

The 15-Minute Commute

A new work paradigm for the 21st century



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Envisioning a new world of local communities in which long commutes are a thing of the past

“Just when local cities and towns seemed to be dying, Covid-19 may have come along and saved them. The realisation of the 15-Minute Commute will be one of the most dramatic and long-lasting legacies of the pandemic. What were previously sleepy dormitory towns are set to become vibrant centres for work and community life”

Mark Dixon, Founder and Chief Executive, IWG

Covid-19 has profoundly changed our attitudes to how and where we want to work. Periods of lockdown have given a glimpse of a new way of working: one that does not involve long, daily commutes, that offers a more satisfying work/life balance and that saves us money. And one that is also better for the environment.

This IWG white paper, backed up by new research conducted with FTSE 250 companies, shows how the new planning concept of the 15-Minute City, now being adopted around the world, can help

to make this new work paradigm a long-lasting reality. In the future, communities will cater to our every need within a quarter of an hour of where we live. And the final piece of the jigsaw will be provided by flexible workspace solutions that offer all the benefits of a centralised office close to home.

The result? The world of the 15-Minute Commute. A place where lives are transformed for the better and one that gives us back a sizeable chunk of our most cherished commodity: time.



Loving Local

“Throughout lockdown I’ve discovered so many hidden gems in my local area that I never truly appreciated before. I’ve started cycling and jogging and I never realised how beautiful some of the neighbourhood is. Brooklyn Bridge Park is really pretty, with the lower Manhattan skyline as the view. I’ve also kind of discovered Red Hook, the neighbourhood next to ours, where I found a great restaurant that does an amazing burger. The back parking lot of our building has also revealed itself to be quite the hiding-in-plain-sight kind of gem. Our two girls have been playing every night for the last few weeks back there, riding scooters, using water guns and making up games, turning the parking lot into a playground. The other kids in the building knock on our door, asking if they can come out to play. It’s super cute”

Nick, advertising executive, Brooklyn, NYC



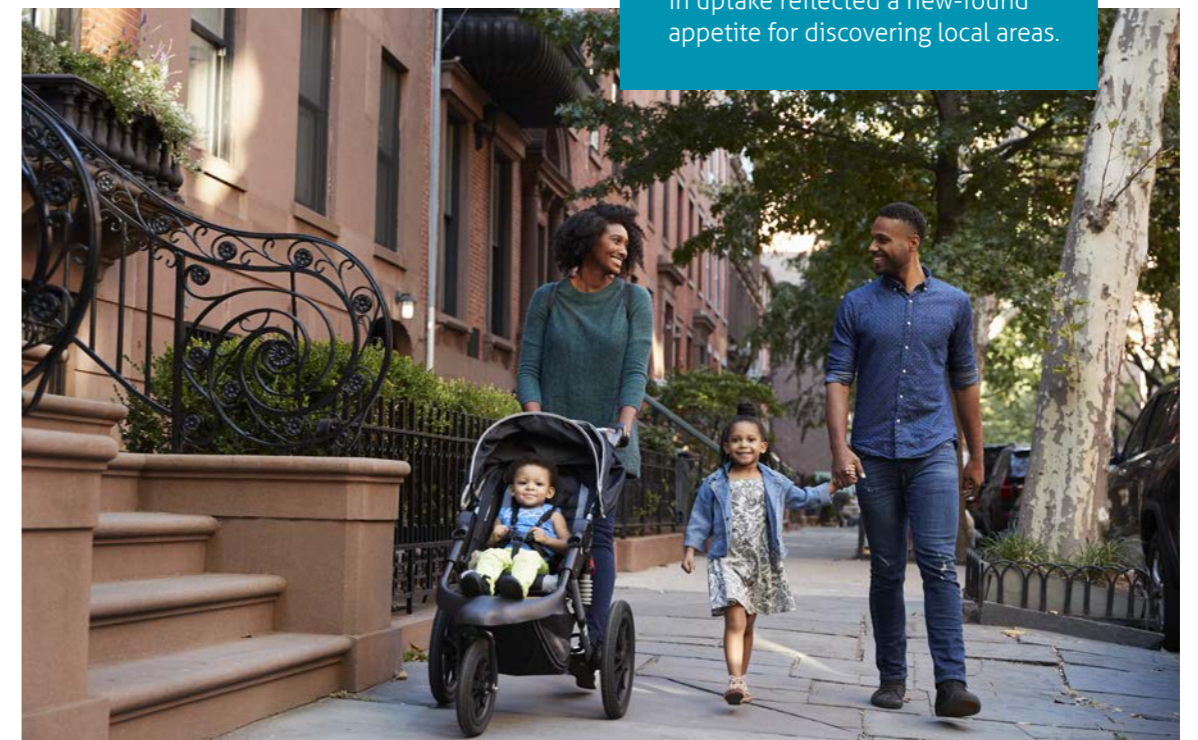
Lockdowns around the world have forced large numbers of people to work from home and, as a consequence, to spend far more time in their local community. And despite the obvious downsides of being separated from friends and relatives, there have been plenty of benefits, too.

The most obvious plus has been an end to long commutes, which has meant more free time (around 50 minutes each way on average) and money saved. But we’ve also been exploring.

Whether walking, running or cycling, lockdown populations came to truly know their local environment – and were often surprised at how rich it was in new experiences. London’s *Evening Standard* newspaper asked some of its writers to describe new discoveries they had made in their local streets during lockdown, and these included beehives (and locally made honey), a plant exchange at a bookshop and an unexpected Japanese garden. *The Financial Times*’ Paris correspondent described the joy of appreciating for the first time public works of art in his local park that he had previously passed by without noticing.

NEW EXPLORERS

Confined to our homes and the surrounding area during lockdown, many of us truly discovered our own neighbourhoods for the first time. The UK’s first lockdown saw a 175% increase in sales of map maker Ordnance Survey’s Custom Made offering, which allows people to personalise a map with their own photo and centre it on a particular area. As the company pointed out, with these maps often generally being centred on people’s own homes, the increase in uptake reflected a new-found appetite for discovering local areas.



Not only have we been spending more time in our local neighbourhoods, we've also been spending more money locally when regulations have allowed. America's National Retail Federation reported last April that 49% of consumers had "made a purchase specifically to support local small businesses during the pandemic." A global survey by Accenture last August also found a dramatic change in consumer buying patterns around the world, with many now striving to shop locally and mindfully. According to a recent survey by Barclaycard, UK shoppers spent an extra 63% in February at specialist stores such as butchers, bakeries and greengrocers compared with the same month in 2020. And this desire to support local traders is a trend that's likely to continue. Accenture reports that around four-fifths of those currently shopping locally plan to carry on post-pandemic.



"Mutual aid is a way for people to remember the ability of humans to be kind and empathetic and dignified"

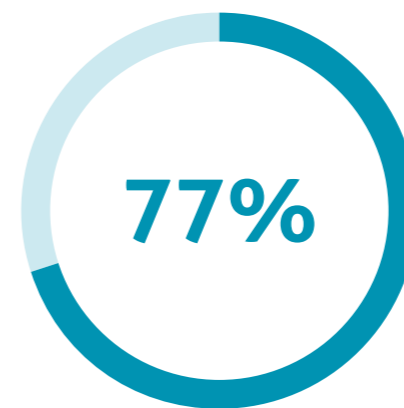
Cindy Milstein



MONOPOLY CAPTURES THE ZEITGEIST

"Coming out of the tumultuous year of 2020, the term 'community' has taken on a whole new meaning," announced Hasbro, maker of the Monopoly board game, earlier this year. For that reason, the company said it was revamping its Community Chest cards. Out will go bank errors in your favour, income tax refunds and winning second prize in a beauty contest, to be replaced by more altruistic topics. Members of the public were asked to vote for new cards that included rescuing a puppy, helping a neighbour bring in her groceries and clearing up litter on the local walking path. And if you shop local all week? Advance to GO!

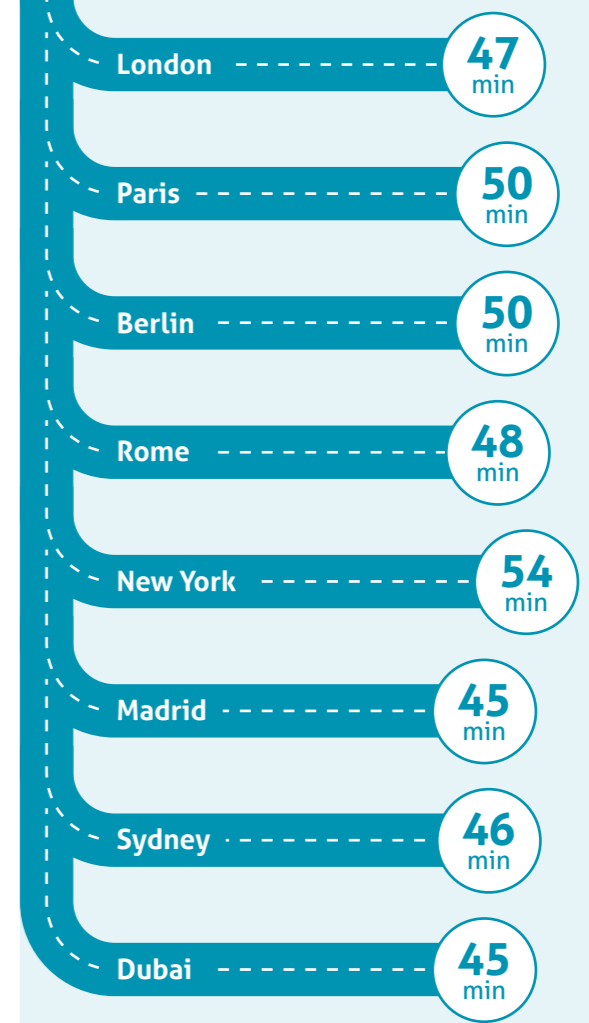
This new-found enthusiasm for helping local businesses also extends to helping other members of the community. Within days of the first lockdown beginning, mutual aid groups were springing up all over the world, with people volunteering to help others in their area. Michigan-based organiser Cindy Milstein, who compiled a mega-list of mutual aid groups in the US and further afield, described the phenomenon as "a way for people to remember the ability of humans to be kind and empathetic and dignified". Kelsey Mohamed, co-founder of Covid-19 Mutual Aid UK, an umbrella organisation, described the public response as "overwhelming", adding, "It shows us what's possible when we prioritise simple compassion."



In a survey by IWG in November 2020, 77% of employees said a place to work closer to home would be a must-have for their next job move

Clearly the pandemic has created a new desire to spend time in our local neighbourhoods – and to work there if possible, saying goodbye to the long daily commute. It sounds like a dream. But the possibility is becoming more real by the day.

THE TIME WE CAN GET BACK: PRE-PANDEMIC COMMUTING TIMES AROUND THE WORLD



Time spent commuting by public transport every day. Source: Moovit

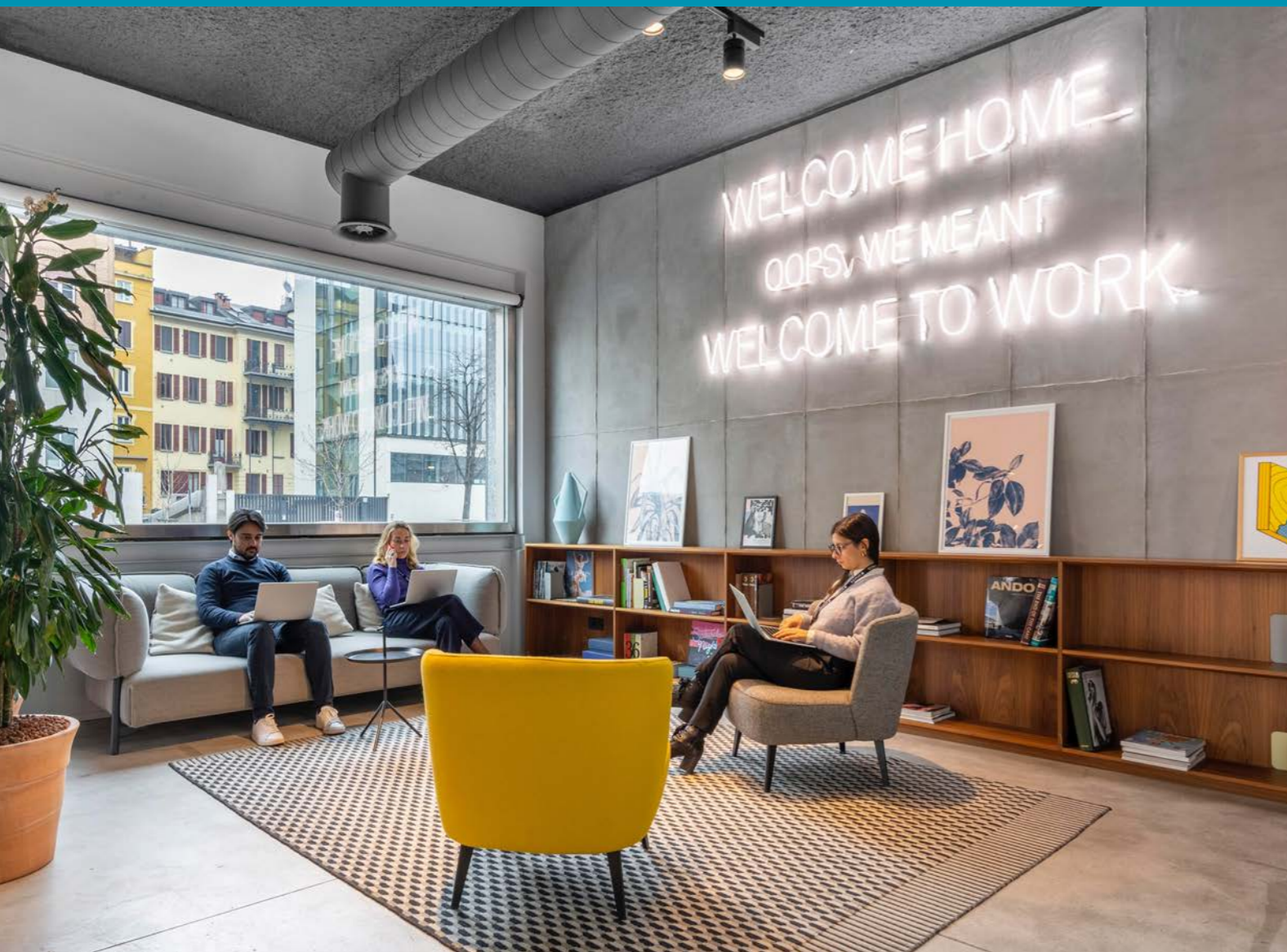
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The 15-Minute City

“We need to reinvent the idea of urban proximity. We know it is better for people to work near to where they live and, if they can go shopping nearby and have the leisure and services they need around them too, it allows them to have a more tranquil existence”

Professor Carlos Moreno, University of Paris



Before the pandemic, the idea of the 15-Minute City, primarily developed by French academic Carlos Moreno, was already gaining traction. ‘La ville du quart d’heure’, according to Moreno’s vision, is a place where work, home, shops, entertainment, education and healthcare are all available by foot or bicycle within the same time a commuter might once have waited on a train platform. It stems from Moreno’s philosophy of ‘chrono-urbanism’, which prioritises how city dwellers spend their time and espouses a slower pace of life that will improve wellbeing.

Put more simply, in the words of Minneapolis planner Paul Mogush, it’s about “putting the stuff closer together so it’s easier to get to stuff”. So Moreno envisions multi-use spaces as the norm

in a ‘polycentric city’. Thus, in Paris, where his beliefs have been enthusiastically embraced by forward-thinking mayor Anne Hidalgo, the Minimes barracks in the fashionable Marais district have been transformed into a complex of apartments, offices, artisan workshops, a day-care facility, a clinic and a café staffed by people with autism.

A major driver of the 15-Minute City concept is an urge to cut down on carbon emissions. Five minutes away from the Minimes barracks, the huge Place de la Bastille, once a major traffic interchange, has become largely a green, pedestrianised area intersected by the cycling ‘coronapistes’ introduced during the pandemic. It’s one of several large squares scheduled for a green revamp by Hidalgo’s administration.

“Put the stuff closer together so it’s easier to get to stuff”

Paul Mogush, Minneapolis planner



“In Paris we all feel we have no time, we are always rushing to one place or another, always trying to gain time”

Anne Hidalgo, Mayor of Paris

“In Paris we all feel we have no time, we are always rushing to one place or another, always trying to gain time,” she says. “That is why I am convinced we need to transform the city so Parisians can learn, do sports, have healthcare, shop, within 15 minutes of their home.”

The idea is that Paris will essentially become a ‘decentralised city’, a conglomerate of villages, each with its own car-free green spaces, homes, shared spaces and workplaces. This in turn will encourage people to spend more time outside the house and foster a greater sense of community.

As city leaders and planners contemplate life post-Covid, the idea of the environmentally friendly, sustainable, health-enhancing 15-Minute City is finding support worldwide. Cities including Milan, Edinburgh and Madrid are all working on developing the concept.

“As cities work towards Covid-19 recovery, the 15-Minute City is more relevant than ever as an organising principle for urban development,” says C40, a network of mayors of nearly 100 megacities around the world.

LONDON'S 15-MINUTE CITIES

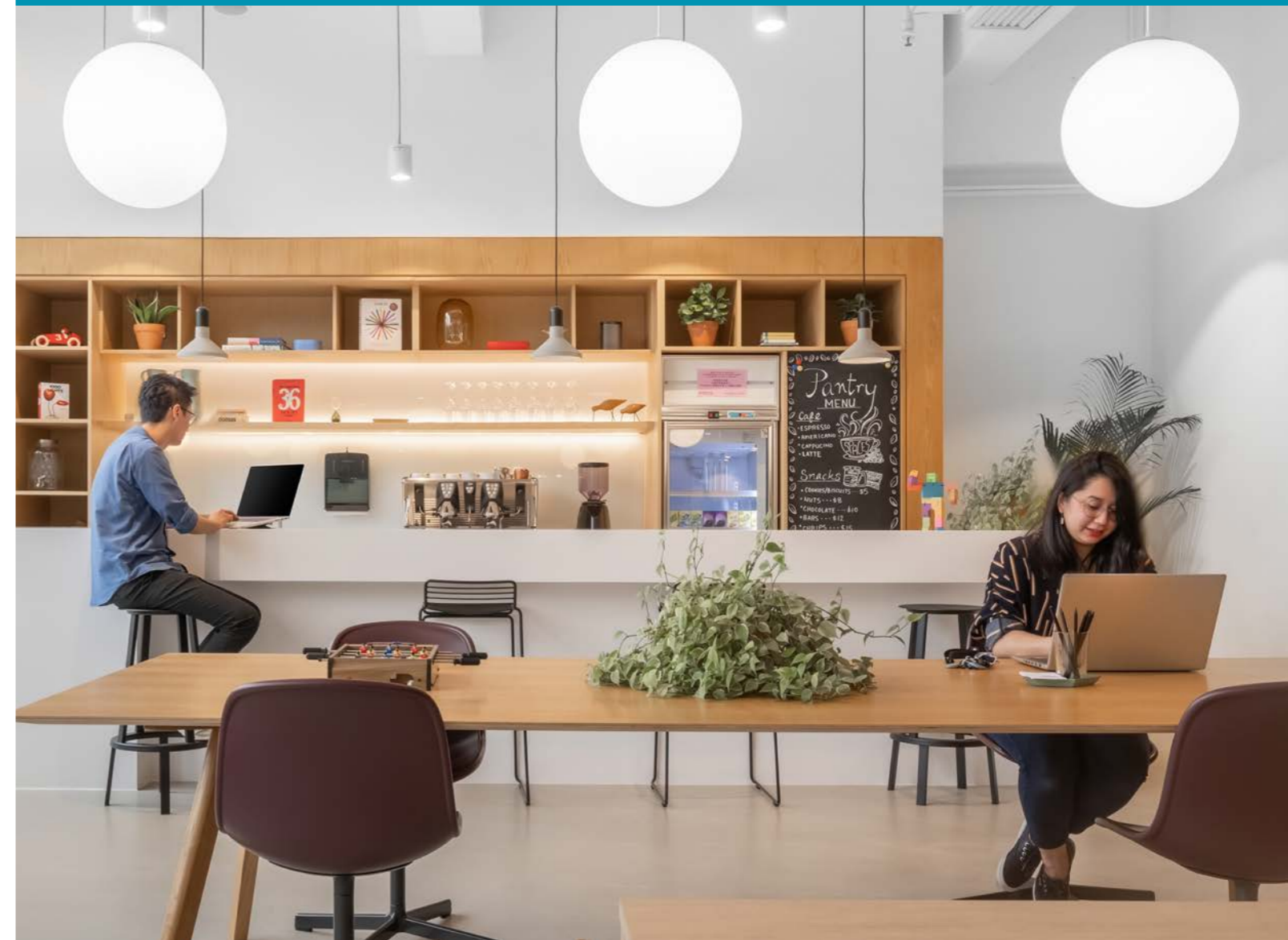
London's strategic plan has identified more than 200 town districts in London around which sustainable 15-Minute Cities could be created



Making it Work

“In the future, big cities are going to need to provide not only all the amenities that people need but also a blend of accommodation, so that workers can work and live in close proximity”

Mark Dixon, Founder and Chief Executive, IWG



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While European cities, made up of discrete districts established long before the advent of the motor car, are fertile ground for the 15-Minute City concept, modern metropolises, with low housing density and major car dependency, tend to be more of a challenge.

This is particularly true of many American cities, but the concept is nevertheless growing in popularity. Former US Housing and Urban Development Secretary Shaun Donovan has made the 15-Minute City a central plank of his candidacy in this year's New York mayoral election. "Many New Yorkers have never known a city where all they needed wasn't within reach, and now it's time we make that the reality for all of our residents," he says in his Plan for the City of New York. And in Seattle, a city known for its quirky and individualistic neighbourhoods, the city's Office of Planning and Community Development has announced that it is exploring the 15-Minute City concept as a potential framework for its roadmap for the future.

In Portland, Oregon, the '20-minute neighbourhood' has been used as a planning concept since 2010, pre-dating the 15-Minute City, and Detroit followed in 2016. Portland now has the highest rate of commuting by bike of any major US city,



but more than half of its residents still commute by car. This tyranny of the automobile has led some to suggest an alternative focus on distance rather than time in the city of the future. Adie Tomer, a fellow at Brookings' Metropolitan Policy Program, has suggested that a 3-Mile City might resonate better in cities where car travel remains essential.

For its part, Detroit has been trying hard to address an issue common to all 15-Minute City projects: affordable housing. The city has established a \$50m public-private affordable housing fund to help low-income residents stay in place as property values rise in developing neighbourhoods. The 15-Minute City is not

"Many New Yorkers have never known a city where all they needed wasn't within reach, and now it's time we make that the reality for all of our residents"

Shaun Donovan, New York mayoral candidate



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feasible if low-income workers have to live a long distance away, and for this reason Paris's Anne Hidalgo hopes to have nearly a third of the city's housing stock in the public domain by 2030 – even in more wealthy neighbourhoods, despite some resistance from residents.

According to IWG's Mark Dixon, affordable housing is an issue that will prove key in the coming years. **"What we've seen during Covid is that livable cities were less affected than what you might call unlivable or very expensive ones,"** he says. He points to Copenhagen, which pedestrianised its centre as far back as 1962, becoming the first European city to do so, as a shining example of a livable city.

"There's lots of affordable housing near the centre, it's very easy to get to work, and there's a reasonably priced and very good public transport system," he says. "Whereas somewhere like central London was very heavily affected during the pandemic in terms of people coming in from long distances. In the future, big cities are going to need to provide not only all the amenities that people need but also a blend of accommodation including reasonably priced homes, so that workers can work and live in close proximity."

"Retail may play a part in it, but the future is about community: wellbeing, play, knowledge. People want to hear talks, to discover, to connect"

Mary Portas, retail guru



One potential answer to this problem is linked to the decline of retail in city and town centres. Impacted by the arrival of out-of-town megastores, and more recently by the growth of ecommerce, many retailers, including major chains, have been forced to reduce their footprint or even fold. Prolonged closures during periods of lockdown have only exacerbated the crisis. This has led many to imagine a new future for town centres, chiming perfectly with the 15-Minute City concept, in which they become multifunctional hubs, offering not only retail outlets but also essential services and local leisure amenities.

"It isn't just about shopping any more," says retail guru Mary Portas of the evolution of town centres. "Retail may play a part in it, but the future is about community: wellbeing, play, knowledge. People want to hear talks, to discover, to connect."

And it may also be about living spaces, particularly in the UK, where new regulations now allow retail units to be used for residential purposes. Last July, a report by the Social Market Foundation called for a nationwide programme of repurposing city and town centres towards housing, which it said could potentially unlock 800,000 new housing units. Troubled department store chain John Lewis announced last October that it had identified 20 of its sites that could provide affordable housing in local communities.



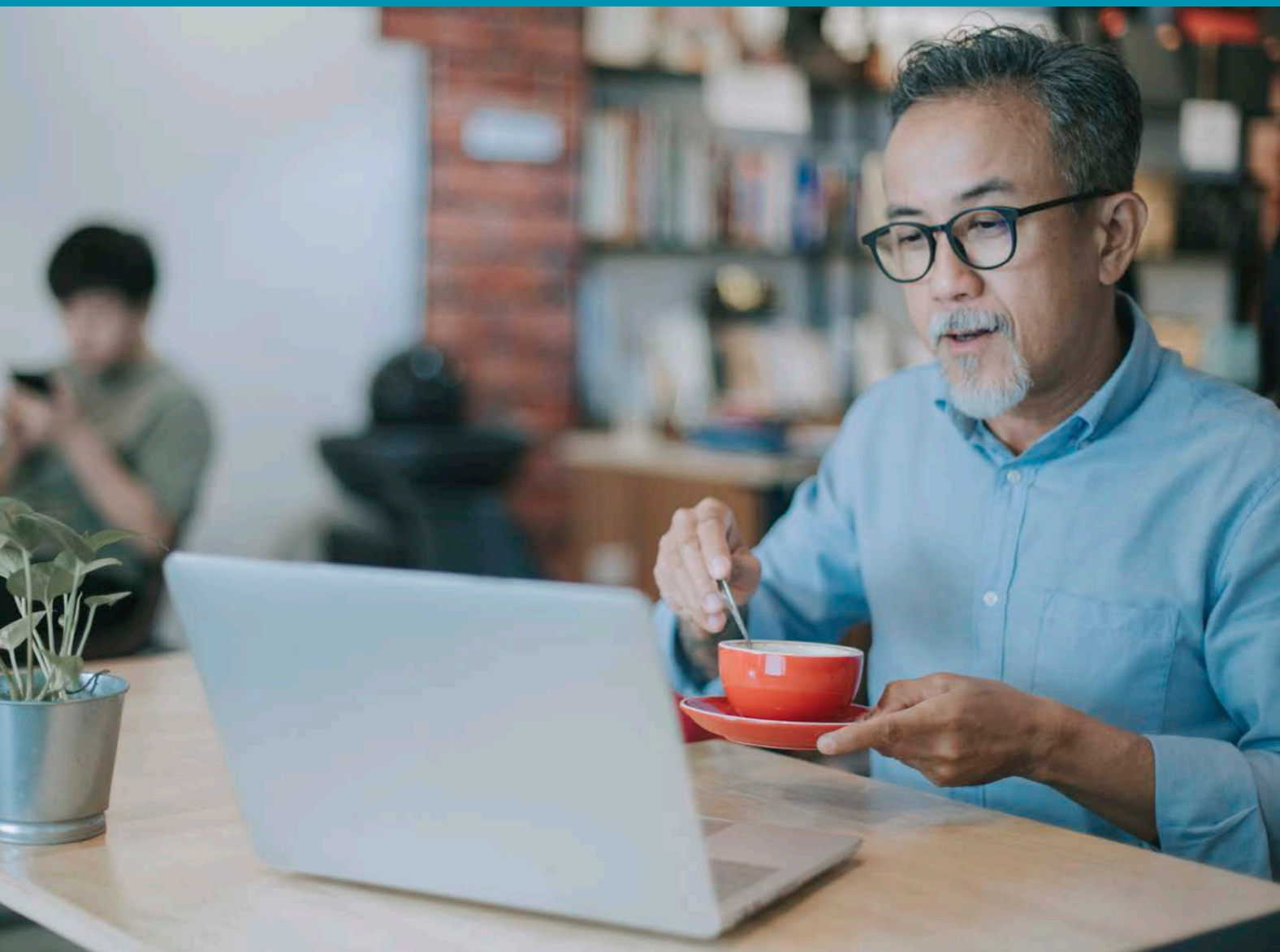
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The Final Piece of the Jigsaw

“The rapid uptake of hub and spoke will be one of the defining changes in how companies manage their workspace. We were doing it for quite a few companies pre-Covid, but demand is now exploding”

Mark Dixon, Founder and Chief Executive, IWG



As well as pondering on where we will live, proponents of the 15-Minute City also need to consider the question of where we will work. As Moreno himself admits, “Not all people have the possibility of having jobs within 15 minutes.” But there is an answer for this.

According to the UK government’s High Streets Task Force, which is looking into the future of British towns, flexible workspaces will be a crucial part of the multifunctional town centre of the future, post-pandemic: **“We were seeing a demand for flexible workspace before the advent of Covid but, as more workers work primarily from home, it is likely that this will become a more important constituent of our town centres,”** it says in an overview entitled The Changing High Street.

Hybrid working is now generally accepted to be the primary model for the future of work. New research by IWG has found that three times the number of FTSE 250 companies are currently looking to use a hybrid model compared to those

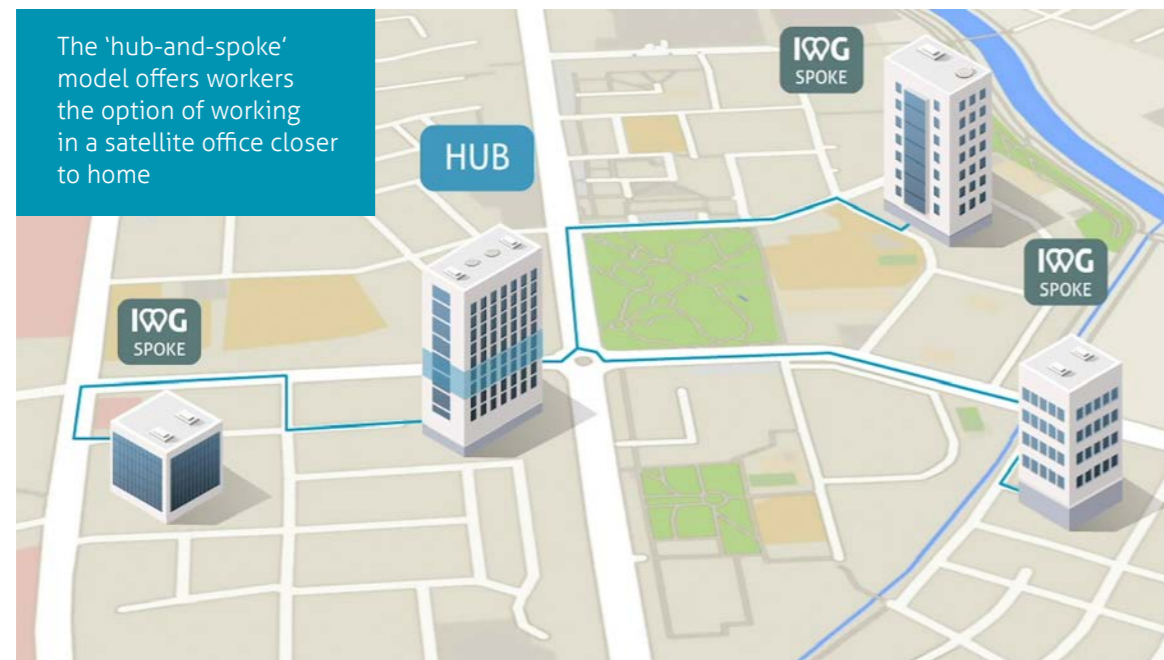
intending to carry on in the same way as pre-pandemic. As a result, businesses are reassessing their office space, with 38% downsizing across the board and 42% looking to either move to or invest in a shared office.

The hybrid working model is often presented in the media in a binary way, as a combination of working from home and in a corporate office. But there is a growing awareness that a third option – working from a workspace close to home – is an important third dimension of the hybrid model. The Welsh government in particular has been taking the lead in this area, saying it wants to give workers more flexibility to work remotely. It is currently exploring the development of a network of community-based working spaces within walking or cycling distance of people’s homes that could be used by public, private and third-sector employees. “Allowing more staff to work remotely will be a key contributor to our carbon reduction aims and result in a fairer distribution of jobs across Wales,” says a spokesperson.

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Welsh government spokesperson





At the corporate level, many FTSE 250 organisations in the UK are moving to a more decentralised structure, operating with a 'hub-and-spoke' model, which offers workers the option of working in a satellite office closer to home. For example, several of the UK's biggest banks have announced plans to use part of their underused high street branches as local facilities for flexible working for their staff.

And it makes good financial sense. As Mark Dixon puts it, "Why should companies go to the expense of providing prestige office accommodation in city centres, when their people have been proven in recent months to be just as effective and productive elsewhere – not just at home, but also in offices 'around the corner'?"

For companies looking to invest in flexible satellite workspaces, the hub-and-spoke model can save money on fixed real estate costs while still allowing employees to work in a modern, professional and well-equipped setting, not to mention the environmental benefits. In March, IWG penned its largest ever deal, with Nippon Telegraph and Telephone Corporation (NTT), for its 300,000 employees to work from any of IWG's 3,500 workspaces globally. NTT is also developing an app that lets workers know in which offices close to their home they will find their colleagues working.

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The announcement followed a number of similar large enterprise deals made by IWG, including one with Standard Chartered for its 95,000 employees. "We hope this partnership will provide suitable alternatives to working from home and from the office, enabling our employees to work closer to clients, colleagues and their teams, as well as reducing commute time, travel costs and our individual and collective carbon footprint," said Standard Chartered's Chief Financial Officer Andy Halford.

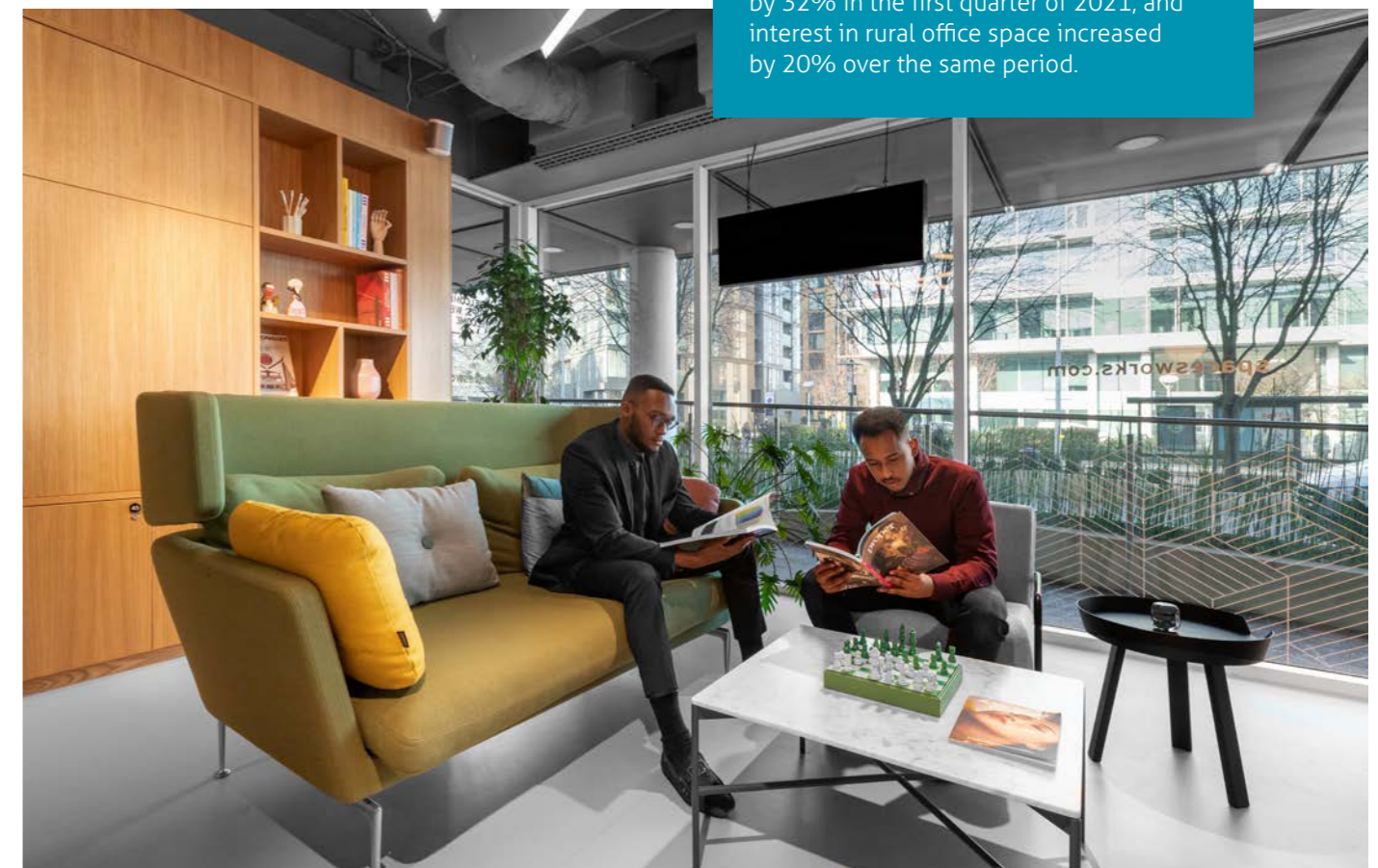
There's also an added benefit to companies that comes from the ability to tap into new pools of talent, such as freelance workers and local business clusters. Meanwhile, local economies benefit from an uptick in employment, as well as from the retention of employee salaries within the community.

And companies clearly understand that their future lies closer to their employees' homes. According to IWG's research, almost half (49%) of businesses are considering moving to areas where their workforces typically live.

GROWTH IN LONDON'S OUTSKIRTS

IWG's workspaces outside London's orbital M25 motorway have surged in popularity during the pandemic, with towns on the outskirts of the capital emerging as working 'hot spots'. In the past few months, demand for space in Uxbridge has grown by 175%, with big leaps also seen in High Wycombe (52%) and Hayes (24%). In contrast, demand for space in the City of London has dropped 26%.

"People want to work close to where they live," says Mark Dixon. "It's going to stick. The most valuable real estate in the world may well be in Gerrards Cross [a Buckinghamshire town just beyond the M25], not Central London." In the last two years, almost all new IWG centres have been opened in non-city environments and regions away from major urban areas. Compared to pre-pandemic, demand for IWG office space in suburban areas rose by 32% in the first quarter of 2021, and interest in rural office space increased by 20% over the same period.



HOW FLEXIBLE WORKSPACE CREATES JOBS...

01

Temporary jobs are created to fit-out existing office space and ready it for its new role as a flexible workspace.

02

Permanent jobs are created to run the space, including receptionists, cleaners, maintenance and security staff.

03

Jobs are attached to the businesses that occupy the flexspace.



...AND HOW IT TRANSFORMS LOCAL ECONOMIES

In 2019, IWG forecast that over the next 10 years local economies were set to benefit from £12bn as a result of the growth in hybrid work patterns. **"The pandemic has not only accelerated this trend but almost certainly increased that figure,"** says Mark Dixon.



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The 15-Minute Commute

"We need to have great flexible workspaces available within a 15-minute circle of where people want to be. There's tremendous opportunity for entrepreneurs, because suddenly people aren't emptying out of the neighbourhood and going into the city for 12 hours of the day"

Doug Demers, Senior Managing Principal at B+H



The hub-and-spoke flexible workspace model is the final part of the equation to enable a new work paradigm that IWG has labelled the '15-Minute Commute'. The increasing willingness of companies to allow their employees to work flexibly within their local communities means that workers can say goodbye to long commutes and say hello to a working day that fits seamlessly into a local ecosystem catering for all of their needs.

Earlier this year IWG collaborated with the Advance Strategy Practice of global design and consulting firm B+H, to get a sense of what the world of the 15-Minute Commute might look like. As B+H put it, it was an opportunity to examine "what we should have already had in our future".

The theme of 'repurposeful space' emerged strongly, in terms of how local areas could be repurposed to accommodate a walkable footprint, including green spaces and inter-connecting

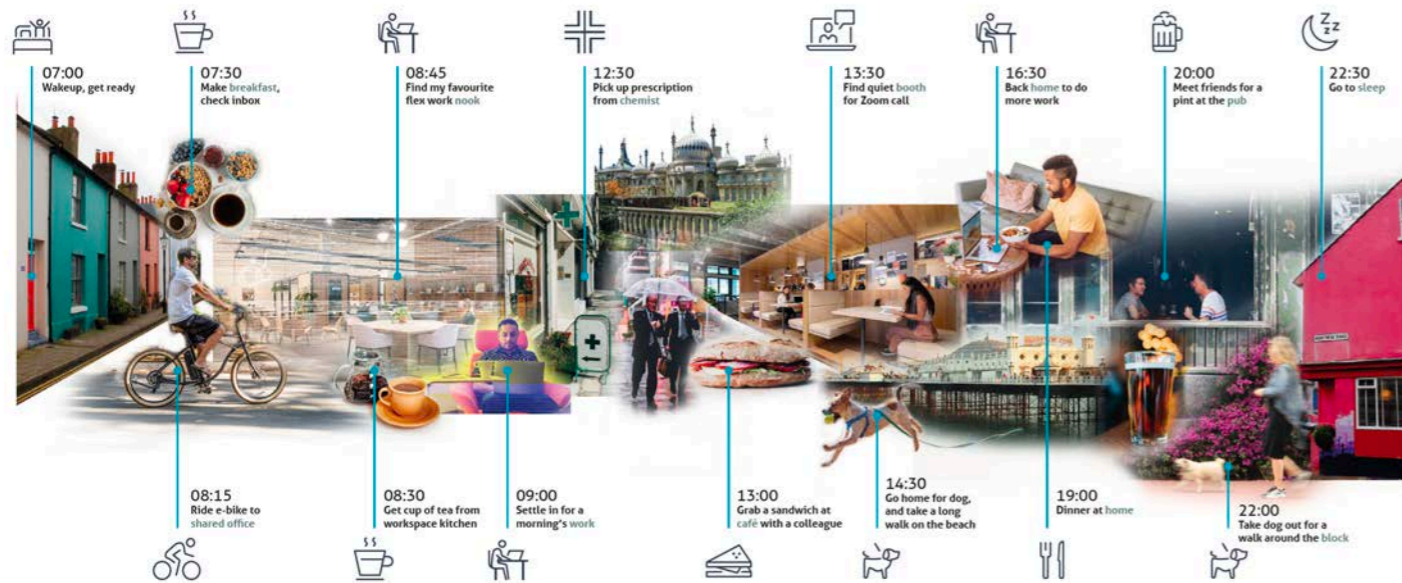
cultural hubs. Key disruptive trends that would impact the future of work were also discussed. Chief among them was the 'Suburban Resurgence' that is seeing both residents and retailers trade in urban locales for the relative security, savings and space of the suburbs. Other key disruptors include 'Shifting Societal Priorities', which allow for the need to empower all individuals equally in society, as well as an increasing desire for 'Real Life Experiences' as opposed to virtual ones.

B+H created a 'City Mind Map' to show how the concept of the 15-Minute Commute is part of an intersecting system that incorporates work, play, eating, wellbeing, shopping, learning and contributing to society.

And this isn't just pie in the sky. Changes are already happening, says Jill Jago, Director of the Advance Strategy Practice, who is currently working with a community bank in Seattle that's planning a new headquarters building.

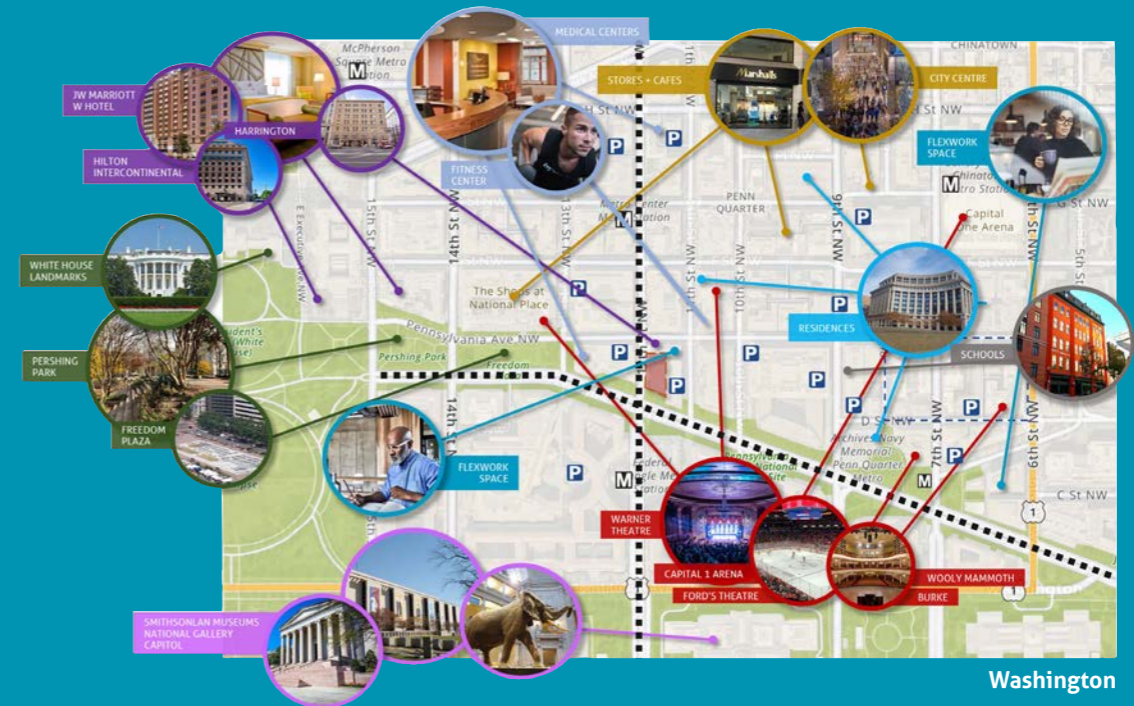
SUBURBAN RESURGENCE

The 15-Minute Commute is part of an intersecting system that incorporates work, play, eating, wellbeing, shopping, learning and contributing to society



B+H ENVISIONED THE 15-MINUTE COMMUTE CONCEPT IN WASHINGTON, D.C. AND BRIGHTON, ENGLAND

"People want access to amenities and services that you naturally need during a working day, but other things are becoming increasingly important such as green spaces, places to collaborate or hubs to meet and work with colleagues locally"



Washington



Brighton

"But what should that headquarters be?"

asks Jago. "Is it office space or is it more of a community amenity space? They're in a small community where a lot of housing is going up but there currently aren't many amenities. So, rather than a conventional HQ, does the bank invest in creating a yoga studio space and a community centre and restaurants for lease, with their workspace as just a small part of it? These are the kinds of questions we're actually looking at with clients right now."

According to Doug Demers, Senior Managing Principal at B+H, we are likely to look back on the coronavirus pandemic and see it as the catalyst that set this revolution in motion. **"People may have discovered their local restaurants recently during lockdown, but they're going to want more,"** he says. "For example, we need to have great flexible workspaces available within this 15-minute circle of where people want to be. There's tremendous opportunity for entrepreneurs, because suddenly people aren't emptying out of the neighbourhood and going into the city for 12 hours of the day."

"Very soon, the concept of the long work commute will be completely alien," says Mark Dixon. "The idea that every morning office workers wake early, jump into polluting cars and overcrowded trains, and travel many miles to their place of work will seem incredible. In the near future, we believe that there will be a professional workspace available everywhere – from the largest city to the smallest village. This transformation will unlock unprecedented value for workers, businesses and local economies, while providing an important contribution to improving the environment."

"With people working locally, local amenities and retail outlets will receive a boost and new jobs will be created to service a national network of workspaces. Work/life balance will improve, making people more productive and healthier. And with travel reduced, carbon emissions will fall and cities will see far less congestion. Meanwhile, local communities will thrive as investment floods in for new infrastructure and facilities. That is the world of the 15-Minute Commute."



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