policy 6 ‘Town Centre First’ which requires any significant new commercial, retail, education, health, leisure and public services facilities to be located within town and city centres.

Under Town Centre First, planning authorities are expected to follow a sequential approach to site selection, and the Welsh Government retains the power to intervene if the Town Centre First principle is not upheld. Welsh Government (2021) also note that although this policy applies to developments of a significant scale[5], planning authorities are encouraged but not required to take a similar approach for smaller developments. Importantly, the Welsh Government (2021) notes that while the Town Centre First principle is already well established in planning policy, it has historically focused on retail. The updated policy explicitly recognises the wider multifunctional role of town and city centres, including the clear inclusion of public services.

Welsh Government (2023) note that since the publication of Future Wales in 2021, the Town Centre First principle has been embedded as a cross-cutting priority within the Wales Infrastructure Investment Strategy. However, they highlight that decisions about locating public services in town centres are still often taken in isolation by individual institutions rather than through a coordinated, whole-system approach. To address this, they propose developing a long-term, cross-government plan for locating or relocating public services into town centres, supported by strong asset-management strategies and effective governance structures. Furthermore, Welsh Government (2023) disclose that the complexity and high cost of developing town centre sites often hinder the Town Centre First policy, making it difficult for developers to secure suitable locations. They note that these challenges are compounded for public institutions, whose financial frameworks can lead them to view out-of-town sites as the only viable option. To overcome this, the Welsh Government (2023) proposes working across government to review and understand the revenue and capital spending and procurement frameworks of key public sector institutions such as health and education to ensure they are aligned with the Town Centre First policy.

[5] Broadly defined as where the facility will serve a town, city or region-wide catchment

2022 - Republic of Ireland - Town Centre First Policy

In 2018, the Department of Rural and Community Development in the Republic of Ireland launched the Town Centre Living Pilot Initiative to explore ways of increasing residential occupancy in rural towns and villages and addressing property vacancy. The resulting report, published in June 2020, outlined the pilot's implementation, discussed emerging issues and proposed 15 actions for consideration. These recommendations informed the Programme for Government's commitment to develop a national Town Centre First policy (Gov.ie, n.d.).

Government of Ireland (2022) notes that the Town Centre First policy, introduced in February 2022, is a major cross-government initiative designed to tackle vacancy, combat dereliction and revitalise town centres. It promotes a holistic, place-based approach to sustainable rural development, recognising the diversity of Irish towns and enabling locally tailored solutions. The policy, jointly developed by the Department of Rural and Community Development and the Department of Housing, Local Government and Heritage, sets out 33 actions to provide towns with tools and resources to become vibrant, attractive places to live, work and socialise. Rather than imposing a top-down model, it acts as an enabling framework that coordinates efforts across government, local authorities and stakeholders, empowering communities and businesses to create bespoke town centre plans aligned with statutory development objectives. These plans aim to position town centres as hubs of economic, social, cultural and recreational activity, supported by a sustainable mix of uses (Government of Ireland, 2022).

Regarding locating public sector jobs and services in urban centres, the policy includes actions such as commissioning research to inform the assessment of costs, benefits and social return of investment in town centres (Action 13), developing a town centre impact methodology for use within statutory planning and the public spending code (Action 14), and implementing tools to assess the impact of government investment on town centres across economic, social, cultural and sustainability dimensions (Action 32). In addition, Ireland's Town Centre First policy commits to introducing tools that influence investment decisions by government departments and agencies for amenities such as schools, health centres, courts, sports facilities, cultural venues and connected working hubs. These tools aim to ensure that the impact on town centres becomes a stronger consideration in decision-making, weighing the economic cost of investing in a town centre against the costs of dereliction, environmental impact, sustainable mobility and future vibrancy (Government of Ireland, 2022).

Commentary

The Town Centre First policy in the UK and Ireland began in England in the 1990s as a response to the growth of out-of-town retail developments that were undermining town centre vitality. Initially, it was heavily retail-centric, aiming to prioritise shopping within town centres. However, as McGough and Thomas (2014) note, Town Centre

First policies in the 1990s and 2000s misunderstood the root causes of high street decline. The authors note that retail is not the primary driver of city centre success but rather a secondary activity that depends on the strength of the wider city centre economy. Where city centre economies weakened, fewer workers were drawn into these areas, reducing footfall and shrinking the market for retailers, meaning sluggish retail was a symptom, not a cause, of decline.

Over time, the Town Centre First policy evolved to include a broader mix of uses such as offices, leisure and cultural facilities, with public sector jobs and services playing a larger role in more recent iterations of the policy. Despite England being the first mover, the devolved nations have since overtaken it in advancing the Town Centre First policy. Scotland was the first to broaden the approach, recognising the importance of public sector jobs and services, though without making it a statutory duty to locate them in urban centres. Wales, a later adopter, most extensively recognised the strategic rationale behind locating public sector jobs and services in urban centres, requiring significant public sector facilities to be located in town centres and granting the Welsh Government powers to intervene if the policy is not followed. Northern Ireland consolidated its planning framework through the Strategic Planning Policy Statement (2015), embedding Town Centre First in its planning policy and introducing statutory Local Development Plans which are being drafted by local councils. Moreover, in 2025, the Department for Communities began consulting on a Centre First approach for public services to strengthen town centre vitality. Outside of the UK, the Republic of Ireland adopted its Town Centre First principle in 2022, which emphasises holistic, place-based regeneration and local empowerment. Ireland’s approach incorporates commitment to research and development of tools and methodologies to influence government investment decisions, ensuring that the economic, social and sustainability impacts on town centres are considered.

Locating Public Sector Jobs and Services in Urban Centres

As previous section outlined, locating public sector jobs and services in urban centres has emerged as a strategic response to urban decline and vacancy, particularly the hollowing out of high streets caused by retail and civic decentralisation (Welsh Government, 2023). Over decades, essential services such as libraries, post offices, health facilities and local government offices have moved to out-of-town locations, removing key ‘anchors’ that historically drew consistent footfall and supported local economies. Their absence contributes to vacancy, reduced investor confidence and weaker social cohesion, particularly in small and medium-sized towns (Welsh Government, 2023; House of Lords, 2024).

The External Advisory Group (2013) state that public services strengthen town centres as key economic, service and transport hubs, suggesting that the government and local authorities should recognise the value of retaining or even moving back public institutions into town centres. Likewise, Swinney et al. (2025) recommend that local and national government should, where possible, move public services into city centres. Rudlin et al. (2023, pp.213) reinforce this view, arguing that planning policy should maintain a strong focus on town centres not just for retail but for a wide range of uses, including housing, council services, schools, universities, libraries, venues, leisure facilities and new offices, where they can benefit from public transport and generate activity that supports other town centre uses.

Recent Town Centre First policies increasingly emphasise the importance of locating public services in urban centres. Welsh Government (2021) states that although the Town Centre First policy was historically well established in planning policy in relation to retail development, the future of town and city centres is away from their traditional retail roles. They emphasise the impact of Covid-19 on the retail sector and the importance of town centres becoming multi-functional places, increasingly serving as places to live, hubs of cultural and social activity, locations for public services and sites for new co-working spaces. Scotland’s Town Centre Action Plan similarly stresses the reintegration of civic services to strengthen the social and economic fabric of high streets (TCAPRG, 2021). Moreover, in Northern Ireland, following the High Street Task Force support for locating important public services and amenities in urban centres, the Department for Communities (2025a) is consulting on a Centre First Policy for the location of public sector jobs and services.

Benefits

Economic Impacts

Clark et al. (2018) highlight that beginning in the 1980s, cities invested in large-scale regeneration programmes as a means of encouraging city-centre growth. In many instances, cities leveraged their immense but dilapidated civic assets, including town halls, public libraries, universities, parks and public squares, to redevelop their heritage and culture. They state that this, in turn, generated a new economic climate that favoured the private sector and created new jobs.

House of Lords (2024) state that evidence suggests centrally located public services generate regular, predictable patterns of use that complement retail and support surrounding businesses. These services attract repeat visitors who often combine trips with shopping or leisure activities, creating a multiplier effect that stabilises town centre economies and encourages more diverse patterns of activity.

Supporting this, Sprumont and Viti (2018) study on the effect of workplace relocation on individuals' activity travel behaviour concluded that workplace location acts as an important anchor point shaping daily activity patterns during workdays. Similarly, Von Behren et al. (2018) demonstrate how relocating a research institute in Karlsruhe, Germany, to an inner-city location increased small purchases nearby. Their research found that after the move, with improved access to shopping facilities, the number of employees responsible for household small purchases rose. This is because locating workplaces in urban centres increases opportunity for trip chaining, combining commute with errands and leisure (Pritchard and Frøyen, 2019; Rau et al., 2019). Pritchard and Frøyen (2019) case study of Adresseavisen, Norway's oldest newspaper, office relocation to Trondheim's city centre found a significant increase in the number of additional trips taken on the way to work from 0.8 to 1.3. In addition, relocating public services with a high number of regular visitors can also increase footfall which have knock-on benefits for local businesses (House of Lords, 2024).

Conversely, Pritchard and Frøyen (2019) cite research that decentralisation can reduce trip chaining, with a Melbourne, Australia, study finding a 10% decline in daily activities linked to work trips after moving out of the city (from 2.2 to 2.0). Rau et al. (2019) further note that relocating a company of over 300 employees from Munich, Germany, city centre to a greenfield site negatively impacted local businesses near the former location, such as bakeries and cafés, which saw turnover drop.

Nickson et al. (2020) add that past reviews have found positive multiplier effects for some major civil service relocations, with interviewees in towns and smaller cities highlighting the contribution civil service jobs make to their communities. They cite examples such as Exeter City Council's experience with the Met Office relocation from Bracknell, which some have pointed as having sparked regeneration projects or acted as an anchor for private sector investment.

As a result, locating public sector jobs and services in urban centres can have positive effects on employment and local demand. What Works Centre for Local Economic Growth [WWCLEG] (2023a) highlights four studies evaluating public sector relocations, with the majority showing a positive effect on private sector employment. They note that as relocation creates more local jobs, more money will be spent on local goods and services by people employed in the area. For instance, increased local employment is likely to increase demand for goods and services on the high street, which in turn might create more retail and hospitality jobs. Likewise, McGough and Thomas (2014) argue that retail is a secondary activity that feeds off the primary activity of a city centre economy. They state that office-based employment pulls people into the centre, increasing footfall and market for retailers and restaurants.

In addition, McGough and Thomas (2014) argue that by concentrating all types of office-based businesses in city centres, including public sector jobs, helps increase the exchange of ideas and information, known as ‘knowledge spillover’. They note this amalgamation is particularly beneficial for knowledge intensive business services which provide high quality, well-paid jobs. Therefore, concentrating more jobs in the urban centres can help attract businesses and build a stronger local economy. Similarly, Andersson et al. (2009) found that relocating post-secondary education across Sweden from 1987 boosted local productivity and creativity. Their research finds that increased university presence, measured by the number of researchers, was strongly linked to higher output per worker and more patents in the surrounding labour market, with gains highly localised.

Consequently, the External Advisory Board (2013) note that while moving public facilities or simple backroom facilities out of town centres may have an immediate saving, they may have substantial costs later, both to the businesses around them and the public purse. They state that a public service closing and moving out of town, reduces footfall and leaves an empty building or vacant site behind which further damages the urban environment. They argue that major decisions on public service locations are often based on narrow models that fail to account for wider financial and social impacts.

Sustainability and Accessibility

Locating public sector jobs and services in urban centres can bring about considerable accessibility and sustainability benefits. Living High Streets (2024) note that walking is a key part of replacing car journeys with more sustainable travel options. By ensuring that there are more public services and amenities in districts and town centres, it becomes possible for people to change destinations and substitute longer car trips with shorter walking trips. Similarly, McGough and Thomas (2014) argue that city centres which include businesses, retail, entertainment and residential areas close by help reduce urban sprawl and promote sustainability. In contrast, they note that dispersed cities increase reliance on private transport, as it becomes more costly and complex to provide effective public transport to multiple

employment sites. McGough and Thomas (2014) state that this has environmental consequences, particularly for CO_2 emissions, with data from 2011 showing that cities with higher concentration of jobs in their central areas had the lowest transport emissions.

Supporting the evidence on sustainability benefits, Maheshwari et al. (2023) multi-perspective review on the impact of workplace relocation found that relocating workplaces from city centres to suburbs fosters car use, while the reverse promotes sustainable transport options. The authors note that all four studies reviewed that involve a workplace relocation from suburban locations to city centres reported a reduction in car use and an increase in walking, cycling, public transport and carpooling. Key factors driving this shift included higher parking costs in city centres, shorter commuting distance and time, greater traffic congestion but also policies promoting public transport and active travel. Conversely, all five studies analysing relocations from city centres to suburban areas observed a shift away from sustainable modes toward car commuting. This change was attributed to longer travel distances, poor public transport accessibility in suburbs and inadequate infrastructure for walking and cycling. Similarly, the External Advisory Board (2013) and Action Plan Review Group (2021) highlight that moving public services out of town centres can disenfranchise those without cars and reinforce car dependency.

Furthermore, Pritchard and Frøyen (2019) note how in Norway during the 1950s and 1960s, planners responded to traffic congestion from rising car ownership by decentralising employment to suburban areas, aiming to reduce city-centre traffic and shorten commutes. However, this led to increased car use due to poorer public transport access and free parking, even in situations where commute distance decreased. From the 1990s, planning in Norway shifted toward compact urban development and sustainable transport. Pritchard and Frøyen (2019) case study of Adresseavisen, Norway's oldest newspaper, office relocation to Trondheim's centre found commuting distances fell and walking, cycling and public transport use tripled, illustrating that workplace relocation can encourage shifts away from car travel. They note that relocation to urban centres with good public transport accessibility can significantly improve opportunities for sustainable modes of transport.

Employee Benefits

Maheshwari et al. (2023) note that city-centre workplaces frequently benefit employees through shorter commutes and better public transport connections. They state that relocating workplaces out of city centres not only changes commuting behaviour but also disrupts daily routines such as shopping, lunch and leisure, often affecting other household members' schedules and travel chains. Studies cited report declines in employee satisfaction after relocations out of city centre due to longer commutes, fewer trip-chaining opportunities and reduced social interactions. Conversely, locating workplaces in mixed-use central areas can enable workers to run errands on their way home or have social interactions with their colleagues. Maheshwari et al. (2023) suggest that workplace relocation to mixed-use areas with

good public transport connections can significantly improve employees' overall well-being.

Similarly, Rau et al. (2019) found that relocating a company of over 300 employees from Munich, Germany, city centre to a greenfield site led to negative changes in employee commute and satisfaction. Their research found that the move resulted in a sharp rise in car use (from 46% to 71%), with no respondents continuing to walk or cycle and average commute times increasing by 11 minutes (from 33 to 44 minutes). In addition, the relocation led to a decrease in trip chaining, decreasing opportunities for shopping, socialising and after-work gatherings which negatively affected team cohesion. Rau et al. (2019) state that single households showed the largest decline in trip chaining for shopping and leisure, while families faced challenges coordinating schedules, greatly impacting their satisfaction. Overall, 66% of respondents reported a worse commute, strongly linked to longer travel times, and nearly one-fifth purchased a car after relocation.

Social and Cultural Benefits

Although more difficult to measure, few papers note that there are many social and cultural benefits associated with relocating public services to urban centres. House of Lords (2024) state that local communities are increasingly seeking out restaurants and leisure activities as well as wanting to see more public services in their town centres. Noting that those places that have adapted, for example by moving local libraries into vacant department stores or by opening high street diagnostic centres, are leading the way for the future of high streets across the country.

Welsh Government (2023) highlights new policies in Wales that require public service facilities to be located within town and city centres. They emphasise that town centres have historically existed to serve wider populations, and remain as places where people hang out, take in cultural events, volunteer, shop and use local services. Living Streets (2023) note that unique town centre features such as historical buildings, parks and green space are also an inseparable part of the town centre shopping experience that differentiates it from the out-of-town experience. They highlight evidence suggesting that majority of people place high value on public places like parks during their town centre visit, as these offer space for relaxation and social interaction away from the core town centre activity. In contrast, shopping centres and retail parks are fundamentally transactional spaces, with visitor dwell times significantly shorter than town centres (Welsh Government, 2023). This social, cultural and public service usage is the clear competitive advantage that town centres have over out of town destinations and regeneration should focus on strengthening the social infrastructures that underpin them (Welsh Government, 2023).

Moreover, town centres can act as hubs for mixed uses, providing opportunities for civic engagement, cultural participation and social interaction (Welsh Government, 2023; TCAPRG, 2021). Reintegrating essential services therefore address vacancy

and economic decline while restoring the multifunctional role of urban centres as spaces that support community life and enhance the overall resilience of towns and cities. Furthermore, integrating healthcare in urban centres can improve access to mental health, clinical and social services with facilities supporting community wellbeing and tackling wider social issues (Wiejak-Roy and Hunter, 2023).

Commentary

The literature reviewed demonstrates that locating public sector jobs and services in urban centres can offer economic, social and environmental benefits. Economically, public services can act as reliable anchors, generating consistent footfall and supporting surrounding businesses. Evidence suggests that centrally located employment and services encourage trip chaining, combining commutes with shopping and leisure, which helps support local businesses. Public sector relocations can also create positive multiplier effects on private sector employment and attract knowledge-intensive businesses through agglomeration benefits.

From a sustainability perspective, locating public sector jobs and services in centre locations can reduce car dependency and promote walking, cycling and public transport use, supporting climate goals by lowering emissions. Compact development helps curb urban sprawl, whereas decentralisation reinforces car reliance and disenfranchises those without cars.

For employees, central locations often shorten commutes and provide better public transport links, improving satisfaction. Mixed-use environments enable workers to integrate errands and social activities into their day, enhancing well-being, while peripheral relocations typically lengthen commutes and diminish opportunities for social interaction.

Furthermore, locating public services in urban centres brings notable social and cultural benefits. Town centres offer spaces for civic engagement, cultural activities and social interaction, which out-of-town retail parks cannot replicate. Examples like converting vacant department stores into libraries or health hubs show how reintegrating essential services can restore town centres' multifunctional role, strengthen community life and improve access to public services.

Case Studies

Keynsham Civic Centre & One Stop Shop (AHR, 2015)



Overview: Outdated 1960s buildings in Keynsham town centre, England, were redeveloped with a modern and multifunctional civic centre. The redevelopment included a 68,000 sq. ft Council office, a library, a One-Stop-Shop, 20,000 sq. ft of retail space, two new pedestrian streets, a market square, improved parking and highways improvements.

Impact: The 20,000 sq. ft retail space beneath the council offices generated 50 new jobs soon after opening. The building was designed with high environmental performance standards, making it environmentally friendly and sustainable. The new workplace won several awards for best corporate workplace, sustainability and construction. Transition Bath (2015) note that the British Council for Offices named it as the best workplace in 2015, providing an environmentally sustainable, low maintenance and flexible workspace. Moreover, Bath & North Somerset Council (2025) Keynsham action plan notes that the Civic Centre is considered a prominent landmark, with its redevelopment improving the overall condition of the Keynsham High Street. However, the action plan notes that the High Street remains predominantly functional rather than a place where people choose to spend time.

Limitations: There is an apparent lack of post-evaluation impact of the Keynsham Civic Centre & One Stop Shop on urban regeneration outcomes such as vacancy rates, employment levels and footfall in the town centre. The reports we were able to find were primarily focussed on the architectural design and sustainability features of the building, offering limited insight into its actual economic and social effects on Keynsham town centre.

Relevance to NI: Despite the limited evaluation of its urban regeneration impacts, the Keynsham Civic Centre and One-Stop-Shop redevelopment has received numerous awards for its sustainability, workplace design and overall construction quality. This case study therefore offers an innovative example of how a mixed-use development can be designed to integrate public sector offices, retail space and pedestrian-friendly public areas.

The University of Luxembourg (Sprumont and Viti, 2018)



Overview: This study examined commuting behaviour before and after the University of Luxembourg relocated in 2015 from Luxembourg City to Belval, 25 km south, as part of a national strategy to ease congestion and pressures on the capital city. Luxembourg faced major mobility challenges due to high car use and cross-border commuting, despite having good public transport. The relocation was supplemented with measures to encourage sustainable travel such as parking fees, car-sharing and shuttles. Data was collected via two-week travel diaries from 43 staff members during 2015 and 2016.

Impact: The workplace relocation increased commuting distances for the 43 respondents from 30.2km on average to 38.5km, while commuting time grew slightly from 47 to 52 minutes. 80% of respondents did not change their main travel mode, with the share of car users only increasing from 56% to 60%, public transport fell from 42% to 35% and soft modes (cycling and walking) increased marginally from 2% to 5%. The researchers note that the small increase in car use is likely due to efforts to promote sustainable travel through parking fees and other measures. Importantly, as the new campus was 20km away from the old one, the relocation significantly altered respondents' activity spaces. Most individuals stopped conducting activities near the former site, with only four continuing activities near the old campus. This in turn meant reduced visits to local services around the old campus which may have had a negative impact on them. The study concludes that during workdays, home and workplace act as key anchor points shaping overall activity patterns.

Limitations: The study is based on a relatively small sample size (43 respondents) but the methodology seems robust. In addition, the study does not assess broader urban regeneration impacts such as changes in footfall, employment or vacancy.

Relevance to NI: This study provides valuable insights into how the relocation of an anchor institution affects commuting patterns and activity behaviour of the relocated employees. It highlights that during workdays, home and workplace serve as key anchor points shaping overall activity spaces, and that moving an institution out of an urban centre significantly reduces visits to local services around the former site.

UK Relocation Initiative, The 2004 Lyons Review (Faggio, 2019)



Overview: In 2004, Sir Michael Lyons conducted a UK government review on relocating public sector jobs from London and South-East England to other UK regions. The plan aimed to move about 20,000 civil service roles within six years. By March 2010, over 25,000 jobs had been relocated. This study analysed detailed geographic panel data (2001 Census Output Areas), focusing on the 2003–2007 period to avoid confounding impacts from the 2008 recession.

Impact: The study finds that over the period (2003-2007) the relocation of public sector jobs following the 2004 Lyons Review had a positive local impact on private sector employment. Each additional civil service job was found to create about 1.1 private sector jobs, stimulating the services sector but having no impact on manufacturing. There was also evidence of displacement whereby private businesses moved closer to the relocated public sector jobs. The study finds that the effects were highly localised, with the largest impact in areas that received the relocated jobs and no impact beyond the 0-3km ring.

Limitations: The study does not clarify whether the relocated civil service jobs were concentrated in urban centres, suburban areas or both. Furthermore, the study measures possible effects over a short time period (2003-2007). The report does include an extension to 2010, but due to potential confounding effects from the 2008 recession, the authors note that those findings are less robust. Finally, the study offers only a partial evaluation, examining impacts on private sector employment without considering broader costs and benefits, such as changes in labour costs, vacancy rates or housing prices.

Relevance to NI: This study provides an estimate of short-term multiplier effects from public sector relocation and distinguishes impacts on services versus manufacturing. By analysing UK relocations and their local effects, it highlights that private businesses tend to cluster closer to relocated public sector jobs, with no measurable impact beyond a 0–3 km radius. These findings point to highly localised effects of public sector relocations.

Creation of West German Government in Bonn (Becker et al., 2021)



Overview: The paper examines how the establishment of the West German government in Bonn after World War II influenced the spatial distribution of private sector activity through public employment. Using panel data from 1925–1987 for Bonn and 40 control cities, the authors create a synthetic control city for more robust results.

Impact: The study finds that the large increase in public employment in Bonn led to only modest private sector job growth. Each additional public job reduced industrial employment by about 0.2 jobs but created just over one additional job in other parts of the private sector, mainly in the non-tradeable sector. The authors also find suggestive evidence of amenity spillovers from public employment in Bonn but little evidence of productivity spillovers. Analysis of wages and house prices shows that house prices rise with city size, while public employment expansion had minimal impact on nominal wages by 1987.

Limitations: The authors note that the observed increase in private sector employment in Bonn likely represents an upper bound on public employment multipliers. Bonn's status as the federal capital attracted additional actors like lobbyists and diplomats, amplifying effects that routine public jobs would not replicate. However, they note that evidence suggests only a small share of private sector growth was due to Bonn being the federal capital. In addition, the authors state that a full-cost benefit analysis of relocation polices was beyond the scope of the paper and the study does not measure impacts on other urban regeneration indicators such as vacancy rates.

Relevance to NI: The paper's methodology offers valuable insights for Northern Ireland. By using a panel of control cities and constructing a synthetic control city, the study provides a rigorous approach to isolating the impact of public sector employment relocation from broader economic shocks. This method enables a clearer understanding of causal effects rather than simple correlations. Furthermore, the paper examines potential multiplier effects of public sector employment over an extended period.

Spanish Public Sector Expansion 1980-2001 (Jofre-Monseny et al., 2020)



Overview: This paper estimates the employment multipliers of public sector jobs in Spanish cities by studying a period of substantial public employment growth (1980–2001). To quantify these effects on local labour markets, the authors use two methods: a model that simulates the impact of adding public sector jobs, and a regression analysis that examines how public job growth affected employment and population changes in Spanish cities over two decades.

Impact: The analysis shows that adding one public sector job primarily boosts employment in the non-tradable sector by 0.8 jobs in the first model and 0.9 in the second. While the effect on the tradable is either negative (-0.4 jobs) or negligible. Overall, both empirical models found that public employment crowds in private jobs within cities, concentrated in non-tradable activities. However, these gains do not substantially reduce local unemployment because improved labour market conditions attract more workers through migration, offsetting the job creation effect.

Limitations: The study's context may not be directly comparable to Northern Ireland, and its focus on overall city-level multiplier effects does not specify where within cities public sector jobs were located such as whether they were concentrated in city centres or dispersed across suburban areas. In addition, the study notes that it does not account for nationwide effects of creating public sector jobs in one city, with population inflows to a city implying outflows elsewhere. It also does not report on the impact on vacancy rates.

Relevance to NI: The study provides an academically robust analysis of the potential long-term multiplier effects of public sector employment in cities. It breaks down the potential multiplier effect for both tradeable and non-tradeable sectors as well as makes an important observation that public sector employment may increase employment levels but leave employment rate unchanged due to migration effects.

Commentary

The case studies reviewed provide useful insights into the impact of public sector relocation across a range of dimensions including sustainability, commuting behaviour and multiplier effects on private sector employment. Four of the five case studies were drawn from academic research and used robust methodologies, offering credible evidence on localised economic and behavioural impacts. However, none evaluated wider urban regeneration outcomes, particularly vacancy reduction.

Beyond the five selected case studies, there are several other examples of public sector relocations to urban centres. However, most lack publicly available post-project evaluations on their impact on urban regeneration, including vacancy rates. For instance, McGough and Thomas (2014) present two case studies, one in Bradford and another in Coventry. The former, known as the ‘b-works’ scheme, involved relocating some public services to the city centre to improve service delivery at a lower cost. The authors note that this included selling surplus assets and using the proceeds to refurbish city centre buildings, consolidating the workforce. Between 2008 and 2010, 1,300 public sector jobs moved into the city centre, and between 2008 and 2013, 44 buildings were sold for £21.2 million, saving £64 million in maintenance. Meanwhile, the Coventry case study was a planned relocation of public sector jobs to the city centre, aimed at consolidating 27 buildings into nine to reduce maintenance costs and attract other businesses into the area. In both cases, the focus was on estate rationalisation rather than regeneration impacts. Similarly, Historic Environment Scotland (2019) highlights West Dunbartonshire Council’s relocation to Dumbarton town centre, which reused the historic frontage of the former Academy for a new office development accommodating 500 staff. While the design incorporated features intended to support town-centre vitality, such as omitting a canteen to encourage spending locally, the case study provides no data on actual regeneration outcomes. Similar patterns were found across other examples, where insufficient information was available on the post-project impact to form a full case study.

As Town Centre First policies across the UK and Ireland increasingly incorporate the public sector, more case studies are likely to emerge. Recent examples include a new government hub in Birmingham city centre housing 20 departments and 1,700 staff as part of the Government Property Agency’s strategy to consolidate public buildings (Gov.uk, 2022). The move is expected to boost local business and save £2 million annually by reducing eight sites to one. Similarly, Gov.uk (2023) announced a new hub in Peterborough town centre for over 1,000 staff, part of a £120 million regeneration scheme projected to generate £340 million in private sector revenue. Meanwhile, in Northern Ireland, Ulster University’s major relocation from Jordanstown to Belfast city centre is projected to deliver £1.4 billion in economic benefits (Ulster University, 2023). As these examples are relatively recent, there has not yet been sufficient time to complete comprehensive post-project evaluations, and if such evaluations exist, they are not easy to locate or have not been published.

Challenges

While the literature highlights a range of potential benefits from locating public sector jobs and services in urban centres, it also cautions against assuming universal or automatic success. There are several challenges that need to be considered and addressed to ensure the policy is effective.

Limited Evidence of Strong Multiplier Effects

Nathan (2025) argues that despite political assumptions of large economic gains of public sector job relocation, robust evidence is scarce. WWCLEG (2023b) reports that a multiplier of 0.25 is used in its Local Multipliers Toolkit for public sector jobs, while the Office for National Statistics suggests 0.37 additional private sector jobs per public sector job based on input–output analysis. WWCLEG (2023b) note that both compare poorly to the average private sector multiplier of 1.31. However, they emphasise that these figures are only averages and depend on factors such as local procurement, clustering effects, where employees live and spend their income, and wage levels in the relocated areas. Nathan (2025) observes that available evidence indicates public sector multipliers are generally lower than those for private sector jobs in the short term but tend to converge over time. He cites that short-term studies report multipliers of 0.21 and 0.55, while long-term analyses suggest higher values of 0.8 and 0.86. These multipliers compare more favourably to the previously mentioned 0.25 and 0.37 but Nathan (2025) notes that in comparison, high-value private sector jobs in the technology sector have an estimated multiplier effect of 2.5. In addition, Becker et al. (2021) who found the 0.86 multiplier of public sector jobs in Bonn, Germany, note that this may be the upper bound due to the advantages of Bonn becoming the federal capital. They state that relocating routine public sector roles to lagging regions may yield less successful results and not be as effective. Nickson et al. (2020) similarly caution that there is relatively little robust, quantitative evidence of the economic benefits of public sector relocation, and the evidence that does exist suggests that relocations will only boost economic growth in a limited way.

Potential Solutions: Although evidence on multiplier effects from public sector jobs is limited, existing studies consistently show a net positive impact on private sector employment, albeit weaker than that generated by private sector jobs. A key recommendation is to better manage expectations about the scale of potential multiplier effects, ensuring that policy decisions are grounded in realistic assumptions. At the same time, it is important to continue monitoring for new evaluations, including analysis by type of public sector job, as the multiplier effects may vary significantly across the sector. Future research could draw on robust methodologies used in academic studies, such as by Becker et al. (2021), which employed a synthetic control approach to isolate the impact of relocation from wider economic shocks. Crucially, any future relocation programmes should include built-in evaluation frameworks to assess their multiplier effect.

Crowding Out and Displacement

While some studies find that relocating public sector employment can boost nearby private sector jobs, it can also result in crowding out and/or displacement. For instance, most studies analysed in this research show that while public sector employment has a positive multiplier effect on private sector jobs in services, it has either a negligible or negative impact on jobs in manufacturing.

WWCLEG (2023b) explain that crowding out occurs when public sector employment negatively impacts local private firms, often by offering higher wages and better working conditions, making it harder for businesses to attract or retain staff. This risk is particularly acute in struggling areas where wages are relatively low, as public sector pay is typically set nationally or regionally and tends to be more competitive as well as include additional benefits such as shorter hours and generous pensions. Larkin (2010) notes that this is a contentious issue with academic evidence on public sector crowding out being mixed, with studies both supporting and rejecting its occurrence. He states that the true impacts appear to depend heavily on local context and circumstances. WWCLEG (2023b) elaborate that the risk of crowding is higher when relocated public sector roles require similar skillsets to those used by local clusters, as this creates direct competition for the same workers.

Meanwhile, displacement occurs when job creation in one area or firm comes at the expense of another. For instance, a new supermarket may create jobs but force smaller shops to close (WWCLEG, 2023b). However, WWCLEG (2023b) note that in the case of public sector relocations this type of displacement is rare because public sector organisations do not typically compete directly with each other or with private sector firms. They also explain that displacement can occur across areas, where a new job in a new area comes at the expense of a job in the origin area. Nickson et al. (2020) add that economic benefits from relocations tend to be highly localised, with much of the non-public sector employment growth coming from displacement of jobs from other parts of the same region.

Potential Solutions: The risk of crowding out and displacement from public sector employment seems to be a contentious issue, however, cautionary steps should still be taken. Brett-Harding (2023) notes that once a policy is in place, monitoring crowding out and displacement will require collecting robust data beyond the immediate intervention area. He recommends tracking local private sector activity in sectors affected by increased public spending and monitoring businesses and employment outside the intervention geography. WWCLEG (2023b) adds that assessing crowding out risk should consider local pay and labour market conditions, as well as the similarity between the activities and skills demand of the relocating public sector organisations and existing employers.

Measuring Social Value

Measuring social value in regeneration projects is inherently complex. Unlike economic indicators, outcomes such as wellbeing, social cohesion and civic pride

are difficult to quantify (Wrigley et al., 2015). Evidence remains limited on whether increased footfall from public services translates into meaningful community engagement, making evaluation even more challenging. Furthermore, The University of the Built Environment (2025) highlights the large number of stakeholders whose interests need to be reflected, from individuals and residents to communities.

Potential Solutions: Policymakers should first investigate best practice approaches for measuring social value in the context of locating public sector jobs and services in urban centres. Significant work appears to have already been undertaken in Scotland, Wales and Ireland to embed social value into planning and investment frameworks. For example, Ireland's Town Centre First policy includes developing a town centre impact methodology and tools to assess economic, social, cultural and sustainability dimensions within statutory planning and spending codes. Wales proposes aligning procurement and asset management frameworks with wellbeing objectives, while Scotland strengthened guidance in the Scottish Public Finance Manual to ensure town centres are considered in asset decisions. Examining these approaches has been outside the scope of this research and should be explored further.

Practical and Logistical Constraints

Locating public sector jobs and services in urban centres faces significant practical and logistical challenges. Welsh Government (2023) notes that town centre developments, which are mostly on brown field sites or involve the redevelopment of existing infrastructure, are more costly and difficult compared to out-of-town, greenfield development. Furthermore, urban centre properties are owned by lots of different people, some of which may not be local to the town or its surrounding area making it difficult to identify ownership (Welsh Government, 2023; Chronic Law, 2024). Chronic Law (2024) points to the issue of "orphaned" properties, buildings left unoccupied for years due to unclear inheritance or probate disputes, as a particular barrier to urban regeneration. Such complexities prevent properties from being sold, rented or restored, further undermining the economic viability of town-centre renewal (Chronic Law, 2024).

Relocating public sector jobs also involves substantial upfront costs. Larkin (2010) observes that while relocations can reduce government costs, they require significant initial investment in new premises and relocation expenses. Consequently, relocation programmes are unlikely to happen during periods of fiscal constraint, as they do not deliver immediate deficit reductions. Furthermore, a major challenge in using public sector relocation as a catalyst for urban regeneration is the assumption that private businesses will be easily able to open around them. In reality, this is far from straightforward due to the high upfront costs associated with occupying vacant or deteriorated properties. While reusing buildings in good condition can be relatively cost-effective, expecting the private sector to refurbish severely dilapidated premises without support is unrealistic. Wiejak-Roy and Hunter

(2023) note that adaptation costs for complex or listed buildings can exceed those of new builds, alongside long payback periods and inferior performance compared to modern standards. Rudlin et al. (2023, p.215) further highlight that even when retail units are re-let, substantial fit-out costs remain a barrier, particularly for smaller independent businesses with limited capital. In addition, Rudlin et al. (2023, pp.75-76) note that although independent retailers can fill vacant units, their high failure rate and inability to fund fit-out make them unattractive to risk-averse landlords. Without addressing these upfront costs, simply relocating public sector jobs and services will not guarantee a thriving private sector presence, limiting the overall impact on urban centre regeneration

Potential Solutions: Addressing these challenges requires proactive measures. Audit Wales (2021) recommends improving land acquisition and assembly through consistent use of enforcement powers, including compulsory and voluntary purchase, and creating a supportive regulatory context by integrating land-use planning with urban regeneration policy. Greater flexibility in planning could enable conversion of empty retail and rundown buildings to alternative uses.

However, Rudlin et al. (2023, pp.213-214) caution against over-relaxation of planning controls, noting that while recent changes such as the introduction of Use Class E and extended permitted development rights aim to reduce vacancy, they risk undermining town centre strategies by allowing uncontrolled conversions. Instead, mechanisms should be developed to enable surplus retail space to be repurposed for diverse town centre functions without eroding planning oversight. Rudlin et al. (2023, pp.213-214) state that ultimately, town centres need better planning, not less planning, to balance flexibility with strategic control.

Addressing the challenge of high upfront costs for private businesses requires a shift in approach and targeted interventions. Rudlin et al. (2023 p.77) argue that the issue lies not with independent retailers themselves but with the institutional investment model underpinning town centre development, which is no longer fit for purpose. The authors note successful examples, such as Camden's independent retail quarter, demonstrate that profitability can be achieved through models based on cash flow rather than reliance on blue-chip tenants. Rudlin et al. (2023, p.215) state that practical measures to tackle imperfections in the property re-letting process is introducing low-commitment pop-up leases and offering small fit-out grants to enable basic refurbishments and bring vacant spaces back into use. Furthermore, Rudlin et al. (2023, pp.216-217) note that public investment, such as councils purchasing vacant retail units or entire shopping centres can be a powerful regeneration tool, enabling space to be repurposed for local businesses and civic functions. The authors explain that while such interventions may not deliver commercial returns expected by private developers, their wider benefits in terms of job creation, economic activity and property investment can make them very good value for money.

Effectiveness in Isolation

Swinney et al. (2025) argue that any interventions aimed at high streets should be aligned with, or at least accompanied by, wider economic strategies that encompass the city centre. This integrated approach ensures that high street policies do not operate in isolation but contribute to the overall urban economic ecosystem. Similarly, Portas (2021) emphasises that the public sector alone cannot create vibrant high streets. They state that a collaborative effort is essential, with landlords, retailers and the public all having a role to play. House of Lords (2024) adds that without complementary measures, relocated services alone may not be sufficient to change behavioural patterns or attract diverse groups into town centres.

Potential solutions: A common theme across the research is that locating public sector jobs and services in urban centres can only achieve so much on its own. Its effectiveness depends on complementary policies that enhance its benefits or mitigate factors that undermine them. Without coordinated action such as improving transport links, investing in town centre housing and supporting local businesses, the impact would be limited. Public sector presence can be a catalyst, but it is not a standalone solution.

Cross-Cutting Issue

Another key challenge is that locating public sector jobs and services in urban centres is a cross-cutting issue that the Department for Communities cannot address alone. If pursued in isolation, its impact on urban regeneration and vacancy rates is likely to be limited. Evidence shows that regeneration measures achieve greater success when combined with complementary measures tackling wider urban challenges, such as housing, transport and economic development. One of the key strengths of locating public sector jobs and services in urban centres lies in enhancing the multifunctionality of town centres, creating more reasons for people to visit and dwell. This requires the involvement of a broad range of public sector institutions and services such as healthcare, libraries and higher education.

In addition, issues such as crime, dereliction and dilapidation must be addressed to crease safe, vibrant spaces. Audit Wales (2021) warns that empty premises often become unsightly and attract anti-social behaviour, undermining perceptions of safety and the quality of the built environment. Without tackling these interconnected challenges, relocation alone cannot deliver the desired outcomes for urban regeneration.

Potential solutions: While it is positive that the Department for Communities has developed the Shaping Sustainable Places programme in partnership with the Department for Infrastructure and the Department of Agriculture, Environment and Rural Affairs, effective delivery requires deeper cross-departmental collaboration. Urban regeneration measures including locating public sector jobs and services in urban centres intersects with education, health, justice and economic development.

For example, schools and universities (Department of Education and Department for the Economy), hospitals and healthcare facilities (Department of Health), and crime prevention and safety (Department of Justice) all influence town centre vitality. Audit Wales (2021) and TCAPRG (2021) stress that regeneration cannot succeed without coordinated action across multiple stakeholders.

Accessibility Issues

Literature and evidence suggest that accessibility remains a key challenge for locating public services in town centres. The House of Lords (2024) highlights concern about limited parking when accessing town-centre services compared with out-of-town sites. Likewise, Portas (2011)[6] notes that while environmental concerns about car use are valid, lack of free parking in town centres places them at disadvantage compared to out-of-town retail parks, which offer easy car access and free parking.

Beyond parking, Portas (2011) stresses the importance of making high streets attractive, accessible and safe. Poor transport infrastructure, narrow pavements and busy roads can deter visitors, especially families and older people. Supporting this point, surveys by the Department for Infrastructure (2021) and Consumer Council (2025b) show a strong car dependency in Northern Ireland, with cars being the predominant mode of travel to work or food shop. The Consumer Council (2025a) notes that older people, people with disabilities and those travelling with younger children face additional challenges when using public transport. Audit Wales (2021) reinforces these concerns, reporting that many town centres lack efficient, affordable and integrated public transport, while deteriorating roads and decisions on pedestrianisation and car parking charges were flagged as major barriers by businesses and residents. Moreover, McGough and Thomas (2014) add that thriving city centres depend on effective public transport to attract job-creating businesses, particularly for lower-income groups who rely heavily on public transport.

Lastly, but very importantly, relocating public sector jobs and services into urban centres is likely to increase traffic and congestion. Higher congestion can lead to longer travel times into town and city centres, resulting in extended commuting times, reduced employee satisfaction and accessibility challenges. It can also make urban centres less appealing and more difficult to visit for both employees and visitors. Therefore, if the effects of congestion are not carefully considered and mitigated, relocation could backfire, reducing footfall rather than increasing it.

Potential Solutions: Improving accessibility for town centres requires a nuanced, context-specific approach. As Rudlin et al. (2023, pp.200-201) note, the impact of traffic management is not clear-cut, while pedestrianisation and reduced car use have supported regeneration in some places, they have harmed others that depend

[6] Portas (2011) frames her argument from the perspective of shopper accessibility, rather than that of local workers but the issues are valid for both groups.

on the ‘movement economy’. Strong attractions can justify limited parking, but weaker centres may need to prioritise access to remain viable (Rudlin et al., 2023, pp.45–46). Measures such as widening pavements, reducing carriageways, lowering speed limits and creating cycle lanes can enhance walkability, yet provision for some parking remains essential where car-borne trade is significant. In addition, policies such as free parking, are a double-edged sword, it can improve accessibility but also incentivises car use, undermining sustainability goals. For instance, Pritchard and Frøyen (2019) note that free parking has a significant effect on the choice of transport mode, with reduced free parking discouraging car commuting.

Regarding possible impacts on congestion, WWCLEH (2023a) note that understanding existing pressures on transport infrastructure will help clarify what additional pressure may occur because of the relocation. Improving public transport, cycling and walking infrastructure can ease congestion while incentivising more sustainable travel. McGough and Thomas (2014) emphasise that effective public transport systems linking people to jobs and services are critical for economic growth, particularly in densely populated centres where delivery is more cost-effective and for lower-income groups who rely heavily on these networks. However, as Department for Infrastructure (2021) statistics show, there is a strong car dependency in Northern Ireland, which is hard to change through improvements in infrastructure alone. Sprumont and Vivi (2018) found that despite Luxembourg having high-quality public transport, many people commuted by car due to ingrained cultural preferences. This suggests that alongside physical improvements, behavioural and cultural factors may also need to be addressed to achieve meaningful shifts toward sustainable travel.

Employee Considerations

Lastly, relocating public sector jobs and services to urban centres requires careful consideration of the impact on employees. Maheshwari et al. (2023), in their review of 12 case studies, note that workplace relocation can induce stress, disrupt mental health and reduce overall well-being. Employees anticipating significant disruptions such as changes to children’s education or family routines report higher stress and dissatisfaction, particularly when they hold pessimistic outlooks. Similarly, Von Behren et al. (2018) note that relocation impacts multi-person households, as changes affecting one member can cascade into shared responsibilities, creating adjustment difficulties and lowering satisfaction.

Commuting is another critical factor. While moving jobs to city centres can shorten commuting for some employees, others may experience the opposite. Chatterjee et al. (2017, cited in Maheshwari et al., 2023) using longitudinal data for workers in England, found that longer commutes of over 45 minutes one way correlate with lower well-being and higher job turnover. Likewise, Rau et al. (2019) cite several studies that show that the length and quality of commute to work can significantly influence employees’ productivity, job satisfaction, stress levels, turnover and life satisfaction.

Financial pressures compound these challenges. Some employees may face higher commuting costs through parking fees or expensive public transport connections. Additionally, incidental spending on food and services near workplaces, while beneficial for local businesses, can conflict with household budget constraints during the ongoing cost-of-living crisis. Surveys indicate that many Northern Ireland households have limited disposable income after essentials, making these additional costs particularly burdensome (Consumer Council, 2025c).

Finally, ensuring compatibility with flexible working practices adds another layer of complexity. While urban relocation aims to boost town centre footfall, hybrid and remote working means employees travel less frequently to their workplace. However, flexible arrangements such as hybrid working offer benefits, including reduced work-home conflicts and greater satisfaction with work, family and life (Maheshwari et al., 2023). Ignoring these benefits risks employee dissatisfaction, and undermining employee well-being and inclusivity.

Potential Solutions: Maheshwari et al. (2023) recommend that when relocating, organisations should consider ease of access to the new workplace, strong public transport connectivity and a location within mixed-use developments. Improving commuter satisfaction should be a key policy goal, achievable through efficient transport systems, as delays and overcrowding can greatly affect well-being. Furthermore, Maheshwari et al. (2023) found that early communication about relocation plans reduces stress by giving employees time to adjust household routines and daily activities. Von Behren et al. (2018) similarly emphasise transparency and proactive engagement with employees, particularly with those who will be the most affected. They recommend providing not only information but also practical support, such as mobility management measures (e.g., bicycle parking, public transport subsidies). The study emphasises that proactive preparation and assistance can improve employee satisfaction.

In addition, flexible working arrangements can work with and not against public sector relocation to urban centres. Maheshwari et al. (2023) note that hybrid work can make poor commutes more tolerable when they occur infrequently while also reducing work-home conflicts and improving satisfaction with work, family and life. Rather than viewing urban relocation and flexible working as competing priorities, they can complement each other. For example, Ireland's and Wales' policies simultaneously encourage remote work while revitalising and prioritising town centres (Government of Ireland, 2022; Welsh Government, 2023). Government of Ireland (2022) note that investment in remote working hubs near childcare facilities and connected spaces can make urban centres attractive for both living and working, combining the benefits of office presence with remote flexibility.

Similarly, Rudlin et al. (2023) note that remote working has shifted spending toward smaller towns and suburbs where the employees live, therefore, increasing housing near urban centres can restore footfall and allow employees to live closer to

workplaces, reducing commuting costs and improving sustainability. This approach aligns with Swinney et al. (2025), who stress that income levels drive high street success; supporting employees' financial resilience through affordable housing and reduced travel costs can strengthen both local economies and employee well-being.

Commentary

Locating public sector jobs and services in urban centres offers regeneration potential but faces multiple, interconnected challenges. Evidence of strong multiplier effects is limited, meaning economic gains may be smaller than anticipated, with impacts on private sector employment often modest and highly localised. Risks of crowding out and displacement also arise where public sector pay and conditions compete with local firms for talent. Measuring social value adds complexity, as outcomes such as wellbeing and civic pride are harder to quantify than economic indicators. Practical and logistical barriers including fragmented property ownership, "orphaned" buildings and high upfront costs make town-centre development difficult. Relocation is also ineffective in isolation; without complementary measures and cross-departmental collaboration on issues such as housing, transport and safety, its impact on urban centre vacancy and vitality will remain limited. Accessibility poses further challenges, with car dependency, limited parking and weak public transport reducing equity of access. Finally, employee considerations such as commuting costs and compatibility with hybrid working must be addressed to avoid undermining staff wellbeing.

Addressing these challenges requires realistic expectations and integrated strategies. Policymakers should embed robust evaluation frameworks to capture both economic and social outcomes and further investigate how Scotland, Wales and Ireland evaluate the costs and benefits in public investment decisions. Strong cross-departmental collaboration is vital, to enhance multifunctionality and better tackle issues such as crime and dereliction. Practical measures include improving land assembly powers, offering small fit-out grants and introducing flexible options like pop-up leases to reduce upfront costs for businesses. Accessibility should be strengthened through investment in public transport and active travel, while flexible working policies and early engagement with staff can help address employee concerns. Ultimately, the presence of public sector services should be seen as one tool for regeneration, rather than a standalone intervention.

Recommendations

Centre First for Public Services

Drawing on the evidence reviewed, this study finds support for locating public sector jobs and services in urban centres. While not all sources were in complete agreement, there was a broad consensus across the literature. As such, the recommendations set out below are derived from the evidence reviewed:

1. Adopt Centre First for Public Services across government decision-making

The Centre First for Public Services approach should be integrated into the planning, estate management and investment decisions of all departments and arm's-length bodies. This entails establishing expectations for assessing the impacts of location decisions on urban centres, including during reviews, relocations, consolidations and new developments.

2. Strengthen cross-departmental collaboration

Effective delivery of the Centre First for Public Services relies on joined up working between departments responsible for planning, health, education, justice, transport and community/economic development. Mechanisms should be established for cross-departmental cooperation, for instance, alignment of objectives, pooling of resources or integrated action on complex urban challenges such as safety, public realm improvements and civic infrastructure.

3. Facilitate stakeholder and community involvement

Early and ongoing engagement with local authorities, community groups, service users, business representatives and residents is essential. Stakeholder participation should begin at the design stage and continue through planning and implementation, ensuring that relocation decisions reflect local needs.

4. Assess and mitigate displacement in rural areas

Policymakers should evaluate and monitor the risk of displacement and crowding out in rural and non-central locations when relocating public jobs and services. While Centre First for Public Services does not inherently disadvantage rural communities, the approach should support the creation of multi-use central spaces across all geographies, ensuring benefits are widely shared and impacts are mitigated where necessary.

5. Manage expectations of impact

Policymakers should adopt a realistic approach to the potential economic and social benefits of relocating public services to urban centres. Given the evidence that multiplier effects may be limited and outcomes can be highly localised, it is essential to communicate honestly about the likely scale and nature of impacts. This will help

avoid disappointment and ensure that investments are justified by achievable objectives rather than overly optimistic projections.

6. **Build-in evaluation from the outset**

The review found limited evidence and evaluations on how public sector job and service locations affect urban regeneration. Therefore, all public sector location and relocation decisions should include embedded evaluation plans and improved data collection. This will enable a clearer understanding of impacts on vacancy, private sector behaviour, footfall, social value and wider economic outcomes.

7. **Build and maintain a robust evidence base**

Departments should systematically collect, share and review evidence on the actual impacts of public sector location decisions, including both intended and unintended consequences. Establishing a consistent framework for evaluation and knowledge sharing will enable continuous improvement in policy design and implementation, ensuring that future decisions are informed by up-to-date, context-specific data and lessons learned from previous relocations. Furthermore, building a robust evidence base will specifically help to address existing gaps in available data, allowing for more accurate assessment of the outcomes and effectiveness of relocation strategies.

8. **Monitor and evaluate major public sector relocations in the UK and Ireland**

Proactively track major public sector relocation programmes and their evaluations across the UK and Ireland. Where external evaluations are unavailable, explore whether it is feasible and/or possible to develop and implement appropriate internal evaluation methods to measure urban regeneration impacts of external/past relocations.

9. **Learn from best practice and comparative approaches**

Investigate and draw upon existing best practice in measuring social value and assessing the impact of public sector job and service locations in urban centres. This should include examining the Scottish Public Finance Manual’s approach to integrating town centre considerations into public asset decisions, Wales’ review of revenue and capital spending alongside procurement frameworks in public sector bodies, and Ireland’s development of a town centre impact methodology within statutory planning and public spending codes, including tools to analyse government investment impacts across economic, social, cultural and sustainability dimensions.

10. **Ensure adequate enforcement**

Evidence indicates that a robust policy statement alone is insufficient unless it is enforced consistently across both local and national levels. However, meaningful implementation may be constrained by gaps in available resources, capacity and practical levers. If Centre First for Public Services is to move beyond aspiration, clear

monitoring and enforcement mechanisms are necessary to ensure that policy commitments are genuinely applied.

11. Incorporate employee considerations into decision-making

Early engagement with staff is vital to minimise negative impacts of relocation. It is essential to emphasise that flexible working practices such as remote work, hybrid models and flexible hours can actively complement and reinforce the success of Centre First for Public Services. Rather than undermining the objectives of centralising public services, these flexible approaches can increase staff retention, attract a broader talent pool and sustain productivity, all while maintaining a strong public sector presence in urban centres. This integration of flexibility supports both operational needs and the goal of creating vibrant, accessible urban centres.

Complementary Measures

Public sector presence alone cannot reverse urban decline. Centre First for Public Services needs to be accompanied by complementary measures to create necessary urban centre multifunctionality, enhance public realm, address vacancy and dereliction, and build long-term economic resilience.

12. Improve accessibility and transport integration

Relocated public services must remain accessible via high-quality public transport, active-travel routes and appropriate parking provision. However, it is important to recognise that accessibility and transportation requirements will vary considerably depending on the specific characteristics of each urban centre. Different locations will necessitate tailored solutions, reflecting local infrastructure, travel patterns and community needs. Policymakers should assess and mitigate potential congestion impacts, prioritise connectivity and invest in sustainable travel options that are appropriate to the local context. Commuter satisfaction and equity of access should be central policy goals.

13. Develop affordable housing in or near urban centres

Encourage the development of affordable housing in or near urban centres to support town-centre living. By enabling employees to live closer to their places of work can help reduce commuting costs and travel times, enhance sustainability and contribute to the strengthening of local economies. In addition, higher resident populations resulting from improved housing provision can boost urban centre regeneration by increasing local demand for shops, services and amenities, fostering greater vibrancy, and supporting the long-term economic resilience of the area.

14. Support mixed-use development

Promote a diverse mix of uses within urban centres by integrating retail, residential, leisure and cultural activities. This strategy ensures that urban centres offer a range of reasons for people to visit, stay and engage with the area. By fostering

multifunctionality and variety, mixed-use developments enhance urban vibrancy, resilience and economic activity, helping to create lively and sustainable town centres.

15. Tackle dereliction

To address long-term dereliction and fragmented ownership in town centre buildings, it is important to implement measures that facilitate redevelopment and make it easier to bring properties back into productive use. This may include enhancing land assembly powers for local authorities and stakeholders, which enables them to consolidate fragmented ownership and unlock sites for regeneration. Additionally, policies could focus on streamlining planning processes and providing targeted incentives to encourage the refurbishment of neglected properties.

16. Support independent business start-ups

Independent businesses often face significant barriers when starting up in urban centres, such as high fit-out and/or refurbishment costs and restrictive lease terms. To help overcome these obstacles, measures such as low-commitment pop-up leases and fit-out grants to enable refurbishment should be considered. These measures reduce the financial burden on entrepreneurs and make town-centre locations more accessible for new ventures, fostering a vibrant local economy.

Note: It is important to acknowledge that, while the relocation of public sector services to urban centres can deliver long-term efficiencies and regeneration benefits, the initial capital costs required are often substantial. These upfront costs pose a particular challenge in the current climate of constrained public finances. Furthermore, with limited funding available, additional investment to facilitate private sector set-up may not be readily accessible. Finally, the enforcement and practical application of a Centre First for Public Services approach will inevitably be shaped by the availability of local funding and resources to enforce. These observations are drawn from the evidence reviewed in this study, which recognises the financial constraints faced by policymakers. Accordingly, it is understood that not all recommendations may be feasible in practice, but they are presented here to reflect the findings from the available evidence and to inform decision-making.

Conclusion

In summary, urban centres have demonstrated enduring resilience in the face of decades of structural change, repeatedly adapting to new economic and social realities. The evidence reviewed indicates that the traditional retail-centric model may no longer be sustainable; instead, the future of vibrant urban centres lies in embracing mixed-use, multi-purpose environments where retail is just one element among housing, public services, leisure, culture and employment opportunities. High-performing town centres are distinguished by the breadth of reasons they offer for people to visit, underpinned by multifunctionality, accessible services, cultural assets and a robust public realm. This diversity not only spreads risk but also fortifies centres against sector-specific shocks.

Effective urban regeneration is rooted in long-term, coordinated and locally tailored strategies. Success is most likely when there is strong leadership from local authorities, sustained commitment, meaningful community involvement, integrated approaches across economic, social and environmental domains, and a clear vision with flexible, adaptive coordination among partners. The evolution of Town Centre First policies across the UK and Ireland further illustrates the necessity for holistic, place-based planning, with Wales notably embedding the strongest enforcement mechanisms. Locating public services in town centres offers clear, if modest, benefits by generating consistent footfall, supporting local businesses and anchoring multifunctional uses.

Despite these positive trends, there remains a notable gap in robust evidence regarding the wider multiplier effects and regeneration impacts of public sector job and service relocations. For Centre First for Public Services to achieve its full potential, cross-departmental collaboration, meaningful community engagement, adequate resources and effective enforcement are essential. Ultimately, urban regeneration is about creating places where people genuinely want to live, work, visit and spend time. While public-sector locations can facilitate this transformation, their effectiveness is maximised when complemented by additional measures and a strong, evidence-based approach. These conclusions highlight both the promise and the practical challenges of urban regeneration through the strategic location of public sector jobs and services.

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