

The Future of London Heritage Quarter

Trends up to 2040

March 2024

EXECUTIVE SUMMARY

The future of London Heritage Quarter: trends and implications

London Heritage Quarter have partnered with Arup to assess key trends and developments impacting the area, up to 2040, and to produce recommendations for action.

Work and skills in 2040

- **The number of jobs in Westminster will grow, but not as fast as elsewhere in London.** However, Westminster will remain at the centre of London’s economy, with the highest number of jobs in London at 820,000 by 2040.
- **By 2040, there will be up to 1.1m new green jobs in London, with finance the largest green economy sector.** The green transition may be constrained by a lack of skills, and reskilling will require a significant cross-sector effort.
- **UK government is aiming to relocate around one-fifth of civil service roles out of London by 2027. Private sector occupiers may follow, and others may take the vacated space.** This shift may unlock opportunities for growing a private sector presence in the area, subject to adapting the office stock to new occupiers’ needs.
- **The ‘flight to quality’ now appears structural. This means that higher specification and more central locations are winning out over secondary centres and stock and may continue to do so to 2040.** Location is increasingly a key factor that determines the desirability of offices. Offices will need to offer a diversity of spaces, from larger, flexible

collaboration spaces to smaller spaces for focus tasks or online meetings. Many workspaces will become compelling destinations, drawing workers away from home and third spaces.

- **Employees are returning to the office slowly, but flexible work may lead to right-sizing in the short term.** Office occupancy is expected to recover to 2019 levels by 2040 but could be reached as early as 2030 or earlier if the economy grows faster.
- **Artificial intelligence (AI) will significantly impact the nature of work by 2040,** potentially creating new roles, and augmenting others. London HQ is well-placed to benefit from new and augmented roles created by the AI revolution in the workplace and will remain a desirable venue for in-person meetings.

Retail in 2040

- **Central London will gain from a gradual recovery in retail spending.** Whilst real worker expenditure might not reach 2019 levels until the mid-2030s, (Arup, 2022), tourism spending is expected to rebound quicker (GLA Economics, 2022). In the long-term, the vibrancy of the retail offer in the LHQ area will still depend on a balanced mix of office workers, tourists and locals.
- **In-person stores will remain competitive by providing a more immersive, personalised experience.** Some flagship physical stores may introduce theatrical settings through

alternative store layouts, lighting design or multi-sensory interventions. Other retailers may prioritise data-driven personalised interactions.

- **Consumers and retailers will embrace the era of localism, distinctiveness and attention to ethics.** In the short term, this may lead to a shift from major chain brands or innovative forms of co-location. While chain stores may rebound in the long term, they are likely to be repositioned as more local and community-oriented.

EXECUTIVE SUMMARY

The future of London Heritage Quarter: trends and implications

Built stock and public realm in 2040

- **London HQ will be feeling the impacts of climate change, including increased flooding and increased urban heat.** In the short term, there will be pressing need for smaller-scale investments. By 2040, new SUDs and blue and green infrastructure may be well-embedded in the London HQ public realm.
- **Demand for housing in central London will remain high.** Despite Westminster City Council’s target to deliver 21,000 new homes by 2040, the shortage of supply is likely to continue and may drive prices and rents higher in the period to 2040.
- **Growth in the private rented sector and in short term holiday lets may depend on regulation.** The proposed Renters Reform Bill will effectively end shorthold tenancies and will pass extended rights to tenants. In turn, this may make rentals less attractive to landlords, and a withdrawal of capacity from the private rented market.
- **Minimum EPC requirements will put pressure on asset owners to improve the energy efficiency through retrofit or find alternative uses to avoid obsolescence.** Additional pressure on the built stock may be put by Westminster City Council’s retrofit-first policy. Energy performance is also becoming an increasingly important factor in defining high-quality commercial stock. Containing the number of future stranded assets (buildings forced out of use) will require coordinated actions among LHQ members, the construction industry, and government.

- **The transition towards a high-quality public realm will continue.** This is driven by a renewed focus on the role of public areas in improving community well-being and liveability, and increased awareness of the severance impacts of road vehicles.
- **London HQ will be on track to becoming a net zero district.** Decentralised networks such as SWAN (South West Area Network) will be supplying low-carbon heat to most buildings in the Quarter, accelerating the journey to net zero. This will also have positive impacts on air quality.
- **Digital twins may help unlock more capacity, higher comfort levels, and lower congestion across London HQ.** Beyond individual buildings and infrastructure, digital twins can play a crucial role in developing smart cities.

Transport and mobility in 2040

- **LHQ’s streets will have cleaner air, and will be audibly quieter, as the vehicle network is electrified.** The surface transport network will be substantially decarbonised. By 2040, over 90% of cars nationally are forecast to be zero emission along with two in three heavy goods vehicles (HGVs). The continued application of a form of ULEZ and the congestion charge will mean that the proportions are likely to be higher in London.
- **Active travel and micro-mobility will increase in popularity.** The provision of active modes infrastructure will increase. London HQ has huge potential to lead the way in this field, with high levels of active travel and low levels of car use.

- **White vans and cargo bikes will grow significantly, and freight may take to the river or air.** Light commercial vehicle traffic in London is projected to rise by 19% by 2040 (DfT, 2023). This growth reflects the surge of e-commerce and consumer demands for quick, convenient deliveries. Increased volumes of freight traffic risk decreasing the quality of public realm in LHQ. Micro-mobility could make up 30% of urban deliveries by 2040 (UKRI, 2021).
- **Whilst we expect some piecemeal use of autonomous vehicles for local freight deliveries,** we do not expect autonomous vehicles to be in widespread general use by 2040
- **Victoria rail station may be redeveloped and Victoria Coach Station may be relocated.** Travel may gradually evolve to free-flow solutions, enabling a more seamless experience.

EXECUTIVE SUMMARY

The future of London Heritage Quarter: trends and implications

Tourism and hospitality in 2040

- **The global travel industry is expected to grow, despite a rising cost of air travel and greater awareness of climate change.** The fastest growth in in-bound tourism will occur from China, and other parts of Asia. Harnessing this growth may require a tweak to the travel services and hospitality offer such that it is culturally compatible.
- **A tourist tax is a potential additional source of revenue for the London HQ area and** could help manage over tourism.
- **The UK's government's removal of tax-free shopping for overseas visitors** may put London at a disadvantage to other global destinations.
- **London needs to continue to invest and innovate to remain a world-class destination.** London will have to fight harder to draw tourists. The capital's allure as a global destination is partly linked to its wide offer of experiences and accommodation. London HQ is well-placed to respond to the rising demand for 'experiential', architecturally unique accommodations which could transform underutilised heritage assets.
- **Visitors will prioritise locality and sustainability,** as they become more conscious of climate change and value local experiences.
- **The future tourist will likely prioritise unique and immersive experiences over traditional sightseeing.** Future tourists will increasingly rely on Virtual Reality (VR)

technology to compare destinations and make better informed decisions, but for first time visitors, a trip to London HQ's key attractions will remain essential.

Leisure, arts and culture in 2040

- **Arts and culture will increasingly be encountered on the streets.** This could include public art exhibitions by local artists, the establishment of cultural quarters, immersive theatre productions, augmented reality / media installations.
- **Arts and culture venues will face financial pressures, and many venues may be threatened with closure.** Arts spending may come under increasing public spending pressure. Historic venues will struggle with higher energy costs and the costs of retrofit and refurbishment works. This may lead to the closure or threatened closure of many venues.
- **London's progress to becoming a 24-hour city will depend on local policies.** Jobs in night-time industries are growing faster than employee jobs in London's wider economy, but growth in night-time industries depends on local licensing and planning policies. Measures to support London ENTE include extended operating hours for leisure, retail, and food and beverage establishments. Additionally, there will also be greater consideration for the safety and wellbeing of night-time workers.

EXECUTIVE SUMMARY

The future of London Heritage Quarter: overarching principles for success

- **Champion the development of a diverse, highly skilled workforce** capable of meeting future skills demands, either by attracting the best and the brightest around the world, or by upskilling existing workers.
- **Make London HQ the destination of choice for emerging sectors** by engaging with leaders to understand their priorities, and working with partners to make sure that the office and after-work offer responds to their needs. These high growth sectors include: green finance, energy and construction as well as property, life sciences, technology, and health.
- **Advocate for growth-aligned planning regulations** that encourage property owners to champion best-practice environmental objectives, whilst delivering high-quality and sustainable spaces within London HQ.
- **Continue to respond to the impacts of climate change**, by championing a quarter-wide approach to adaptation and decarbonisation of local emissions.
- **Consolidate London HQ's global relevance** by cultivating relationships and knowledge sharing with other Business Improvement Districts around the world.
- **Embrace a technologically-augmented future.** Foster a culture of curiosity and innovation around technology, including AI, Become a testbed for new technological solutions.
- **Step-up the visitor offer** and embrace immersive experiences. Transform London HQ into an immersive and exciting place of choice, by offering experiences which use cutting-edge technology to enhance, and not detract, from the existing rich heritage landscape.
- **Reimagine London HQ's transportation hubs as catalysts for change.** Collaborate with stakeholders to transform London HQ transportation hubs into vibrant destinations, seamlessly integrating transportation with cultural experiences, retail, and leisure.

[Sectoral Recommendations can be found in the body of the report.](#)



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FOREWORD

The Future of London Heritage Quarter



Ruth Duston, OBE, OC
Chief Executive of London Heritage Quarter

Few cities exemplify the dynamic interplay between tradition and innovation quite like London. As the capital of the United Kingdom, London stands as a beacon of culture, commerce, and diversity. Its rich history, marked by centuries of growth and transformation, serves as a testament to its resilience and adaptability.

Within the capital, London Heritage Quarter – the collective of four Business Improvement Districts: Victoria, Victoria Westminster, Whitehall and Northbank, represents thousands of businesses, from major employers and FTSE 100 companies to smaller creative businesses and start-ups, across a diverse range of sectors.

In this report, we explore the future trajectory of London up to 2040, examining the forces shaping its landscape and the opportunities and challenges that lie ahead. From advances in technology to shifts in demographics and urban planning, the future of London is poised to be both exhilarating and complex.

With a keen focus on sustainability, inclusivity, and economic vitality, London's future promises to be characterised by innovation and collaboration. As we delve into the various aspects of its development, we must remain mindful of the need to balance progress with preservation, ensuring that London continues to thrive as a city that protects its heritage while embracing the possibilities of tomorrow.

Historically, London has always been a resilient city, however, technological advancements in AI, the changing nature of the office and the looming threats posed by climate change are just a few of the entities that will shape the future of London.

That is why we have partnered with Arup to envisage what that future might look like. This report serves as a roadmap, guiding policymakers, urban planners, businesses, and citizens alike as we navigate the evolving landscape of one of the world's most dynamic cities.

Key trends explored in this report include the future of work and skills, the transformation of retail, the evolution of the public realm, the revolution in transport and mobility, the reimagining of tourism and hospitality, and the flourishing of leisure and culture. Each of these domains offers a unique lens through which to view the unfolding narrative of London's future.

I want to thank the team at Arup for the valuable findings and recommendations in this report. I hope they inspire discussion and provide a platform for stakeholders to make informed decisions on the city's future.

Together, let us embark on this journey to shape a future for London that is vibrant, resilient, and inclusive for all who call it home.

INTRODUCTION

London Heritage Quarter

London Heritage Quarter is a collective of four south Westminster BIDs - Victoria, Whitehall, Victoria Westminster, and Northbank.

Stretching from Victoria Coach Station through to Parliament Square, Strand and on to the Royal Courts of Justice, the four BIDs cover some of central London's most iconic locations and visitor destinations. The BIDs represent thousands of businesses, from major employers and FTSE 100 companies to smaller creative businesses and start-ups, across a diverse range of sectors. The areas also form a major leisure destination, with hotels including The Corinthia and Raffles London at The OWO, as well as attractions including the Houses of Parliament, Westminster Abbey, Somerset House and the Courtauld Gallery.

The four BIDs work hand-in-hand with Westminster Council and other partners to support business growth, enhance the environment and lobby on behalf our diverse business communities. Recent standout projects include the refurbishment of Christchurch Gardens in Victoria, the transformation of Strand Aldwych and the release of a new ground-floor use strategy for the Northbank area.

Victoria BID's footprint includes the major transport interchanges of Victoria Rail station and Victoria Coach Station. The site is an important site for transport, culture and heritage. As one of the commercial epicentres of London, with close proximity to London's tourist hotspots, the area experiences high traffic from workers and tourists alike.

Whitehall BID is an area of historical and political significance. It includes 10 Downing Street, the Palace of Westminster and Horse Guards Parade. Consequently, there is large footfall from tourists in this area. The area is also dominated by the large number of civil servants who work in government offices. Public spaces include the riverside Whitehall Gardens.

Victoria Westminster BID includes James Park tube station, Parliament Square and Westminster Abbey. Victoria Westminster BID's inclusion of famous tourist attractions and availability of spaces to gather, results in large worker and visitor footfall.

Northbank BID is a diverse riverside quarter spanning from Trafalgar Square, along the Strand and Embankment to Aldwych. The area offers attractions including nightlife, art galleries, theatres, heritage sites and high-end hotels. There are also a variety of open spaces to gather such as Trafalgar Square and Victoria Embankment Gardens. The site also includes Charing Cross Rail Station.



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INTRODUCTION

Looking towards 2040 as Business Improvement Districts.

London Heritage Quarter is unique in London and the UK. Yet significant changes are on the horizon. This report equips the BIDs to anticipate these changes and to inform a vision for their members and the area.



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Horizon scanning

The building blocks for the future are already being laid. As London Heritage Quarter (LHQ) charts its course towards 2040, understanding these drivers of change is crucial.

Horizon scanning is a valuable tool for navigating this evolving landscape. By identifying emerging trends and potential challenges, this report aims to help LHQ develop ‘big picture’ strategies to shape the area’s future. Embracing a long-term vision will empower the BIDs to think strategically and build adaptive resilience, to not just react to change, but to thrive in the face of evolving circumstances.

The purpose of the report

Arup was commissioned by LHQ to conduct a horizon scan, and to assess key trends and developments impacting the Quarter, up to 2040. This report analyses the local implications of macro-level trends, existing and planned initiatives, and provides recommendations for LHQ to adapt, influence, and leverage them.

Approach

This report draws on three key methodologies to deliver its insights:

- *Literature review:* We conducted a review of industry reports, peer-reviewed papers, and relevant news articles to gather an understanding of emerging trends.
- *Arup and LHQ network expertise:* Leveraging our collective network and expertise, we held workshops and insight sessions with Arup thought leaders and members of the LHQ board to capture their perspectives on the future.
- *Arup foresight tools:* Utilising our proprietary foresight tools and knowledge base, we gained a 360° view of trends and key drivers at global, regional, and local levels.

Structure of the report

This report is structured in two main sections:

- *Emerging Trends and Implications:* This section explores the key trends expected to impact the LHQ up to 2040, analysing their potential local implications.
- *Strategic Recommendations for BIDs:* This section provides guidance for the BIDs on how to navigate and adapt to the identified trends.

INTRODUCTION

Framing the future: geographies, timeframes, and uncertainties.

Scale and geographies of implications

Not all datasets were available at the LHQ level. Some data may be presented at City of Westminster level or across the broader London area. For comparative purposes, the report may reference *Inner London* boroughs (Camden, Hackney, Haringey, Islington, Kensington and Chelsea, Lambeth, Lewisham, Southwark, Tower Hamlets, Wandsworth, Westminster, City of London).

Time horizon

The year 2040 serves as the primary horizon for this report, but data limitations may occasionally restrict projections to the 2030s, and certain insights may reference projections extending beyond 2040.

Factors influencing uncertainty

The report makes every effort to validate the possibility of the key trends and implications presented. However, it is crucial to acknowledge the role of unpredictable ‘black swan’ events in affecting these trends fundamentally:

- *International conflicts or tensions:* Geopolitical risks carry significant

commercial repercussions for the UK, including sanctions, supply chain disruptions, seized property assets, reputational damage, and global economic volatility (S&P Global, 2024).

- *Local and National Political Shifts:* Political transitions, such as upcoming 2024 mayoral and national elections, could bring about significant shifts. While there is a possibility that priorities may shift away from central urban areas resulting in reduced investment, there is also a chance for a greater emphasis on climate action and local authority autonomy.
- *Macroeconomic Challenges:* Persistent issues such as the cost-of-living crisis and inflation pose risks to the UK's overall economic health and London's position as a global destination for investment and talent. These factors could hinder LHQ's growth and development.
- *Climate Change and Natural Disasters:* As the top-ranked risk of the next decade, climate change and its associated natural disasters carry

significant implications for cities like London (World Economic Forum, 2023). By 2040, the effects of climate change will be better known – and more widely felt.

- *Cybersecurity Threats:* With increasing reliance on interconnected digital infrastructure, cities are exposed to cybersecurity threats on critical systems, data, and citizen well-being. The rise of cyberattacks underscores this growing vulnerability, with potential impacts on national and city-level operations and security (Arup, n.d.)
- *Global Health Risks:* The COVID-19 pandemic highlighted the potential for far-reaching disruption caused by health crises. Future epidemics, pandemics or other significant health events could pose risks to LHQ's economic activity, public safety, and overall confidence (World Economic Forum, 2023).

[See our notice on duty, responsibility or liability.](#)



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London HQ in 2040

- Work and Skills in 2040
- Retail in 2040
- Built Stock and Public Realm in 2040
- Transport and Mobility in 2040
- Tourism and Hospitality in 2040
- Leisure, Arts and Culture in 2040

London HQ in 2040

● Work and Skills in 2040

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WORK AND SKILLS IN 2040

Jobs in Westminster will grow, but not as fast as elsewhere in London. Growth sectors will be professional services, technology, life sciences and health.

The number of jobs in London is expected to grow by 12.8% from 6.0 million in 2019 to 6.8 million in 2040. But it will grow more slowly in Westminster than elsewhere in the capital.

Whilst the number of jobs in inner and Greater London has recovered to pre-Covid levels, Westminster lags behind (GLA Economics, 2022a).

However, Westminster will remain at the centre of London's economy. Despite having one of the lowest projected job growth rates in the city (below 5% between 2019 to 2041), Westminster is projected to remain the borough with the highest number of jobs in London at 820,000 by 2041 (ibid.).

Job growth across London will be driven by the following growth sectors; professional services, technology, life sciences, property, media, creative industries, marketing and communications, and health and social work. Meanwhile, jobs are projected to decline in industries like manufacturing, wholesale, transport and storage (Arup et al., 2021; GLA Economic, 2022b).

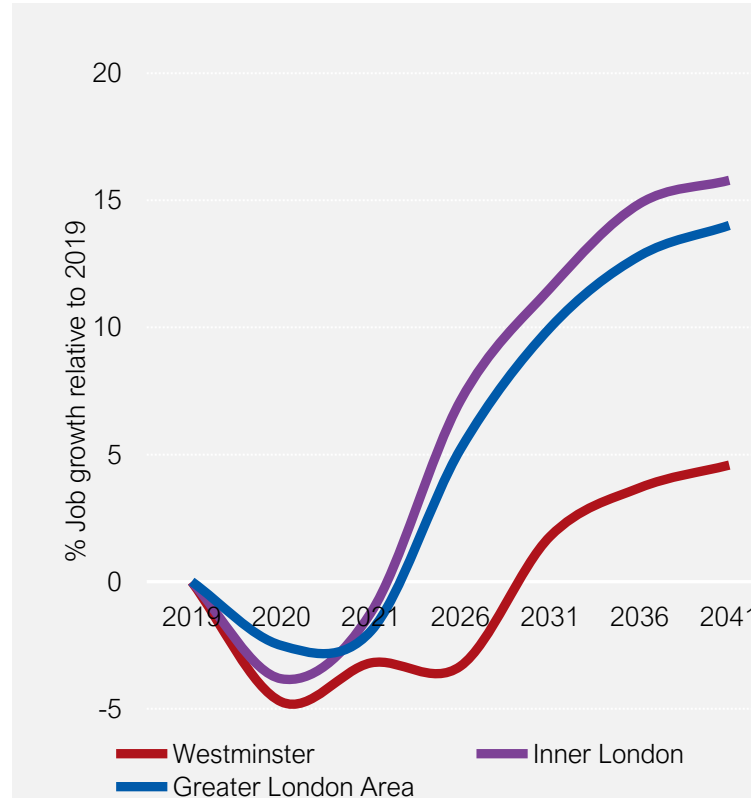


Chart: Percentage job growth relative to 2019
Source: Arup Analysis of GLA Economics (2022a)

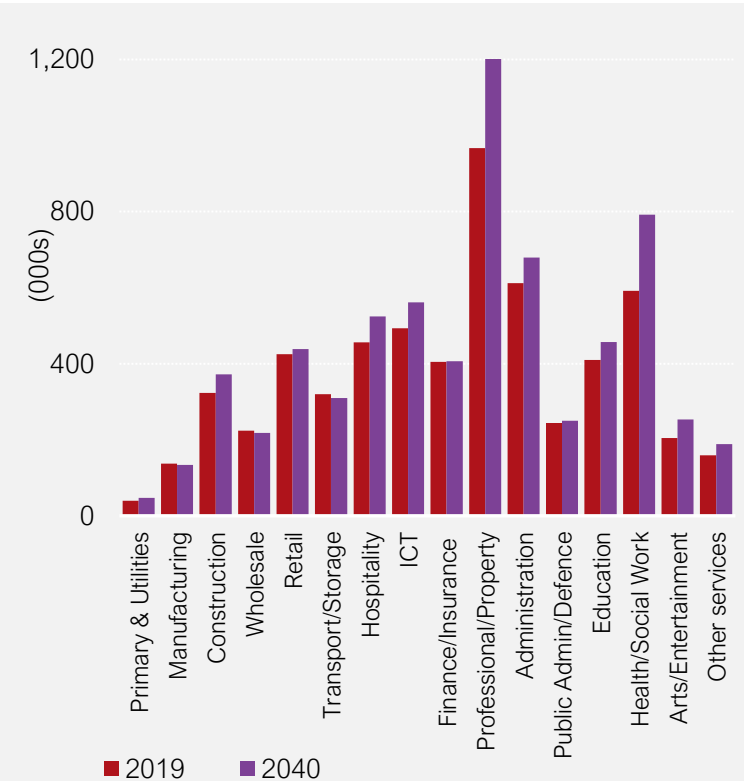


Chart: Sectoral job population, 2019 and 2040
Source: Arup Analysis of GLA Economics (2022b)

WORK AND SKILLS IN 2040

The transition to a green economy will accelerate, requiring some reskilling.

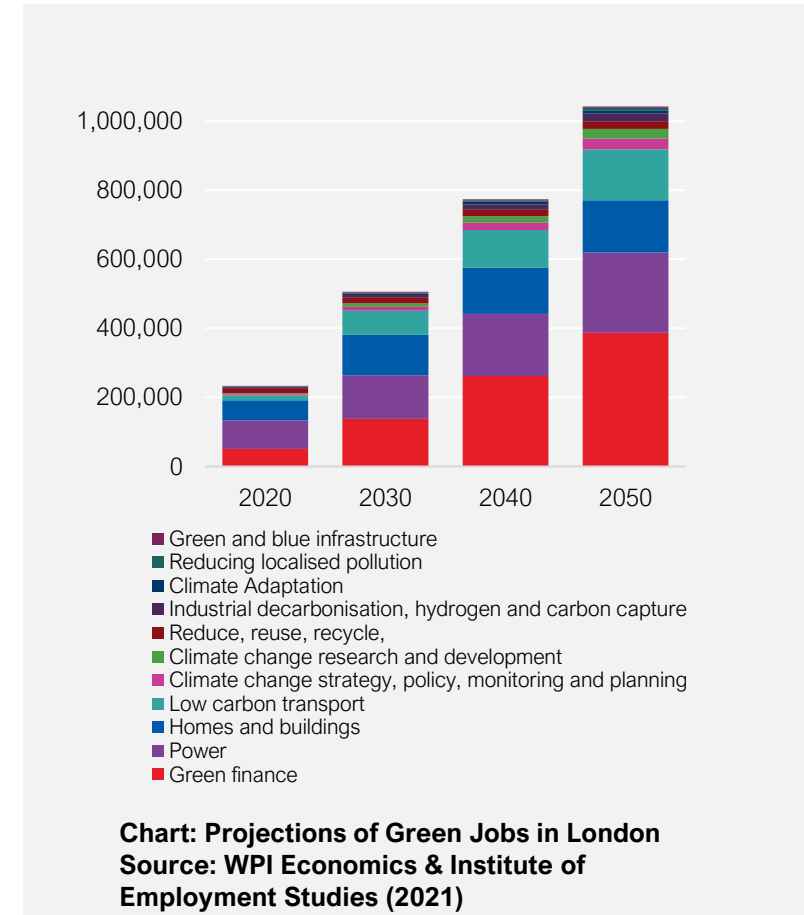
Addressing the climate and biodiversity crisis requires the transition to a greener economy. By 2040, there could be over 700,000 green jobs in London, potentially increasing to 1.1 million with accelerated progress. Of these, over 80% will belong to green finance, power, homes & buildings and low-carbon transport sectors (WPI Economics & Institute of Employment Studies, 2021).

The green transition may be constrained by a lack of skills. Currently, around 2,500 graduates enter London's green industries annually (ibid.). Skills gaps are already evident in homes and buildings, with employers struggling to hire retrofit contractors and construction managers. This is even more acute for workers skilled in handling sensitive heritage assets like those found within LHQ.

Reskilling will require a cross-sector effort. While short-term workforce and skills transition from other sectors will be vital, long-term success hinges on partnerships between employers and education providers to ensure a steady supply of skilled green workers. Rising awareness and enthusiasm for sustainability among younger people will help, alongside certainty from the government and other investors. Continued

investment will be however required to retrofit buildings and continue public realm upgrade across the area.

There is potential for London HQ to use its strategic position to attract green economy employers. The area already benefits from significant commercial property together with the presence of global headquarters as well as higher education institutions (especially in Northbank BID).



WORK AND SKILLS IN 2040

Relocated public sector roles will open the door to greater private sector employment in London HQ.

UK government is aiming to relocate around one-fifth of civil service roles out of London by 2027. Private sector occupiers may follow, and others may take the vacated space.

The UK government “Places for Growth” programme may have a significant impact on the civil service workers based in LHQ. It aims to relocate 22,000 roles out of London by 2027 (Cabinet Office, 2023) [1]. Relocation targets may significantly increase under a different government administration (Labour, 2022). Additionally, the government has announced plans to right-size its estate to allow for efficiency savings (Cabinet Office, 2023). The programme is already having an impact; there was a slight drop in the number of civil servants between 2022 and 2023 for the first time since 2017 (Institute for Government, 2024).

The impact may be felt beyond properties currently accommodating government offices. Media offices, research institutions, and advocacy groups, who have strategically located close to the government in Victoria and Westminster area, may opt to move some or all of their activities away from London. Channel 4, for example will shut down its Horseferry Road headquarters and relocate 600 positions outside of London by 2025 (Channel 4, 2024). If offices are left vacant, reduced numbers of employees commuting to the area will be reflected in footfall, potentially affecting face to face offers such as retail and food and beverage at a local level.

This shift may unlock opportunities for growing a private sector presence in the area, subject to adapting the office stock to the new occupiers’ needs. Besides accommodating growing [green economy sectors](#), there is the scope to reimagine clusters related to the creative sector and higher education, or, in some cases, [conversion to other uses such as residential](#).

1. The programme does not indicate whether the roles being relocated are new roles (that would have otherwise been in London) or existing roles.



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WORK AND SKILLS IN 2040

Quality spaces and vibrant surroundings will fuel demand for office space.

The ‘flight to quality’ now appears structural. This means that higher specification and more central locations are winning out over secondary centres and stock and may continue to do so to the year 2040.

Location is increasingly a key factor that determines the desirability of offices. Central locations like London HQ will likely remain a preferred location for offices as these enable convenient access to public transport and amenities. Tube stations, the bus network, cycle network and Victoria and Charing Cross stations enable easy access, even for employees that live further away.

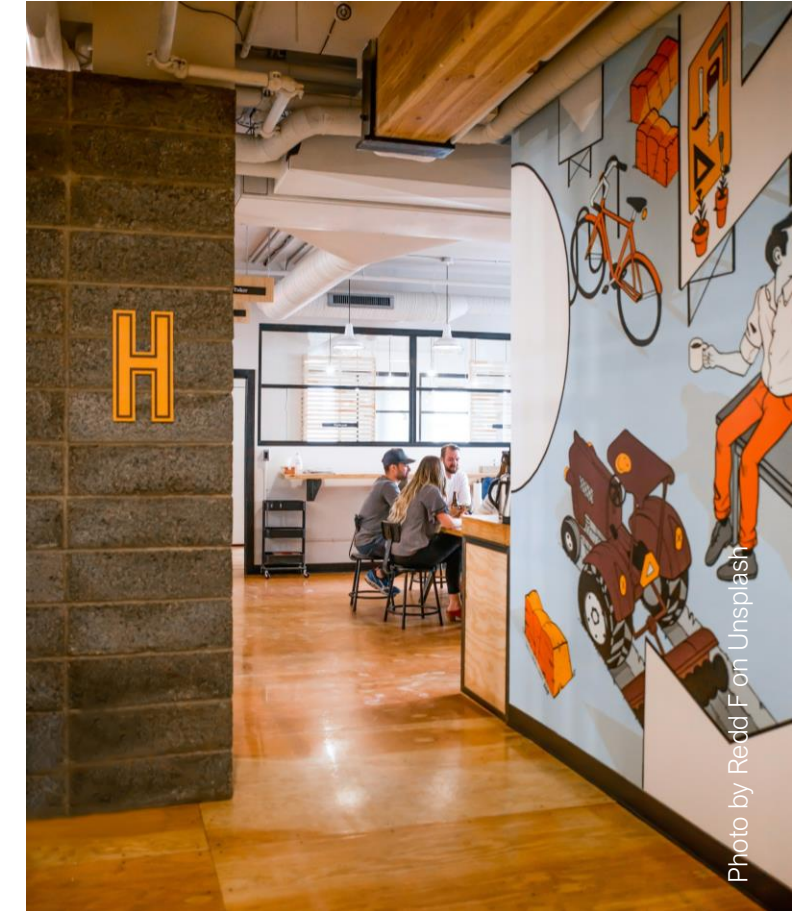
Offices are expected to offer a diversity of spaces, from larger, flexible collaboration spaces to smaller spaces for focus tasks or online meetings. The typical allocation of floorspace dedicated to each typology is still evolving, as employers are discovering their optimal needs. But early signs suggest an increased space (sq ft) per employee, a reversal out of the long-term pre-pandemic trend (Business Matters, 2024).

The environmental performance of offices is becoming increasingly important, due to employers’ own ESG commitments and environmental regulation. Globally, occupiers are willing to pay a 22% premium on buildings with excellent sustainability credentials and green certifications

(Cushman and Wakefield, 2023). Similarly, inclusive workspace design is an important consideration to ensure accessibility for employees.

Many workspaces will become compelling destinations with amenities like cafes, gyms, and leisure facilities, drawing workers away from home and third spaces. This wrap-around offer extends beyond the office doors, with employees choosing to commute in part to engage with vibrant and diverse work communities (Stanhope, 2021). LHQ is well placed to gain from this.

Across the LHQ, high-quality office stock is at least 60% of the total stock, with Northbank and Victoria boasting higher percentages (Arup, 2022). Northbank’s proximity to Covent Garden, its mixed-use character, quality public space position it as the leader in surrounding amenities. Victoria and Victoria Westminster offer above-average amenities with room for further diversification. Whitehall’s concentration of government assets understandably limits its amenity score, highlighting security considerations (Knight Frank, 2023).



WORK AND SKILLS IN 2040

Employees are returning, slowly, and demand for quality space will continue to grow. But flexible work may lead to right-sizing in the short term.

Office attendance is expected to grow, slowly, and the mid-week peak will smoothen, while some aspects of work will be more flexible by 2040.

There is now a concerted effort to bring back employees to central London. Many employers are now increasing the minimum weekly in-office days, and policies like the Mayor’s Friday tube fare-reduction trial aim to spread commuting patterns and to boost central London’s economy (Mayor of London, 2024; Tapper, 2023). Office attendance has been creeping up for much of 2023 and into 2024.

Office occupancy (that is, the amount of space let to employers in London) is expected to recover to 2019 levels by 2040 but could be reached as early as 2030 (Arup, 2022), or earlier if the economy grows faster. In the meantime, employers are adopting strategies like flexible leases, subletting, or even donating space to optimise their resources. During the 2020s and early 2030s, some may downsize, consolidate, or delay expansion, potentially opening doors for new businesses previously priced out of central London.

Alongside an increase of office attendance, the time of attendance will continue to shift from traditional 9-to-5 patterns. This could give rise to a more dynamic 24-hour city, albeit that licensing laws could limit this. Office spaces could see extended use, with employees opting for off-peak

commuting or employers offering underutilised spaces to arts or community organisations outside traditional schedules.

Despite flexible work arrangements and efficient space utilisation, the long-term supply of high-quality office spaces in London HQ may struggle to meet demand after 2030. An increase in the number of jobs will require additional workspace, but recent office space construction in central London – particularly Westminster - has been slow, and the amount of available office stock has reduced in recent years. The no / low delivery rate of new space may persist due to [environmental regulations, the increased complexity of retrofitting existing buildings in making the case for retrofit, and pressures on new construction projects](#) (Arup, 2022).

1. Current demand for office space suggest that larger employers may actually be seeking larger offices to accommodate collaborative spaces and amenities (Business Matters, 2024).

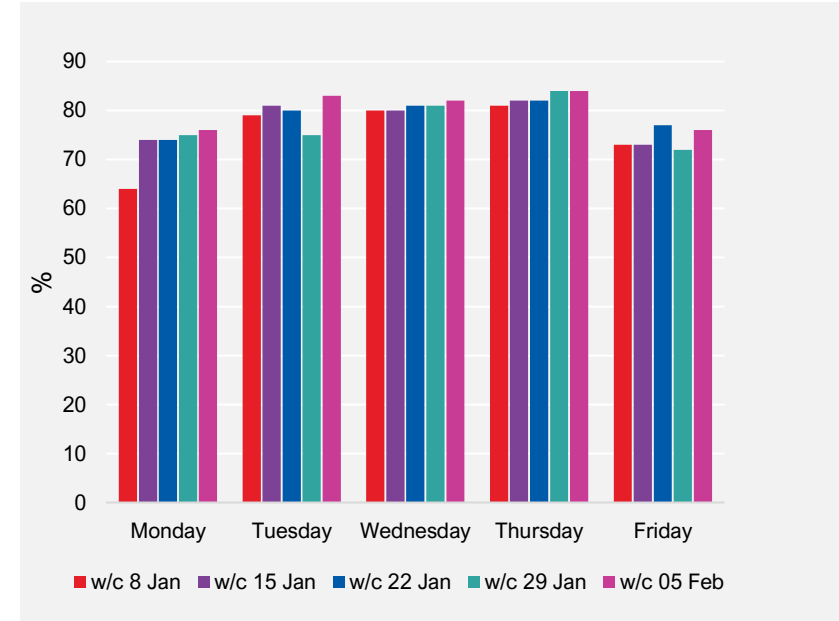


Chart: Tube ridership relative to equivalent day in 2019
Source: Arup analysis of DfT (2024) Covid-19 Transport Use Statistics.

This chart highlights the emerging mid-week commuting pattern, with marginal but steady increases week-on-week for each day except Friday.

WORK AND SKILLS IN 2040

Artificial Intelligence (AI) will transform the nature of work and will create huge opportunities for the London HQ area.

Artificial intelligence (AI) will significantly impact the nature of work by 2040, potentially creating new roles, and augmenting others.

The last two years have witnessed notable advancements in natural language processing (NLP). The rollout of large language models like OpenAI's ChatGPT and Google's Gemini led to speculations about the future of work across industry, government and academia, while fuelling a race to develop AI use-cases in multiple sectors (The Economist, 2024).

Given the rapid pace of development in AI applications, speculating on its long-term impacts is challenging. This in part due to a lack of sight of the R&D activity occurring within the tech industry, the level of adaptation, the role of regulators and ethical considerations, balanced against the potentially huge opportunities presented.

AI tools can be used for automating repetitive tasks, data analysis and insight, and cognitive engagement with employees. The UK government suggests that 10-30% of UK jobs might be highly automatable and subject to automation within the next two decades (Department for Education, 2023). Professional occupations, particularly those involving clerical work in finance, law, and business management, are among the most exposed to automation of error checking. Industries such as finance and insurance, information and communication, and professional, scientific, and technical services are expected to see significant automation, while industries such as

accommodation, food storage, and transport are predicted to be less exposed (ibid.).

However, automation does not necessarily equate to job replacement, as AI can augment tasks within many existing roles. While AI excels at automating tasks, it currently struggles with functions requiring creativity, social intelligence, and common sense (Frey & Osborne, 2023). Jobs demanding these uniquely (for now) human skills may continue to thrive. Problem-solving, communication, and emotional intelligence could be particularly sought-after in the 2040 workforce. Sports-professionals are among those under least threat from AI. Additionally, developing digital literacy and collaboration skills will be crucial for effectively working alongside AI.

The rise of AI could also opportunities for job creation. The projected 660% surge in AI spending by 2040 (Capital Economics, 2022) suggests a vast landscape of new roles for humans in development, operation, and maintenance. Moreover, industries leveraging AI will be likely to experience increased productivity, further stimulating economic growth.

London could remain a thriving global hub for innovation and talent, attracting highly skilled workers who rely on in-person interaction (Brown, 2023). London is the European capital of AI. The UK has the third largest AI industry (after the US and China), and 70% of UK AI firms are based in London. Startups, supported by established universities and research institutions, like King's College London and the London School of Economics support this trend. To retain its leading position, London must continue fostering a world-class environment that

attracts and retains top talent while enabling collaboration. There are over 150 AI companies in Westminster alone (Crowder & Purdy, 2023). [LHQ's central location and connectivity position the area to become a hub for collaborative workspaces](#) catering to sectors that thrive on human interaction augmented by AI.

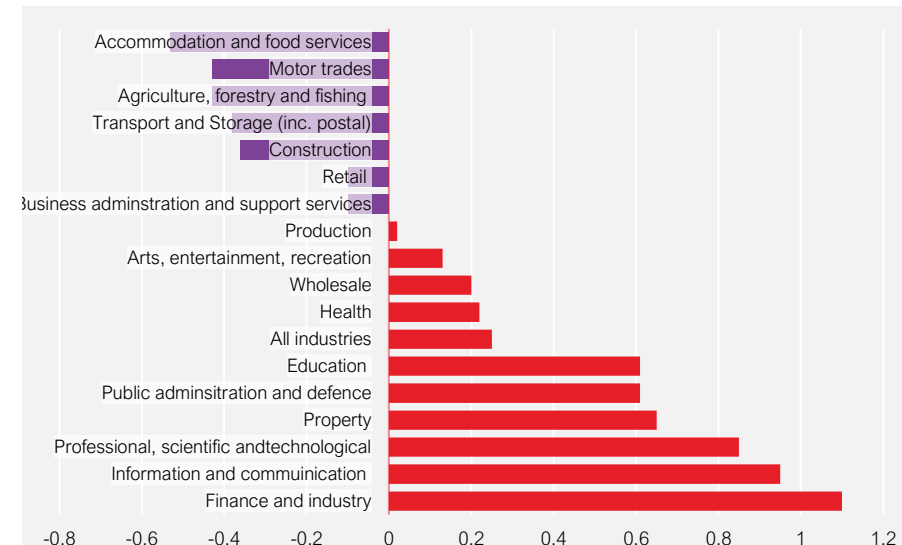


Chart: Weighted average of AI Occupational Exposure by Industry
Source: Department for Education (2023)

London HQ in 2040



Work and Skills in 2040



Retail in 2040



Built Stock and Public Realm in 2040



Transport and Mobility in 2040



Tourism and Hospitality in 2040



Leisure, Arts and Culture in 2040

RETAIL IN 2040

Retail will be supported by international and local tourism, as worker expenditure picks up.

Central London will gain from a gradual recovery in retail spending. Whilst real worker expenditure might not reach 2019 levels until the mid-2030s, tourism spending is expected to rebound quicker (Arup, 2022; GLA Economics, 2022).

The slower recovery of worker expenditure poses challenges for areas like LHQ. As of 2022, worker expenditure stood at approximately £1.2 billion, comprising 8% of total local spending (Arup, 2022) (with tourists, then residents making up the other parts). Businesses catering primarily to workers may experience reduced revenue and require assistance in adapting to a shifting customer base. This trend may also dampen demand for retail space within the Quarter, especially in areas with the highest density of office space.

Importantly, international visitors and day-trippers make up a greater share of local spending, accounting for over 70% in Westminster (ibid.). International tourism spend is expected to recover much sooner and to be at 2019 levels by 2025 (GLA Economics, 2022). As both international and domestic tourism recover, maximising this rebound will be critical for sustained economic growth.

Retail spend in LHQ is dependent on footfall in the area. Ensuring short- to medium-term growth for the LHQ's retail

market will involve attracting a broader visitor base beyond office workers and ensuring that tourists are spending as well.

In the long-term, the vibrancy of the retail offer in the LHQ area will still depend on a balanced mix of office workers, tourists and locals. Continuing to offer a positive experience to all groups through high-quality public realm and office spaces will be instrumental in maximising these opportunities.



Photo by Simona Sergi on Unsplash

RETAIL IN 2040

In-person stores will remain competitive by providing a more immersive, personalised experience.

Physical stores will continue to adapt and remain relevant, despite the ongoing ascent of online retail.

Some flagship physical stores may introduce theatrical settings through alternative store layouts, lighting design or multi-sensory interventions. The development of prop-tech and smart building technology could also drive change in the retail landscape, offering opportunities to elevate the overall physical shopping experience. Additionally, the incorporation of technology such as augmented reality (AR) and virtual reality (VR), could facilitate novel ways of engaging customers.

One counteractive trend to the rise of e-commerce is the emergence of online retailers establishing brick-and-mortar locations (Savills, 2023). The recent opening of athleisure retailer Gymshark’s flagship store on Regent Street exemplifies this shift. Looking ahead to 2040, physical stores will offer customers a unique and immersive experience, enabling them to interact directly with products and receive personalised service from knowledgeable staff, fostering a connection with a brand's ethos, values, and narrative.

Other retailers may prioritise data-driven personalised interactions. Studies show that consumers are willing to spend more when their experience is personalised (Accenture, 2018). Retailers may potentially use advanced identification techniques to recognise consumers upon entry and offer contextualised service (Euromonitor International, 2021). However, balancing

personalisation with privacy is crucial, and some consumers may even choose physical stores as a refuge from constant online monitoring.

Hands-free payment and “grab and go” technologies will play an increasing role in making the shopping experience seamless with other activities. Amazon Fresh stores, powered by Amazon’s Just Walk Out Technology that automatically detects when products are selected, are now present in London. Regent Street has also adopted Dropit, a service that allows shoppers to delay bag collection or arrange shipping to home or work addresses. This in turn can result in more commercial premises and venues visited during the same trip, with positive impacts on footfall.

The corner shop has a bright future. The growth in just-in-time grocery shopping habits means that LHQ’s late-opening corner shops are likely to thrive in 2040.



Case Study: Nike’s House of Innovation (HOI), Paris, France

Nike’s newest “House of Innovation”, HOI 002 in Paris, offers a range of experiences, including the “Mission Control Wall” which connects shoppers to the news in the global sport community, “Bra Fit by Nike Fit” which provides women with in-store fit recommendations for Nike bras, and the “Kids Pod” which offers children games and challenges.

RETAIL IN 2040

Consumers and retailers will embrace the era of localism, distinctiveness and attention to ethics.

Amidst the changing retail landscape, consumers are witnessing a renewed emphasis on high-quality retail centres, characterised by curated offers, with sustainability as a core value.

This trend builds on a newfound appreciation for local identity and distinctiveness. As larger retailers downsize or shut, opportunities are emerging for smaller enterprises to occupy vacant retail spaces, leading to a relative reduction of major chain brands and a rise in innovative, bespoke or personalised offerings. For example, earlier in 2022, The Crown Estate organised a temporary shop on Regent Street with the Lone Design Club, an independent designer concept store.

In the short term, this may lead to a shift from major chain brands or innovative forms of co-location. Programmes like New West End Company's Meanwhile On, in partnership with Westminster City Council are pioneering innovative methods of "tenant curation", offering up to 35 rent-free shops on Oxford Street to small businesses for six-months (Irvin-Hunt, 2023).

While chain stores may rebound in the long term, they are likely to be repositioned as more local and community-oriented. Examples such as B&Q's transition to smaller 'B&Q Local' stores signify a shift away from traditional large-scale retail formats towards more localised, customer-centric models and showrooms with remote fulfilment (Pickup, 2023).

In a similar vein, stores are relocating to urban centres to be more accessible to consumers. IKEA's Hammersmith store, opened in 2022, is a venture away from their traditional out-of-city formats. While their new premises on Oxford Street, at the previous Topshop flagship store, is not necessarily offering a local or community-centric experience, it has repositioned IKEA as a store that is relevant on the high street (Green, 2022).

Alongside quality and distinctiveness, consumers and brands will increasingly regard sustainability as a core value. Across different social and age groups, consumers are becoming more conscientious, seeking detailed information about product sourcing, manufacturing, distribution, and end-of-life management to make informed purchasing decisions (Trajectory & Pragmatix Advisory, 2021). Sustainable practices embraced by brands and retailers alike will further shape the attractiveness of the retail offer in LHQ.



Case Study: 'The Conscious Edit' by Lone Design Club and The Crown Estate

The Crown Estate collaborated with Lone Design Club to launch 'The Conscious Edit' in 2022, a temporary pop-up featuring sustainable brands. Located on Regent Street, the pop-up aimed to showcase independent sustainable brands that would not normally have the opportunity to occupy high-value retail space.

London HQ in 2040

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BUILT STOCK AND PUBLIC REALM IN 2040

London HQ will be feeling the impacts of climate change, including increased flooding and increased urban heat.

Development of infrastructure and resilience strategies that seek to mitigate the effects of climate change, such as flooding and extreme heat, will be commonplace. Smaller-scale measures will be expected by 2040 while larger-scale infrastructure will be considered or recently agreed.

The climate crisis is expected to exacerbate extreme weather events in London like flooding from storm tides.

Despite the protection provided by the Thames Barrier, the Environmental Agency predicts that it will only be effective until 2070 (Defra & EA, 2023). Additionally, a substantial portion of central London, particularly south of the river, is projected to fall below annual flood level by 2040 (Climate Central, n.d.).

Most of LHQ is projected to be above flood levels by 2040, with notable expectations around Pimlico and Tate Britain (ibid.).

This presents potential implications for site accessibility, and in turn footfall generation and economic contribution. The entire river's edge of LHQ may be entirely below annual flood levels. While the affected land area may be relatively small, it could have significant implications on public space accessibility. Interventions will be needed to bolster the area's resilience by incorporating mitigation measures that proactively address these flood risks.

In the short term, there will be pressing need for smaller-scale investments. This could involve implementing Sustainable Urban Drainage (SuDs) systems or utilising green or blue roofs to mitigate rainwater runoff. Looking ahead to 2040, a decision will need to be made regarding the replacement or upgrade of the Thames Barrier, (McVeigh, 2023).

In addition to flood risks, the urban heat island effect presents another significant environmental threat. An uncomfortably hot urban environment, devoid of respite areas, may reduce footfall and, potentially, impact transport infrastructure and operations. At present, there are already critical spots at a hyper-local level in London HQ, such as Horseferry Road (Arup, 2023). For public space projects, mitigating the urban heat island effect is likely to become a standard consideration. Smaller-scale investments in urban greening, shading, and water-based interventions across public spaces will be deployed to mitigate this issue.

By 2040, new SUDs and blue and green infrastructure may be well-embedded in the London HQ public realm (see for instance the John Lewis Rain Garden promoted by Victoria BID), and an area-wide approach to climate mitigation may be in place.



Map: Land projected to be below annual flood level in 2040, London

Source: Climate Central (n.d.)

This map highlights areas lower than the selected water level and with an unobstructed path to the ocean are shaded red. By default, areas below the water level but that appear to be protected by ridges are not shaded.

BUILT STOCK AND PUBLIC REALM IN 2040

Pressure on housing will continue, and regulatory pushes will lead to the retrofit of assets across the built environment.

London HQ will remain a desirable place to live, and demand for housing will continue to exceed supply. Across the built environment, buildings will have to retrofit or find alternative uses to avoid obsolescence.

Demand for housing in central London will remain high.

Westminster City Council has a plan to deliver 21,000 new homes by 2040, of which 35% will be affordable, which is a significant step-up in recent new-build activity. Nevertheless, the attractiveness of the London HQ area to those outside the borough is unlikely to diminish, and with local population growth, the shortage of supply is likely to continue and may drive prices and rents higher in the period to 2040.

Growth in the private rented sector and in short term holiday lets may depend on regulation. The proposed Renters Reform Bill will effectively end shorthold tenancies and will pass extended rights to tenants. In turn, this may make rentals less attractive to landlords, and a withdrawal of capacity from the private rented market. At the same time, there are potential proposals for a requirement for planning permission before homes become holiday lets. There are many factors at play, meaning that the overall balance of private rented homes, owner-occupied homes and short-term holiday lets in London HQ may change substantially in the period to 2040.

New regulations are expected to mandate Minimum Energy Efficiency Standards requirements and Energy

Performance Certificates (EPC) Rating C by 2027, and EPC Rating B by 2030. This has put increased pressure on poor-energy performing buildings to undergo tuning or retrofitting to comply to regulations. Currently across London, approximately 140m sq. ft of office space has an EPC rating below grade C (51% of total office floorspace). The Victoria sub-market area [1] has some of the highest proportion of office space rated below grade C in central London at 67% (Knight Frank, 2023).

Additional pressure on the built stock may be put by Westminster City Council's retrofit-first policy. While pursuing reduction in emissions, this may favour interventions such as recladding to demolition and rebuilding interventions with potential intensification of uses, in preference to new builds which would tend to have higher capacity.

Containing the number of future stranded assets (buildings forced out of use) will require coordinated actions among LHQ members, the construction industry, and government. Making a business case for retrofitting some buildings may prove challenging. Identified barriers for expansion of retrofit include listed buildings, those in conservation areas, a lack of customer awareness and experience, difficulties accessing finance for retrofit, and supply chain capacity constraints, particularly for intervening on heritage buildings. However, we anticipate that many asset owners would have already responded to these regulatory and commercial pressures by facilitating the necessary works by 2040, thanks also to policy action aimed to protect the City of Westminster as a core employment centre of London.

1. This area covers parts of the Victoria BID and Victoria Westminster BID and Whitehall BID.



Photo by Wally Gobetz on Flickr

Case Study: Converting One Wall Street, New York City, United States

The conversion of One Wall Street from a 1930s art deco office into a residential and retail building was completed in 2023. The adaptive reuse project was the largest of its kind in New York City, with a total of 1.2 million square feet of space.

BUILT STOCK AND PUBLIC REALM IN 2040

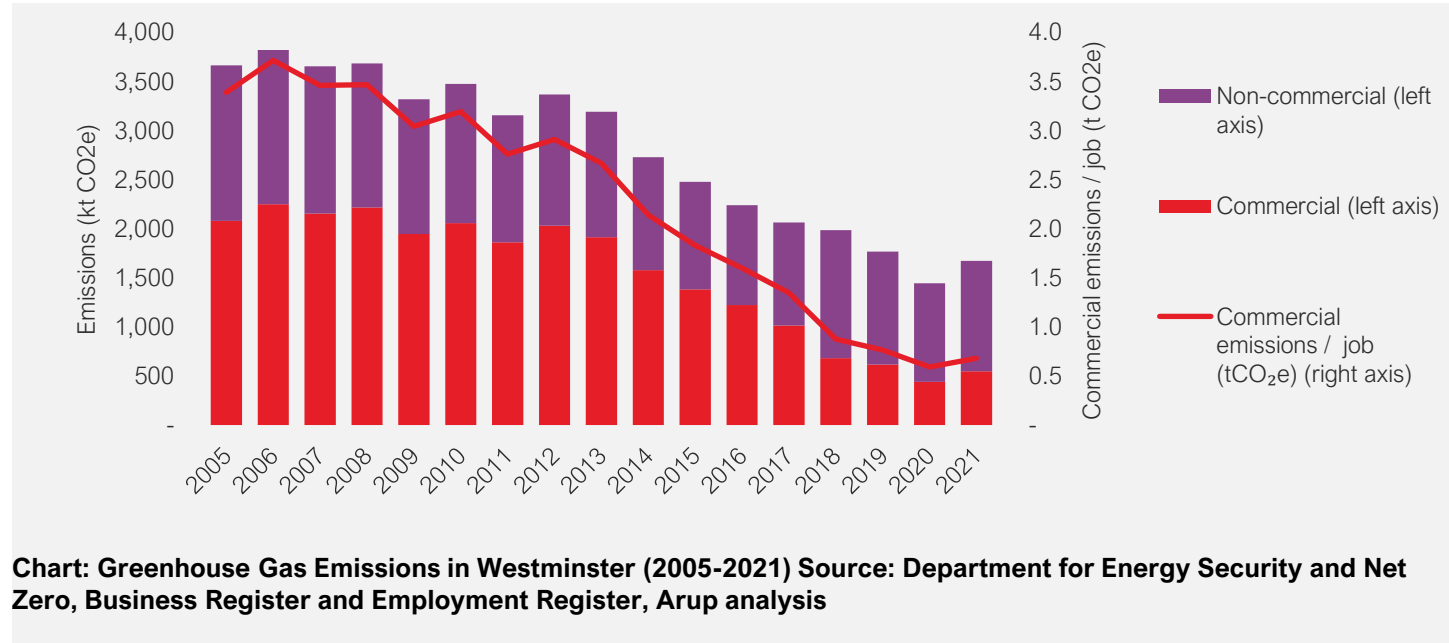
London HQ will be on track to becoming a net zero district.

Decentralised networks will be supplying low-carbon heat to most buildings in the Heritage Quarter, accelerating the journey to net zero.

LHQ is supporting the work to develop Project SWAN (South West Area Network) a low-carbon heat network which will harness low carbon energy sources from the River Thames, TfL ventilation shafts and the London sewer system. It is intended to supply five hundred customer buildings from four to six local energy centres. The borough-scale energy network would serve an area from Pimlico to Strand Aldwych, providing 402 Gwh of power. The environmental benefits of SWAN are estimated to provide a saving of 75,000 tonnes of carbon dioxide per year and 92% carbon savings by 2040.

Local air quality will also improve, with nitrogen oxides (NOx) emissions from buildings that connect to the network reducing by approximately 99% by 2035. While timescales need to be established there is potential for initial phases to start in 2026-2027 with phased delivery over the next 5-8 years. Additional benefits will include the opportunity to combine the delivery of public realm improvements with the roadworks required to install the network.

SWAN be the latest chapter in an ongoing trend which sees a decline of built stock emissions, mostly driven by the decarbonisation of the grid.



BUILT STOCK AND PUBLIC REALM IN 2040

Digital twins will allow for better planning of buildings and infrastructure.

The digitisation of the built environment, fuelled by advancements in AI, sensor technology, and data analytics, is ushering in an era of digital twins. These virtual replicas of physical assets, linked to real-time data streams, offer a glimpse into the potential of optimised operations, resource management, and stakeholder engagement.

Digital twins may unlock more capacity, higher comfort levels, and lower congestion across the LHQ area. In buildings, they can optimise space utilisation, manage climate control, and even provide real-time navigation. With occupants increasingly seeking personalisation and customisation, asset owners are keen to better understand their tenants' needs. Similarly, for large-scale infrastructure schemes like transportation hubs such as Victoria or Charing Cross stations, digital twins can monitor performance, analyse passenger demand and energy usage, enabling proactive asset management and improved efficiency. This translates to potential cost savings and reduced environmental impact.

Beyond individual buildings and infrastructure, digital twins can play a crucial role in developing smart cities. By enabling the modelling and testing of various urban planning scenarios, such as green infrastructure and traffic management,

they inform data-driven decision-making for sustainable urban development, demonstrated by Barcelona's investment into its MareNostrum supercomputer (Hernández-Morales, 2022). Additionally, interactive platforms built upon digital twins could foster citizen engagement in shaping the future of their cities.

One important consideration is the risk of unprecedented events, (such as pandemic, or new disrupter technologies), which often fall outside the predictive capabilities of digital twins. However, as these technologies continue to evolve and learn from real-world data, these limitations will gradually diminish.



Photo by OSevend on Wikipedia

Case Study: The Hague City Hall digital twin, Netherlands

The Dutch province of Zuid-Holland created a digital twin for part of the city hall building. The digital twin helped to reduce energy consumption by 39% by adjusting some system settings and revealed a 40% more effective spatial occupancy use.

BUILT STOCK AND PUBLIC REALM IN 2040

The transition towards a high-quality public realm will continue.

The public realm is expected to undergo significant transformation.

This is driven by a renewed focus on the role of public areas in improving community well-being and liveability.

These spaces have been recognised as crucial for social interaction, fostering biodiversity and accommodating diverse leisure activities. The recently completed Aldwych pedestrianisation scheme, for instance, combines urban furniture with highly biodiverse pocket gardens.

LHQ is ahead of the curve in this transition. For example, Northbank is exploring the transformation of Northbank riverside into a cultural quarter. The Arc project also seeks to provide an alternative walking and cycling route to Victoria Street and will connect existing hidden pockets of high-quality public space within Victoria and Victoria Westminster districts. The recent proposals by London HQ on Parliament Square pedestrianisation, and the proposed new London river-walk may be realised by 2040. Together, the mix of small and large schemes will transform the pedestrian experience in the area.

A greater blurring of boundaries between indoor and outdoor space is expected by 2040. This includes offices and shops extending into plazas and parks either temporarily or permanently, which in turn will increase their attractiveness and volume of clients (in the case of retail) (Badia, M. et al, 2023). Innovative lighting and projection methods will be employed to redefine and make the public realm safer and more engaging.

Management of street clutter [1] will become more important. This trend is a response to the overall worsening of clutter due to the proliferation of dockless mobility, cargo vehicles and electric charging infrastructure, and a legacy of phone booths. A greater awareness of public space accessibility [2] will lead to bolder and more integrated action compared to past examples (i.e.. Westminster City Council banning A-boards in the West End in 2008), supporting public realm upgrades across LHQ.

Privately owned public space may increase, driven by factors including public expenditure or redirected investments. This could manifest as an increase in public roof terraces, or plazas in new developments. In order to work well for all, this will require greater coordination among private entities involved in public realm regeneration. Inclusivity and accessibility – feeling like public space is for everyone – will remain a central definer of high-quality public space, regardless of ownership or management structures.

1. Street clutter includes objects such as old telephone boxes, business advertising boards, commercial waste, unnecessary street furniture, and poorly parked vehicles.
2. See the continued advocacy from organisations like Living Streets through their [Cut the Clutter](#) programme.



Photo by PCA-Stream ©

Case Study: ‘Re-enchanting the Champs Elysée’ Paris, France

The Champs Elysée, Paris' renowned avenue, is set to undergo a transformation, as announced by Mayor Anne Hidalgo in 2021. The proposal aims to address the neglect of the avenue's gardens and cater to the needs and desires of Parisians. The ultimate objective is to establish this urban space as an exemplar of sustainable, desirable, and inclusive cities. The proposal outlines a practical framework consisting of five urban layers: nature, infrastructure, mobilities, uses, and buildings.

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TRANSPORT AND MOBILITY IN 2040

The surface transport network will be substantially decarbonised.

By 2040, over 90% of cars nationally are forecast to be zero emission along with two in three heavy goods vehicles (HGVs) (UKRI, 2021). LHQ's streets will have cleaner air, and will be audibly quieter, as the vehicle network is electrified.

The continued application of a form of ULEZ and the congestion charge will mean that the proportions are likely to be higher in London. Global initiatives such as the Sustainable Development Goals and the Paris Agreement are further driving this shift, with the UK central government also implementing (then partly rowing back from) low carbon transport policies. Westminster City Council is striving to reduce carbon emissions associated with transportation, a sector that accounts for 12% of Westminster's total emissions (Westminster Gov, n.d.).

The shift to electric mobility will require careful planning and provision of charging infrastructure. Westminster leads in this regard, boasting over 2,500 private electric vehicle chargers, the highest number among all UK local authorities (Westminster, Gov, 2024). EV infrastructure provision will also increase pressure on [the energy grid](#).

Expected co-benefits from transport decarbonisation include reductions in noise and air pollution compared to

more carbon-intensive options like traditional combustion engine cars. While the transition to battery-electric vehicles by 2040 may still leave a share non-exhaust particulate pollution (Ritchie, 2023), [the cleaner, healthier public realm](#) will result in higher footfall and create opportunities for commercial premises such as bars and restaurants expanding their activities outdoors.

The congestion charge and ULEZ will likely evolve into dynamic per-mile charges. New technology will facilitate the replacement of today's boundary charges with a per mile charge that would be linked to vehicle emissions, and which could increase at peak times, or when background pollution levels are high.



Photo by Tomek Baginski on Unsplash

TRANSPORT AND MOBILITY IN 2040

Active travel and micro-mobility will increase in popularity.

Micro-mobility and active travel modes will rise as we see long-term behavioural change influenced by continued infrastructure investment.

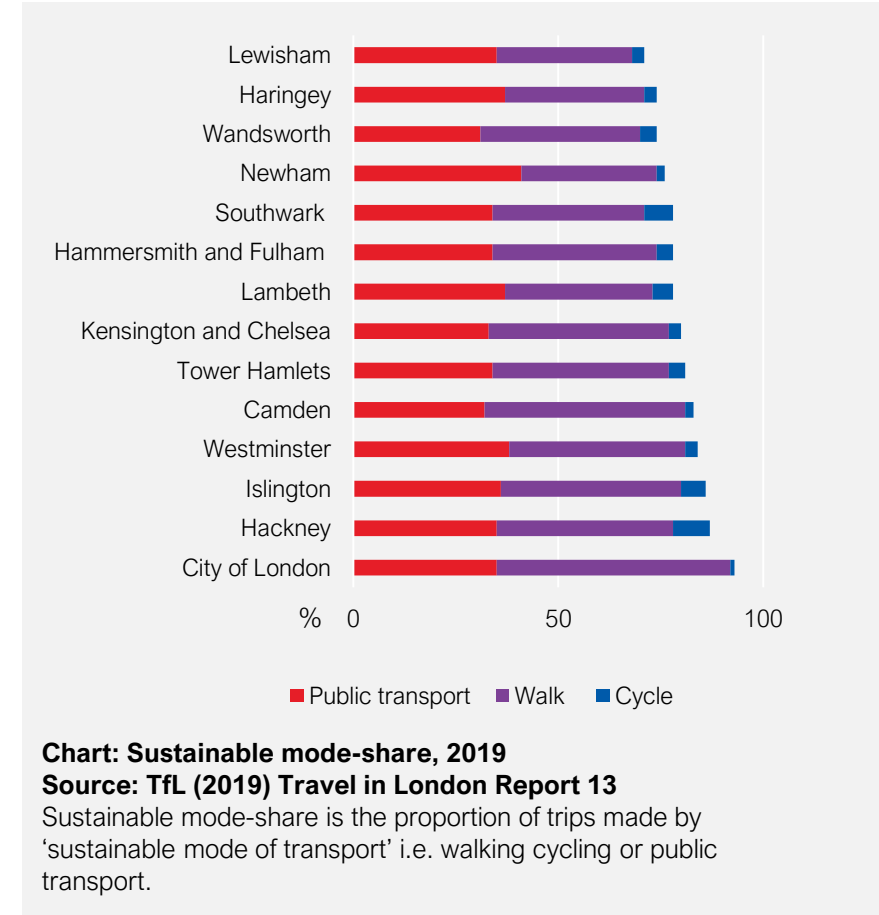
Transport for London’s Walking Action Plan aims to make London the world’s number one walking city, and the Mayor’s Transport Strategy set a target of 80 percent of all journeys to be made on foot, by cycle or using public transport by 2041. London HQ has huge potential to lead the way in this field, with high levels of active travel and low levels of car use. Public infrastructure investments encompass widening pavements, creating low traffic neighbourhoods, and providing cycle lanes and cycle parking facilities. Private sector initiatives include secure cycling storage within commercial buildings and shower facilities. These are already popular and will be near-universal by 2040.

The demand for micro-mobility is set to rise. Micro-mobility vehicles [1] such as e-scooters and dockless electric bicycles could account for 10% of passenger mode share nationally by 2040 (UKRI, 2021), driven by an enabling regulatory environment, technological advancements in hardware and software, and a formal legislative framework to regulate their safe use.

Micro-mobility could become increasingly integrated with other transport modes, facilitating more first- and last-mile

journeys to larger transport interchanges like Charing Cross and Victoria Stations. Acceleration in the uptake of shared and low-emission mobility, together with the need to [de-clutter spaces for pedestrians](#) and maintain security, will require stations to incorporate parking, docking and charging infrastructure in their immediate vicinity.

(1) Micro-mobility is characterised by electric and human-powered vehicles under 200kg with speeds restricted to under 25 miles per hour,



TRANSPORT AND MOBILITY IN 2040

White vans and cargo bikes will grow significantly, and freight may take to the river or air.

Light commercial vehicle (LCV, or “white van”) traffic in London is projected to rise by 19% by 2040 (DfT, 2023). This growth reflects the surge of e-commerce and consumer demands for quick, convenient deliveries.

Increased volumes of freight traffic risk decreasing the quality of public realm in LHQ. This is due to increased congestion and risks to the safety of pedestrians, cyclists, and public transport users (Arup, 2022). The integration of alternative options for last-mile delivery, including micro-mobility, will help mitigate these risks.

Micro-mobility could make up 30% of urban deliveries by 2040 (UKRI, 2021). Cargo-bikes may represent a significant share of micro-freight in central London in the next fifteen years. Transport for London champions the use of cargo bikes, with “very high” cycle freight potential in the London HQ area (TfL, 2023). Proper planning is needed to develop cycle lanes that can accommodate the dimensions of cargo bikes. Consideration must also be given to cycle parking infrastructure to prevent disruptions to other modes of transport.

Air mobility solutions like drones and eVTOL (electric Vertical Takeoff and Landing) may take an increasing share of last mile deliveries. However, concerns around regulation, noise pollution, and social acceptability could limit uptake in dense urban environments like LHQ (Arup, 2022).

River freight is also a promising option, potentially integrating with last-mile cargo bike deliveries through a multi-modal approach. The river freight pilot by Northbank BID and Cross River Partnership demonstrated a 78% saving in NO_x and 88% saving in CO₂ (Cross River Partnership, 2023).

The establishment of urban logistics hubs will be vital for the efficient handling and storage of goods before transport. These hubs play a crucial role in promoting clean and efficient freight activity in urban environments such as London (Steer & Cross River Partnership, 2020).

BIDs will be central to facilitating the implementation of functional freight solutions, for instance, by supporting collaboration between member businesses to consolidate deliveries across various modes, or by identifying locations for suitable logistic hubs through engagement with asset owners.

Whilst we expect some piecemeal use of autonomous vehicles for local freight deliveries, we do not expect autonomous vehicles to be in widespread general use by 2040.



Photo by Ikea ©

Case Study: Ikea SunRider Cargo Bicycles

In 2022, Ikea announced that it will be offering all retailers worldwide the option to use SunRider's trike-style cargo bikes for home delivery fleets. The e-bikes are designed for last mile urban delivery and can carry up to 220 pounds in their rear cargo box. The bikes are also self-charging through their built-in solar panels.

TRANSPORT AND MOBILITY IN 2040

Victoria Rail Station may be redeveloped and Victoria Coach Station may be relocated.

Victoria Rail Station could be redeveloped into a new multi-functional destination, with offices and housing. Victoria Coach Station may relocate out of the London HQ area.

In the coming years, Victoria Rail Station and its surroundings may undergo a radical transformation. The Future Victoria project aims to enhance travellers' experience and improve the streetscape around Victoria Station. Previous plans for the station itself have included large office-based over site development and housing. Additionally, Crossrail 2 could introduce a new subterranean station.

The new Victoria Rail Station may be more permeable. Architectural and urban design can help remove the threshold between outdoor public realm and concourses, also removing the severance between neighbouring streets. The legibility of space will also benefit from visual design and clear wayfinding. A diversification of uses, in part achieved through overhead development, will attract further footfall and contribute to local employment intensification.

Travel may evolve toward free-flow solutions, enabling a more seamless experience. Biometric technology, blockchain and faster data processing pave the way for gateless stations. Eliminating conventional pinch-points like ticket purchase, collection, and validation will blur the boundary between the functional station space and the surrounding amenities. By

2040, account-based systems (that are suitable for all modes) may simply track users' movements across the transport network, and bill appropriately.

Victoria Coach Station may relocate, freeing up space for new mixed-use development. Multiple locations have been studied by TfL over a number of years. Possible alternative locations include Stratford and Royal Oak. The residual coach station site has been earmarked for Crossrail 2's ventilation shaft. It could become available for offices, residential and leisure use. The relocation of the coach station would significantly reduce traffic, and improve air quality in the LHQ area, but may also reduce footfall.



Photo by Cheung Yin on Unsplash

Case study: Hong Kong's 'Rail plus Property' Model

Hong Kong's MTR Corporation has implemented the 'Rail plus Property' model, which showcases the potential of mixed-use over-station development. The corporation has developed new stations with residential, commercial, retail, and local amenity uses, with over 50% of the network's stations featuring above-station developments, covering more than 13 million m2 of floor area. MTR has arrangements enabling it to benefit from increased property values that come with new stations, using revenue to fund network operations and future developments, while sharing profits with developers.

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TOURISM AND HOSPITALITY IN 2040

International tourism will grow and bring potential new streams of tax revenue.

The global travel industry is expected to grow, despite a rising cost of air travel and greater awareness of climate change. In London, international tourist visits are expected to recover to 2019 levels by 2025, and the capital is projected to receive 22 million international visits by 2032 (GLA Economics, 2022).

As international tourist visitors recover, the country of origin is expected to diversify. The United States and Europe represent a significant portion of London's visitors [1]. However, the fastest growth in in-bound tourism will occur in regions such as China and other parts of Asia. Harnessing this growth may require a tweak to the travel services and hospitality offer such that it is culturally compatible.

This shift could bring higher spending in London HQ businesses. In 2019, Middle East and Chinese visitors spent around £2,500 and £1,900 per visit respectively. USA visitors spent around £900 per visit, and French visitors spent less than £400 per visit (ONS, 2023).

In the medium term however, the UK's government's removal of tax-free shopping for overseas visitors may put

London at a disadvantage to other global destinations (New West End Company, 2024). It is crucial for businesses to advocate for policies that support international tourism, as well as explore creative solutions to incentivise visitor spending within the city, such as bundled packages with discounts to local businesses.

London will have to fight harder to draw tourists. Whilst the overall market for travel will grow, the capital will face greater competition from destinations such as Istanbul, Dubai, Hong Kong, Doha and Oman, which are well-placed to make the most of the growing demand from Asia.

Tourist taxes may become more widespread. Tourist taxes have been rolled out across Europe, Edinburgh and Manchester to capture revenue for investment back into communities. For instance, Manchester Accommodation Business Improvement District has implemented a £1 per night levy on guests staying in city centre hotels and short-term lets and the projected revenue is around £3 million annually (Dickinson, 2023).

Westminster City Council are advocating for the ability to explore and implement tourist taxes (Ames, 2023). Tourist taxes do not target day visitors who often spend significantly less than overnight visitors.

1. The United States accounts for over 10% of national visits and European countries over 60% of national visits in 2018 and 2019



Photo by Robert Bye on Unsplash

TOURISM AND HOSPITALITY IN 2040

London needs to continue to invest and innovate to remain a world-class destination.

London's allure as a global destination is partly linked to the range and quality of its attractions and accommodation. The city topped the list of most attractive European cities for hotel investment in 2024, and this trend is reinforced by strong indicators. Nearly three-quarters of hospitality leaders recently expressed optimism about the UK hotel market's long-term future (Deloitte, 2023).

The current macro-economic climate presents a short-term challenge to the hospitality sector. Sector leaders are understandably concerned about the cost-of-living crisis, as well as acute skilled worker shortages in the UK hospitality sector. Nonetheless, investing in technology and upskilling can offer long-term benefits by increasing efficiency and future-fitting operations (Deloitte, 2023).

By 2040, automated systems and robots may make checking in and out completely seamless and hassle-free. Seamless automated check-in/out systems will be more appealing in business and budget segments. Luxury hotels are likely to maintain a balance by offering a hybrid experience that integrates technology with personalised service (Allianz Partners, 2023).

Hotels will prioritise locality and sustainability as guests become more conscious of climate change and value local experiences. Hotels can enhance their local identity and sustainability efforts by selecting locally sourced and sustainably produced foods, implementing automated energy and water systems, promoting waste reduction, and fostering guest engagement.

LHQ is well-placed to respond to the rising demand for 'experiential', architecturally unique accommodations. Hotels like the TWA Hotel in New York, which repurposed an old airport terminal, exemplify the success of experience-focused and creatively repurposed accommodations. London itself holds similar potential, as evidenced by the proposed conversion of the iconic BT Tower into a hotel (by the same group as the TWA hotel), and the recent opening of the OWO (Old War Office) hotel. This trend highlights solutions to transform underutilised heritage assets within London HQ, particularly those in [iconic government buildings](#).



Photo by Max Herpin on Unsplash

Case study: Transforming an Airport terminal into TWA Hotel, New York

A John F. Kennedy (JFK) Airport Terminal in New York, which closed in 2001 due to its inability to accommodate modern aircrafts, has been revamped into a 512-room hotel that pays homage to the building's aerospace history. The hotel's lounge, rooms, and amenities were all thoughtfully designed to reflect this theme.

TOURISM AND HOSPITALITY IN 2040

Tourism will evolve and focus on unique experiences.

The future tourist may prioritise unique and immersive experiences over traditional sightseeing.

This could encompass cultural immersion, personal growth opportunities, adventure activities, and wellness retreats. Authenticity and genuine connections with local cultures and environments will be highly valued. They are likely to prioritise travel experiences curated to their specific interests and preferences, facilitated by data analysis and personalised recommendations (Allianz Partners, 2023).

However, first-time visitors to London will remain likely to visit the London HQ attractions of Big Ben, Westminster Abbey and the West End. LHQ is well placed to develop richer and diverse visitor experiences thanks to the variety of world-class attractions across heritage, leisure and entertainment, shopping and hospitality.

Business travel is very slowly returning to pre-pandemic levels, and its boundaries with leisure trips are blurring.

Green travel policies, cost saving pressure and new technology mean that business travel is more likely to be replaced by online meetings (Forbes, 2023) and (Mastercard, 2024). Whilst business travel will grow, its share of overall travel will diminish. This, in the medium term, may require a recalibration of spaces and offer in central London, catering for a more leisure focused market segment.

Future tourists may rely on Virtual Reality (VR) technology to compare destinations and make better informed decisions when planning their trip. While some suggest VR might diminish the appeal of physical travel, the essence of travel, including experiencing local cuisine and cultural interactions, will not be affected. Therefore, VR could be more likely to fuel the desire for authentic experiences in the real world (Allianz Partners, 2023).



Case study: Augmented Reality Exhibition, Notre-Dame Cathedral by Histrovery

Histrovery is a French start-up that offers augmented reality exhibitions for museums, historical sites, and cultural institutions. It has created an immersive experience showcasing the history of the Notre-Dame. The HistoPad, an augmented reality touch-screen tablet, tells the story, while physical replicas of the cathedral's flooring, historic windows, and audio of the cathedral's organs and tolling bells complete the multi-sensory experience.

London HQ in 2040

- Work and Skills in 2040
- Retail in 2040
- Built Stock and Public Realm in 2040
- Transport and Mobility in 2040
- Tourism and Hospitality in 2040

● Leisure, Arts and Culture in 2040

LEISURE, ARTS AND CULTURE IN 2040

Arts and culture will increasingly be encountered on the streets.

By 2040, arts- and cultural-led attractions in the public realm will be integral components of urban development strategies.

Cities are seeking to retain visitors and workers after shifts, in the face of flexible working patterns and higher costs-of-living. Arts- and culture- placemaking and programming will play an increasingly central role in achieving this, often providing experiences that leverage heritage assets, local arts and history.

Additionally, some art and cultural interventions in public space can deliver social value and represent the diverse heritage of an area. Examples include the historic Fitzrovia mural on Tottenham Court Road.

Emerging trends include public art exhibitions by local artists, the establishment of cultural quarters, immersive theatre productions, and augmented reality / media installations. The last of which is increasingly shaping cultural production and fruition, by creating new modes of interaction between public spaces and audiences. This can be used in advertising as well, and many more West End and Strand billboards may take their lead from Piccadilly Circus, which offers a tailored experience that often interacts with its audience.

LHQ's wealth of cultural and historical assets makes it well-positioned to benefit from the increasing interest in arts- and cultural led experiences. Additionally, the potential

of under-utilised spaces could be unlocked for arts-related programmes. Through thoughtful programming, events like rehearsals, workshops and classes, could also contribute to the growth LHQ's, evening and night-time economy.



Photo by ALA for Westminster City Council, MCA and TPC ©

Case Study: Soho Photography Quarter

Soho Photography Quarter is an outdoor space that showcases world-class photography for free, day and night. It was developed by The Photography Gallery, in collaboration with Westminster City Council, as part of a larger initiative to revitalise the Oxford Street area.

The passageway has been transformed into a serene pedestrian zone by Andreas Lechthaler Architecture. The newly designed seating, ambient lighting, trees and planters enhance the experience for those who spend time there or pass through.

LEISURE, ARTS AND CULTURE IN 2040

Arts and culture venues are likely to face financial pressures, and some venues may be threatened with closure.

By 2040, societal issues may be a major driver in shaping arts and culture production, and could influence business models.

Arts spending may come under increasing public spending pressure. Historic venues will struggle with higher energy costs and the costs of retrofit and refurbishment works. The heritage, listed and conservation area status of many venues is likely to push up the costs of retrofit. At the same time, energy costs may remain high. With traditional funding sources set to decline, as local authority finances continue to deteriorate, institutions and organisations will be looking to diversity income, becoming increasingly profit-driven and entrepreneurial (Changeist, 2023). We are already seeing this play out in Birmingham and other local authorities that are seeking to reduce spending. This may lead to the closure, or threatened closure of many venues.

The impacts of the climate crisis, the housing crisis, and economic inequality may become unescapable, thereby shaping other facets of life, including arts and culture. In response to this, we are already witnessing an evolution from “art as entertainment” toward art and culture as a medium to raise awareness (ibid.).

A new generation of artists and creators may use art and culture as a tool to depict new concepts frames of societal change – exploring concepts such as the post-

anthropocene era, artificial intelligence, and human colonies in space. (Maldonado,2019). This artistic exploration, coupled with technological advancements, may expand the boundaries of traditional art forms, ushering in new genres and modes of interaction with creative works.

I agree that these organisations → should take a stance on ↓"	...Live Cultural Venues	...Museums, Galleries & Heritage	... Visitor Attractions
... the climate crisis	47%	51%	53%
... other social issues	47%	45%	47%

Table: Findings from the Summer 2023 wave of Audience Agency’s Cultural Participation Monitor
Source: Audience Agency (2023)

51% of respondents say that they would generally prefer to go to cultural venues that share their values, while almost half are more actively willing to engage with organisations that take a visible stance on Social Issues - even more so specifically regarding the Climate Crisis.

LEISURE, ARTS AND CULTURE IN 2040

London's progress to becoming a 24-hour city will depend on local policies.

Employee jobs in night-time industries are growing faster than those in London's wider economy, but planning and licensing may limit this.

This trend is underscored by initiatives aimed at growing the capital's evening and night-time economy (ENTE). For example, the Greater London Authority launched a three-part Night-Time strategy in 2021. Westminster City Council has also been gathering public input for its Evening and Night-Time Economy strategy (Westminster After Dark). These initiatives signal a concerted push to supporting the ENTE and lay the groundwork for longer-term transformations in the city's after-hours offerings.

Looking ahead, this may be limited by planning and licensing regimes. Many local authorities, including Westminster, have taken steps to limit late licensing and night-time activity for reasons of litter, safety and neighbourhood disturbance. However, the Westminster After Dark plan aims to balance the interests of residents, visitors, and businesses, "so that night-time in the city is managed well and serves the needs and interests of all those who have stake in the evening environment". It is unlikely Sunday trading laws will be completely overturned, but targeted relaxation might be explored.

Additionally, there will also be greater consideration for the safety and wellbeing of night-time workers. The ENT landscape will cater more to workers and logistical needs that span industries. Improved overnight transportation, including extensions of the night tube, may be necessary to facilitate movement around London during evening- and night- time.

This trend is driven by a desire to stimulate economic growth and recovery, and to foster a more inclusive and dynamic urban environment. Beyond the potential boost in sales and revenue, there is a growing recognition of the importance of night-time activities in supporting the city's overall economic resilience.



Photo by Sara Groblechner on Unsplash

Recommendations

RECOMMENDATIONS

Overarching principles for success in the period to 2040.

This section presents overarching principles that London HQ can act on in the period to 2040.

They include a framework for the BIDs to advocate for change, independently and through collaboration with partners.



Champion the development of a diverse, highly skilled workforce capable of meeting future skills demands, either by attracting the best and the brightest around the world, or by upskilling existing workers.



Make London HQ the destination of choice for emerging sectors by engaging with leaders to understand their priorities, and working with partners to make sure that the office and after-work offer responds to their needs.



Advocate for growth-aligned policies at national and local level. These may encourage property owners to champion best-practice environmental objectives, whilst delivering high-quality and sustainable spaces within London HQ.



Consolidate London HQ's global relevance by cultivating relationships and knowledge sharing with other Business Improvement Districts around the world.



Continue to respond to the impacts of climate change, by championing a quarter-wide approach to adaptation and decarbonisation of local emissions.



Step-up the visitor offer and embrace immersive experiences. Transform London HQ into an immersive and exciting place of choice, by offering experiences which use cutting-edge technology to enhance, and not detract, from the existing rich heritage landscape.



Embrace a technologically-augmented future. Foster a culture of curiosity and innovation around technology, including AI. Become a testbed for new technological solutions.



Reimagine London HQ's transportation hubs as catalysts for change. Collaborate with stakeholders to transform London HQ transportation hubs into vibrant destinations, integrating transportation with cultural experiences, retail, and leisure.

RECOMMENDATIONS

Sectoral recommendations

In addition to outlining overarching principles, this report offers actionable recommendations tailored specifically for London HQ. These recommendations are organised by the thematic areas identified in the trends analysis.

The recommendations are divided into **'Do'** and **'Advocate'** categories.

- **Do** recommendations can be implemented by BIDs independently or through collaboration.
- **Advocate** recommendations highlight opportunities where BIDs, as convenors, can inspire broader systemic changes.



SECTORAL RECOMMENDATIONS

Work and skills in 2040



Do

1. **Continue to monitor the impacts of flexible working and the return to the office.** Develop a culture of sharing knowledge about adapting to flexible working, office occupancy on the local economy.
2. **Collaborate with employers and asset managers to unlock the potential of underutilised office spaces.** This could involve opening up spaces to local users during periods of low activity. Such users may include local charities, community groups, as well as education and training providers. This initiative could align with employers' ESG priorities or serve as an additional source of income.
3. **Continue to monitor the number and quality of commercial properties that are left vacant long-term.** London HQ should work with WCC and other public stakeholders to identify incentives to bring the buildings back into (potentially alternative) use.
4. **Work with government departments on their relocation plans and embrace private sector employers.** With the move of many civil service departments out of London, it is essential that London HQ appeals to emerging private sector employers.
5. **Investigate further the impact of AI on LHQ.** LHQ should study the impacts on different employers, skills levels and geographical areas, and the huge opportunities for new employers that is presented by AI. It will be important to encourage cross-learning among businesses, potentially by organising workshops, webinars, and training sessions on digital skills, data analytics and AI implementation.



Advocate

1. **Support a more efficient use of office stock amongst employers.** Collaborate with WCC, GLA and flexible workspace providers to ensure businesses – including start-ups and small and medium sized enterprises – are able to access flexible space that meets their needs within LHQ.
2. **Advocate for the increased supply of high-quality commercial properties in LHQ through retrofit or new build development.** Where these options are not viable, advocate for the managed transition of less viable properties to other uses. These could reflect transitions to food and beverage facilities, higher education, hotels, hospitality and cultural initiatives. or could be repurposed for meanwhile uses, with a focus on population-serving sectors such as cafes, bars and restaurants.
3. **Advocate for affordable and flexible public transport as a way of attracting workers back to LHQ.** In the short-term, monitor the progress of the TfL Friday fare reduction pilot to better understand the impact of transport costs on worker expenditure and on the economy of the LHQ. Continue to work with stakeholders like TfL and the rail industry to ensure that transport costs in central London are affordable. Collaborate with employers and other stakeholders to explore creative ways of reducing commuting costs – such as neighbourhood active travel resources.
4. **Encourage growth in the sectors of the future by understanding their needs:** LHQ should collaborate with WCC to provide support for emerging sectors such as the green economy, professional, life sciences and property sectors, technology, and health. In the context of office space, LHQ can conduct further research into the specific office features most important to identified growth sectors. Other activities could include providing marketing, space, skills opportunities and incentives to encourage growth, and ensure LHQ remains a premium office market location.

SECTORAL RECOMMENDATIONS

Built stock and public realm in 2040



Do

1. **Prepare for climate change.** Partner with local governments, community organisations, and businesses to share resources, knowledge, and expertise in addressing flooding and extreme heat in particular. This could involve promoting schemes to mitigate flood damage (which could be integrated with the proposed new London river walk), tree planting and public use of members' air-conditioned foyers in a heatwave.
2. **Continue to promote and invest in amenity, urban and workplace experience in LHQ to attract employers, office workers and tourists.** Create a forum for asset owners to discuss the opportunities, and challenges, of curating and coordinate the public realm offer in LHQ, to build collective interest and realise mutual benefits.
3. **Consider how future workplace needs can integrate with plans for housing delivery.** This may include integrating commercial and residential developments in the Victoria opportunity area.
4. **Share knowledge on retrofit best practice.** London HQ's large stock of heritage buildings makes retrofit a challenge. Knowledge sharing could include 'Net-zero Show and Tell' tours amongst BID members to promote knowledge sharing about overcoming retrofit challenges in different building typologies.
5. **Develop a street clutter management strategy that addresses charge points** and other future technologies that are likely to pose challenges.
6. **Coordinate the implementation of green/blue infrastructure within the LHQ,** in collaboration with the EA, WCC and GLA. Develop guidance on how green/blue infrastructure should be developed to fit the heritage context of LHQ. Ensure these initiative are supported by periodical climate-related risk assessments.
7. **Continue to implement a forward-looking public realm strategy including the place-based riverfront strategy** building on the Thames Riverfront Place Making Strategy initiative proposed in Northbank BID. Optimise LHQ's central position though intuitive wayfinding and improving accessibility. Implement smart navigation systems that guide residents and visitors efficiently. These could include interactive maps, QR codes, or augmented reality apps.



Advocate

1. **Advocate for a flexible approach to planning consents for heritage and stranded assets:** LHQ contains many historic assets, some of which may not be financially viable to refurbish existing office space to meet regulation. LHQ could explore the implications of advocating for amending policy that requires 'viability assessment' when considering change of use, where this would incentivise the retention and improved environmental performance of existing buildings.
2. **Support a broader construction industry campaign for low cost, carbon retrofit.** LHQ could work with other stakeholders to address the costs of low carbon retrofit, including matters such as campaigning for wider VAT relief - particularly for buildings deemed stranded assets.
3. **Engage with WCC to feed design strategies into their planning guidance,** to achieve interactive and engaging public realm strategies that enhance user experience, attraction, accessibility and positively impact on commercial success.
4. **Advocate for "collaborative streetworks" during the implementation of project SWAN,** to minimise disruption and seize the opportunity to deliver public realm improvements concurrently to the construction of the network.

SECTORAL RECOMMENDATIONS

Retail in 2040

**Do**

- 1. Consider a tenant curation strategy among asset owners and real estate agents within LHQ.** This should be based on the local identity and characteristics that set LHQ apart.
- 2. Facilitate temporary shops and rotating concepts that keep the offering dynamic.** For example, LHQ could work with others to temporarily transform vacant spaces into pop-up shops, art galleries, or interactive installations.
- 3. Integrate the retail offer with the public realm.** An experience could be curated that integrates activity inside and outside of different retailers. LHQ could use sensors or cameras to track foot traffic patterns and share aggregated data with retailers to optimise store layouts and operating hours. Encourage BID members to adopt personalised marketing using technology both on online platforms and in-store.
- 4. Support new retail businesses moving into LHQ.** Provide resources to link businesses who are considering starting up in LHQ with local estate agents. Set up business support workshops for prospective tenants with interesting business ideas who may be less equipped.

**Advocate**

- 1. Encouraging BID members to consider their environmental impacts.** For retailers, LHQ should focus on promoting recycling, upcycling, and responsible waste management.
- 2. Encourage seasonal and event-specific windows street activations.** Promote changing shop front design and encourage existing tenants to respond to seasonal change and to link with local events by producing special shop-front designs.

SECTORAL RECOMMENDATIONS

Transport and Mobility in 2040



Do

- 1. Continue to collaborate with WCC, GLA and TfL, and landowners to implement walking and cycling infrastructure across LHQ.** Foster knowledge sharing around the provisioning of walking and cycle infrastructure. Ensure that cycle infrastructure is future proof by factoring in cargo-bikes, and other emerging micro-mobility vehicles.
- 2. Further develop LHQs electric vehicle charging station map.** Explore how it can be integrated into static or digital wayfinding infrastructure, or digital mapping systems.
- 3. In collaboration with WCC and local businesses, develop a pavement management strategy (integrated with the street clutter approach earlier)** that includes dedicated micro-mobility management guidance.
- 4. In collaboration with land-owners and WCC, identify and maintain a list of potential sites for urban logistics hubs.** Seek seed/pilot funding to support smaller/micro-operators with the set-up of new urban logistics hubs. This might include new click-and-collect facilities.



Advocate

- 1. Continue to advocate for the roll-out of cargo-bikes and river freight solutions.** Promote the use of cargo-bikes and other last mile micro-mobility urban logistics solutions. Build on the Continue to explore the potential of drone delivery within an urban context such as LHQ.
- 2. Continue to work with TfL and others on Victoria rail station and coach station redevelopment schemes** that serve wider policy objectives, particularly championing public realm improvements, housing and commercial space growth.

SECTORAL RECOMMENDATIONS

Tourism and Hospitality in 2040



Do

- 1. Ensure that LHQ is ready for the visitor of the future** and that the 2040 offer is appealing to visitors from China and other parts of Asia in particular.
- 2. Collaborate with WCC to explore the implications of a tourist tax in Westminster**, which could boost income and help manage the risk of over-tourism.
- 3. Develop a series of virtual/augmented reality programmes and products to enhance physical tourist experiences.** This should be done in collaboration with tourism organisations and cultural institutions within LHQ. Potential iterations include AI-guided walking tours adapted to individual interests, revealing lesser-known places alongside iconic landmarks.



Advocate

- 1. Continue to build evidence on the contribution of tourism and hospitality to London and the wider UK economy.** Use the evidence to advocate, alongside other BIDs, for increased support and consideration from central and regional government, including the re-introduction of VAT-free shopping for non-UK residents shopping in the UK.
- 2. Advocate for more accessible and affordable national rail travel to incentivise domestic tourists into London**, in collaboration with other London BIDs and hospitality industry organisations.

SECTORAL RECOMMENDATIONS

Leisure, Arts and Culture in 2040



Do

- 1. Building upon recent work on LHQ's night-time economy.** Opportunities for further exploration include working with WCC and the Met Police to improve the perception of safety within LHQ through "Designing out Crime", such as adequate lighting provisioning. Other opportunities include provisions for those working at night, and promoting a staggered time-of-day programming amongst tenants.
- 2. Develop a long-term public arts and cultural vision** for LHQ that takes into consideration the diverse characters within the area.
- 3. Invest in public art by installing permanent or rotating art installations that reflect LHQs identity.** LHQ could provide grants or subsidies to local artists for creating public art, organise artist-in-residence programmes. Opportunities for public art should extend beyond visual arts. LHQ could explore hosting outdoor performance spaces for music or theatre.
- 4. Develop the LHQ events programme further.** Curate a programme of regular events such as lectures, workshops, classes, or exhibitions, at a range of venues across the BID areas. This should be aligned as far as possible with the visions for each of the different areas of LHQ, tailoring the events accordingly.
- 5. Explore opportunities for juxtaposing classical and contemporary artforms.** In practice, this may resemble collaborating with cultural institutions to blend traditional performances such as classical theatre with immersive elements. It may also look like hosting heritage "hackathons" where artists or technologists are invited to reinterpret LHQ's history through data visualisation, coding or other forms of mixed media.
- 6. Identify underutilised or meanwhile spaces within LHQ that can serve as cultural quarters.** Collaborate with local art organisation and cultural institutions to establish public art and culture interventions to activate these spaces.



Advocate

- 1. Advocate for a balanced approach to London HQ's night-time economy.** That includes the needs of business, visitors and workers as well as residents, and allows London to keep pace with competitor cities.
- 2. Encourage commercial tenants to host events on their premises regularly, whether private or open to the public,** as these will extend the stay of visitors and workers and will increase activity and spend in the district. (e.g. encourage tenants to host their private events in their premises after opening hours).

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