

CORE CITIES GROUP

2006

ANNUAL  
REVIEW





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# CORE CITIES SUMMIT 2007 – NOTTINGHAM

## SUSTAINABLE CITIES – DELIVERING SUCCESS

**This year’s Summit, to be held in Nottingham on 7 and 8 November, will receive a key-note address from Hazel Blears MP, Secretary of State for Communities and Local Government. Other speakers will include ministers and senior figures, chief executives and leaders from the Core Cities, Government and the private sector.**

**The Core Cities Summit 2007 has long been heralded as the most significant urban policy forum of the year. The rescheduling of the event from June to November provides the perfect platform to openly debate the key issues arising from the Sub-National Review and showcase the culmination of a number of key work streams which the Core Cities have developed closely with Government.**

**As the only conference since the publication of the Sub-National Review to be structured around its implications for cities, delegates can look forward to significant input from Government, key commentators and the academic and business communities along with the chance to further shape its implementation.**

**The Summit will be Hazel Blears’ first address to the leaders of the country’s major cities since taking up office under Gordon Brown in June. She’ll set out her vision within the framework of the Sub-National Review. Plenary, workshop and fringe sessions over the two days will then cover the hot topics for the implementation of the Review’s recommendations and place within the context of environmental and economic sustainability.**

**■ To find out more or register, visit [www.glasgows.co.uk/corecities/](http://www.glasgows.co.uk/corecities/)**

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# FOREWORD: COLLABORATION DELIVERS A DECADE OF PROGRESS

*Chris Murray,  
Director,  
Core Cities Group*

As we move in to the party conference season 2007, and the end of my first year as Director of the Core Cities' Group, it is interesting to reflect on 12 months of significant progress in our agenda, and on the changes that are likely in the coming year.

I have been greatly impressed by the truly collaborative nature of the Group and its ability to work across boundaries of any kind where there are common issues and goals. When the cities all speak with one voice it sends out a powerful message, and what we are saying should be taken seriously.

The Core Cities Group – a cross-party as well as cross-city alliance – has forged more than a decade of effective collaboration. The priority now being placed on cities and city regions in economic policy owes a debt to the long-standing work of this group, as well as others. But now, perhaps more than at any other point in the last ten years, we are witnessing a recognition, increasingly reflected in national policy, that devolution needs to occur to cities and city regions if we are to improve and accelerate our economic performance regionally and nationally.

The Lyons Inquiry into Local Government (Department for Communities and Local Government (DCLG) and HM Treasury (HMT) 2007), the Draft Local Transport Bill (Department for Transport (DfT) 2007), the Draft Climate Change Bill (Department for Environment, Food and Rural Affairs (DEFRA) 2007), the Planning White Paper Planning for a Sustainable Future (DCLG 2007), the Energy White Paper Meeting the Energy Challenge (Department for Trade and Industry (DTI) 2007) and the Housing Green Paper Homes for the Future (DCLG 2007) all discuss the potential for devolution and empowerment of local authorities individually, and collectively within city regions.

The Sub-National Review of Economic Development and Regeneration (HMT, Department for Business, Enterprise and Regulatory Reform (DBERR) and DCLG 2007) makes proposals for restructuring regional

architecture and for devolution that potentially could do more to empower our cities to act than any other single piece of recent policy. The review also makes proposals for simplification and alignment of strategic roles and responsibilities; something that is welcomed by the Core Cities.

But the implementation of this and other policy is a complex process, where broad thrusts and ideas must be translated into workable detail and be meaningfully implemented. The Core Cities Group sees itself very much as a delivery partner with Government and its agencies in this respect, and not simply as a lobby group. We have worked closely with Government – and others like the regional development agencies – on elements of these policies, bringing delivery experience to the table in a positive and helpful way.

The leaders of the Core Cities have agreed a set of eight priorities for the group's work, under the umbrella theme of economic development. Eight work streams have recently been structured around these: Transport and Connectivity; Innovation and Business Support; Skills and Employment; Sustainable Communities; Culture and Creative Industries; Climate Change; Finance and Industry; and Governance and Partnerships.

Through these work streams we are able to tap in to the considerable expertise and experience in each of the Cities, as well as drawing in partners from other sectors and agencies. This allows us to engage effectively with Whitehall at a senior level on issues of common interest and to quickly mobilise capacity in the Cities to do so.

This has enabled a genuine and highly productive partnership to develop with Whitehall and its agencies, as partners with common goals for accelerated economic growth that translates into increased social cohesion and inclusion. As we move into the next 12-month period, our aim is to work increasingly in this structured way to influence, yes, but also to support and add value to the delivery of proposals that will see continued economic growth for all our communities.



# INTRODUCTION

## CORE CITIES – ENGLAND'S POWERHOUSES

England's major regional cities, each the economic and urban core of a wider city region, are powerful drivers of regional and national economic growth. Together, the eight cities of Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle, Nottingham and Sheffield make up the Core Cities Group, which is working to shape our cities for the future.

Established in 1995, the Core Cities Group collectively demonstrate the critical economic role played by cities. They are major centres of business and wealth creation that in turn power the economy of the surrounding region. They sit at the heart of travel networks, surrounded by towns and rural areas that are economically dependent on each other and across which people travel to and from work; functional economic areas that have developed city region partnerships to work across boundaries.

To deliver a shared agenda of economic growth, the Core Cities need greater local financial control and the ability to plan and set investment priorities in a more co-ordinated way, across administrative boundaries and over longer periods. This will enable both the Cities and their city regions to grow their economies. We know from robust and growing evidence from Europe and elsewhere that, in the 21st Century, the most successful places will be those that can organise in this way with an increasing ability to self determine devolved to them.

The Core Cities have developed long-term partnerships with Government, national and regional agencies and other key stakeholders to achieve this control. We are working in collaboration to ensure that national and regional policy and delivery that affects cities takes full account of on-the-ground realities. We want to provide practical and successful solutions to

accelerate economic growth and to translate this into increased social cohesion.

The Core Cities work in partnership towards enhancing the economic performance of each city. Real advances are being made within a highly competitive international market, increasing their comparative standing and – in different ways – securing positive identities as places to live, work, visit and do business.

Leadership across the Cities represents all three major political parties. It is a self-selected and self-funded group. The Leaders and Chief Executives of the eight city councils set the agenda and oversee delivery, with each group meeting quarterly to push the programme forward.

### Core Cities work streams

The Group has created an organisational structure of eight strategic work streams to focus on major issues that affect economic competitiveness, and bring together expertise from each of the Cities. There are 'lead' and 'support' Cities for each theme, but all the Cities participate in all the working groups that deliver the work stream action plans.

- 1 Transport and Connectivity**
- 2 Innovation and Business Support**
- 3 Skills and Employment**
- 4 Sustainable Communities**
- 5 Culture and Creative Industries**
- 6 Climate Change**
- 7 Finance and Industry**
- 8 Governance and Partnerships**



*Sir Richard Leese,  
Leader, Manchester City  
Council at Core Cities  
Summit 2006*

## CORE CITIES SUMMIT 2006 – BRISTOL

### DELIVERING A NEW DEAL FOR CITIES

Last year's Core Cities Summit, held in Bristol at the end of June, came at a crucial time for cities, in the run-up to the Local Government White Paper. In one of her first public engagements as Secretary of State for DCLG, Ruth Kelly MP gave a keynote speech to the Summit in support of the case for devolution to cities. "Once you begin the process of devolution and people see that it works, a new political dynamic is created that favours further devolution, as has happened in London," she said.

The speech was followed by the launch of the Shared Platform of the Core Cities and London by Manchester City Council Leader Sir Richard Leese and Mayor of London, Ken Livingstone. The Shared Platform emphasised the vital role of major cities and called for additional powers to be devolved to city regions.

The Summit brought together stakeholders from the cities, as well as Government, and regional and national organisations, to reinforce Core Cities' commitment to accelerating economic and social progress and strengthening Britain's international competitiveness. Debate focused on progressing common themes and proposals highlighted in the business cases the cities have submitted to Government.

The Summit also saw government and the cities continuing the dialogue on a range of key issues including leadership and governance of cities and city regions; growth and building sustainable communities; employment and skills; transport; and enterprise and innovation.

A closing keynote speech was made by John Healey MP, then Financial Secretary to the Treasury, who confirmed that the Treasury was interested in improving economic policy and exploring the economic role of regions, cities and local authorities.

■ For a full report of the 2006 Core Cities Summit go to [www.corecities.com](http://www.corecities.com)



*John Healey MP addressing the Summit 2006*



*Councillor John Shipley OBE, Leader, Newcastle City Council, addresses the Liberal Democrat Party Conference 2006*



*Caroline Spelman MP at the Core Cities Fringe event, Conservative Party Conference 2006*



# TRANSPORT AND CONNECTIVITY WORK STREAM – LEEDS

## MAKING THE RIGHT CONNECTIONS

The aim of the transport work stream is to ensure that transport policy supports the continued economic growth of the Core Cities and their city regions. The work stream is led by Leeds with support from Liverpool and Bristol.

The Transport Group aims to gain increased influence for the Core Cities in setting regional and national transport priorities and making investment decisions. The group's remit is also to work with Government to identify opportunities for greater self-determination over transport for cities and city regions. It aims to develop practical solutions to issues such as demand management within the Core Cities.

Jean Dent, Director of City Development for Leeds City Council, explains: "Transport policy is one of the key priorities for Leeds and the other Core Cities in terms of unlocking the economic potential of the cities and their city regions." She says there is a clear need for flexible decision making arrangements to be devolved to the most appropriate level. "The Core Cities Transport Group is committed to working closely with Government and other key agencies to ensure transport planning reflects the functional economies of the Core Cities," adds Ms Dent.

In the past year the group has achieved considerable success in meeting with representatives from Government, including MPs Karen Buck and Gillian Merron, to discuss issues affecting the Core Cities.

Over the next year the group will be working closely with the Core Cities Director to assess the impact of new policies and legislation, such as the Local Transport Bill. It also plans to convene a series of meetings with senior representatives from the Department for Transport (DfT) and other key agencies, building on the positive relationships already established.

The Transport Group will open a dialogue with key stakeholders to agree a portfolio of common interests and identify opportunities for joint working between the Cities, as well as developing and pursuing specific proposals on transport issues.



### SUMMIT 2007 – GET INVOLVED

The Transport and Connectivity Group will be contributing to the debates at the Core Cities Summit 2007. It has scheduled a break-out session focusing on what the Core Cities need in terms of transport enabling measures, to ensure transport planning is integrated and supports the continued economic growth of the Core Cities.



# 2

## INNOVATION AND BUSINESS SUPPORT WORK STREAM – LIVERPOOL

### BUSINESS AT THE CUTTING EDGE

Innovation is vital to the success of the UK economy, and the Core Cities – hothouses of innovation and science – are central to that success. The Core Cities Innovation and Business Support Work Stream, led by Liverpool (the support Cities are Nottingham, Newcastle and Sheffield) aims to influence Government thinking on innovation and business support so that the Cities and city regions can rise to the challenge of globalisation and drive forward the UK's success in wealth creation and innovation policy making.

The Innovation and Business Support Group has already met with the new DBERR, which has now committed to regular meetings with the group. DBERR is keen to work on the evidence base at city region level with the Core Cities. Following the new Cabinet announcements, the group has also set up two further general meetings with civil servants from DBERR and the newly formed Department for Innovation, Universities and Skills (DIUS).

A scoping exercise to develop a joint project to better understand the local innovation 'eco systems' needed to exploit research and development is also planned with help from the Innovation Group. Colleagues within the DBERR working on low carbon initiatives will collaborate with the Core Cities around climate change and a Joint Commitment with DEFRA.

Liverpool also sits on the Business Support Simplification Programme (BSSP) steering group and the delivery sub-group, representing the Core Cities. It is recognised that Business Link, as the primary access channel for business support, still needs to be developed with proper consultation with local authorities as well as at the regional level.

The Innovation and Business Support Group's general agenda also includes:

- Working with DBERR and HMT to develop an evidence base for innovation policy, particularly in light of the Cox Review on Creativity in Business, and the Sainsbury Review on Science and Innovation.
- Gaining commitment from DBERR to support the Core Cities as leading centres of innovation, as part of a more spatially aware approach to detailed long-term investment priorities for science and innovation.
- Working with the regional development agencies and Government to ensure Core Cities and city regions are at the heart of their innovation and economic development policies
- Following the Stern Review work, developing stronger collaboration between Government, the Core Cities and the private sector on research development and deployment of low carbon technologies.
- Drawing on models developed through the COMPETE Programme, to benchmark against EU competitors to determine whether regional economic performance targets are fit for purpose
- Working with Government and the Core Cities Skills and Employment Group to develop a clearer relationship between innovation and the demand for skills, to determine how they interrelate with each other to drive productivity

### SUMMIT 2007 – GET INVOLVED

At this year's summit the Innovation and Business Support Group will be showcasing a range of best-practice and delivery models designed to encourage innovation and promote effective business support.





# 3 SKILLS AND EMPLOYMENT WORK STREAM – MANCHESTER

**SUMMIT 2007 – GET INVOLVED**  
This year's Core Cities Summit provides further opportunity to discuss these and other skills and employment issues. A workshop session on Skills and Employment will be chaired by a private sector representative, with presentations on strategic and local issues. There will also be an opportunity to discuss Core Cities' wider relationships, including: future collaborative potential on the implementation of Leitch, for example within the Skills for Jobs and Train to Gain programmes; Core Cities' leadership role as employers in communities; and the potential for joint representation on common skills issues between Core Cities, LSC and other agencies such as the RDAs.

## SKILLS FOR SUCCESS

Rapidly changing and growing economies create a challenge for the Core Cities to ensure there are enough people, with the right skills, to meet employers' demands. As our economies continue to restructure we also have a responsibility to ensure people are not left behind. Skills and employment are key issues for the Core Cities, especially because, as well as being centres for much of England's new knowledge economy, they are also home to large populations with no or low skills. Led by Manchester with support from Liverpool, this work stream aims to collectively tackle these issues.

Recent reports by Leitch and Freud will have a major impact on the employment and skills agendas in the UK, and Core Cities recognise that full account must be taken of the particular needs and opportunities presented by England's major regional cities. The move to a more employer-led system of commissioning skills training, for instance, will have implications in high unemployment areas. The creation of the new Department for Children, Schools and Families (DCSF), and the Department for Innovation, Universities and Skills (DIUS), will also present new opportunities for Core Cities.

The Core Cities have therefore convened a Skills and Employment Group this year, to highlight specific areas for action where the Core Cities can work together to both share best practice and make common cause. The Skills and Employment Group's first priority is to work with key Government departments and national skills and employment agencies.

Most of the Core Cities have City Employment Strategies to focus on worklessness in their areas and many are joint strategies with neighbouring authorities. There is plenty of scope to share best practice and ways of working.

Skills and Employment Boards are proposed by Leitch as an answer to some of the questions

on commissioning, employer engagement and accountability. Similar boards have been operating in some of the Core Cities for some time now, with some successes but also many challenges. We need to capture these properly to inform future work with these boards, whether at city or city region level.

One key partner agency is the Learning and Skills Council (LSC); we are meeting regularly and undertaking joint activity to create more fit for purpose working relationships at the national and regional levels. Job Centre Plus is another partner that we intend to work with in the coming months.

We are working positively to ensure a flexible framework for skills that reflects the different regional and sub-regional economic geographies and arrangements, as well as working closely with the Regional Development Agencies (RDAs) will be vital to successful delivery.

Flexible resources like Neighbourhood Renewal Funding, which is focused on deprived areas, are often used to engage people through adult and community learning in the Core Cities and we need to ensure Government and others are aware of the importance of continuity of both flexible and mainstream funding for these kinds of activities.

Inward migration to cities from the EU states is having an increasingly significant impact on skills and employment markets in the Core Cities, changing our skills profile across the board, increasing competition for jobs in some sectors and affecting community cohesion. We can learn from each others' experiences of how best to manage this impact.

## 4

SUSTAINABLE COMMUNITIES  
WORK STREAM – BRISTOLCOMMUNITIES FOR  
OUR FUTURE

The Core Cities have driven progress towards sustainable communities over the past decade, creating desirable urban environments where people choose to live, work and spend leisure time. High-quality public spaces, large-scale regeneration, and new approaches to housing and cultural facilities are all taking shape in England's Core Cities.

But the Sustainable Communities Work Stream, led by Bristol with support from Birmingham, recognises that there is still a great deal to do.

Key challenges for sustainable communities include:

- Creating an appropriate balance of housing, employment, leisure and other facilities
- Ensuring quality through design when there is pressure on the pace of delivery
- Achieving densification whilst maintaining a high quality of life
- Securing an adequate supply of affordable, mixed-tenure housing
- Funding and integrating infrastructure planning and delivery
- Improving the range and effectiveness of delivery vehicles
- Aligning strategies and plans at an appropriate spatial level
- Creating positive working relationships with private sector developers
- Anticipating and adapting to sustainability issues and climate change
- Specific issues relating to those Core Cities identified as New Growth Points and Housing Market Renewal Pathfinders.

The Sustainable Communities Work Stream plans to take these issues forward by working with both public and private sector partners, including regional

organisations and the new agency that merges the Housing Corporation, English Partnerships and some other functions. The group's initial tasks will include a scoping exercise to understand and clarify the Cities' key messages about sustainable communities and preparing a response to the recent White Paper, Planning for a Sustainable Future.

**Core Cities Housing Group**

Kicking off the Sustainable Communities Work Stream was the relaunch of the Core Cities Housing Group in Bristol in March. Discussion at the first meeting centred on the housing market and homelessness, and how Core Cities' members will work with the new Housing Corporation/English Partnerships successor to address issues.

**Sustainable Communities in the Core Cities**

The Core Cities contain prosperous areas that enjoy a high quality of life and that are forecast to grow considerably over coming years. However, not all Core Cities' communities share in their City's wealth, with many neighbourhoods identified as among the most deprived in the country. Growth also brings other challenges such as high house prices, congestion and skills shortages.

The Core Cities aim to improve the long-term management of growth to develop sustainable communities. Through the Core Cities Group we hope to share our ideas on achieving this, further our working relationships with key partners, and promote urban living as the key to future sustainable communities.

**SUMMIT  
2007 – GET  
INVOLVED**

Exploring the question of how to create truly sustainable places, Sustainable Cities: Challenge the Experts is a fringe event scheduled for this year's summit. Delegates will be able to quiz experts including senior representatives from the Commission for Architecture & the Built Environment (CABE), the Housing Corporation, English Partnerships and English Heritage. And just to keep them on their toes, each expert will be paired with a friendly challenger, briefed to ask probing questions about how principles can be translated into practice.



# 5

## CULTURE AND CREATIVE INDUSTRIES WORK STREAM – NOTTINGHAM

### CULTURAL HEARTLANDS

Building on the research carried out by the Culture Working Group, this work stream will develop a strong relationship with the creative industries sector. Nottingham, which leads the work stream with support from Newcastle, has also established a new post to drive the development of this work stream.

Proposals are under way for a number of events including a seminar which will bring together major cultural non-departmental bodies with the Core Cities partners, and for potential activities to support the European Year of Intercultural Dialogue, 2008.

This work will be based on three main priorities:

#### Culture and creative industries consultation

Focusing on the consultation document, *Staying Ahead: the Economic Performance of the UK Creative Industries*, produced by the Work Foundation for the Department for Culture, Media and Sport (DCMS), our response will raise awareness of the potential of the creative industries sector in the Core Cities and of its growing value.

The response will explore the best way of investing human and financial resources to develop this sector and make it innovative and competitive at national and international level. It will also examine the importance of creating contacts and co-operation between the creative sector and businesses for achieving innovation, entrepreneurship and consequently economic growth.

The influence at European level has been underlined by the document *Communication on a European Agenda for Culture in a Globalising World*, launched by the EU Commission in May. The group will also look at the possibility of linking the Core Cities with other European creative sector networks

such as the Eurocities and UNESCO Creative Industries Networks.

#### Culture and community cohesion

The EU Commission has declared 2008 the European Year of Intercultural Dialogue. Promoting cultural diversity will be a fundamental aim for cities, encouraging integration, interaction and shared values between inhabitants.

The Core Cities will examine sharing best practice to promote inter-cultural dialogue within the network, underlining future benefits and outcomes that would be seen as fundamental for the increase of cities' prosperity and cultural and economic life. The working group also recognises the need to engage young people in the cultural and creative sector within the Core Cities network and is looking at initiatives to achieve this.

#### Growing culture and creativity

We also aim to bring together major cultural non-departmental public bodies together with Core Cities' representatives and Government for discussion. On the agenda will be the issues of: cultural investment in the Core Cities; how we can better understand the links between this and the creative industries; and the potential for alternative additional resourcing.



# 6

## CLIMATE CHANGE WORK STREAM – NEWCASTLE

### SETTING THE GREEN AGENDA

Established in 2006, the Climate Change Working Group was set up to support climate change mitigation and adaptation strategy and action across all Core Cities' activities. The Group also aims to understand the opportunities, challenges and threats climate change creates in the UK's cities. Building on the Nottingham Declaration made in 2000 it will also address issues that need to be tackled at a local level. Newcastle is taking the lead on climate change, working closely with Sheffield who chair the Working Group and with Bristol as support.

The group has agreed a work plan, which includes a statement of co-operation between the Core Cities and Government, through DEFRA and DCLG.

In January this year the Core Cities leaders and the Minister for Climate Change (then Ian Pearson MP) agreed to create a joint commitment to address climate change. The agreement will be launched at the Core Cities Summit 2007 and will highlight key actions for reducing carbon emissions and adapting to change. Delivery of this commitment will become the main focus of work for the Climate Change Working Group over the coming months.

### Energy Services Companies (ESCOs)

Cities can gain more responsibility and control over resource-efficient, low and zero-carbon energy services in their areas by setting up ESCOs. The idea is not a new one – Birmingham already has an ESCO – but we want to review the potential for further ESCOs in Core Cities jointly with Government. The review will explore potential markets, types of services, and cost benefits of joint working arrangements.

Review partners will include DEFRA, DCLG, the Carbon Trust, Energy Savings Trust and the World Wildlife Fund as part of their One Planet Living campaign, launched in June 2007.

### Economic development and climate change

The Stern Review outlined the impacts and opportunities of climate change on the global economy. As major regional cities we are large value creators and energy consumers and we need to fully understand the impact that economic development is having on climate change and the likely impacts of global warming on our economic development. It's important that climate change is placed at the heart of strategic planning if we are to achieve an integrated approach to addressing it and the Group will explore the local economic impacts and opportunities presented by climate change.

### Benchmarking with UK and European Cities

It is important to benchmark the Core Cities on key climate change indicators against other cities in Europe and the UK. Benchmarking will help to show the progress that we are making towards the Nottingham Declaration and the joint work with DEFRA and others, but it will also highlight cities that are performing well in particular areas so that we can share best practice and learn from their experiences.

There is no established methodology in place however, and DEFRA is likely to require performance data on carbon emissions as part of the performance assessment process for local authorities.

We are working to help shape proposals for benchmarking from Government. Key indicators and data from each Core City are currently being collated, and benchmarking against other appropriate cities will take place before the end of 2007. This will then be measured in subsequent years to gauge ongoing progress.

### SUMMIT 2007 – GET INVOLVED

The relationship between economic development and climate change is one of the key areas under discussion at a plenary session at this year's Core Cities Summit.



### Strategic links with other partners and key stakeholders

Climate change is an area that the Core Cities network cannot address without working closely with a wide range of partners and our local communities. The working group continues to develop links with a range of organisations in relation to the priority areas of work. They include the DCLG; the Local Government Climate Change Commission; the World Wildlife Fund; the Commission for Architecture and the Built Environment (CABE); the Carbon Trust and the UK Climate Impacts Programme.





## FINANCE AND INDUSTRY WORK STREAM – SHEFFIELD

### GETTING DOWN TO BUSINESS

Strengthening financial devolution and promoting economic growth are the dual goals of the Finance and Industry Work Stream and the group is working closely with Government to achieve them. It plans to increase long-term financial opportunities and freedoms for local authorities, and improve the engagement of business in ensuring resources are targeted to achieve common objectives.

The work stream is being led by Sheffield supported by Leeds and the Core Cities Treasurer's Group. It aims to influence Government proposals and further work arising from the Local Government White Paper, the Sub-National Review of Economic Development, the Lyons Inquiry and the 2007 Comprehensive Spending Review.

The work stream will take the initiative and show leadership by working jointly with DCLG and other Government departments to bring practical delivery proposals to the table. The work stream hopes to make progress by developing new models of financial freedoms and incentives to stimulate growth, and by demonstrating their practical effectiveness.

The group recognises the importance of showcasing a range of delivery proposals that effectively engage the private sector and local business. Continued work will provide an evidence base on financial incentives and flexibilities that will become a resource for ongoing dialogue with Government and relevant economic development agencies. Three current strands of activity are being explored.

### Innovative financing mechanisms

Following the Lyons Inquiry Final Report and its recommendations for Supplementary Business Rates, the Group is commissioning work to understand what the benefits and challenges of this approach might be and also to explore a range of other possible alternative financing mechanisms, particularly to fund major infrastructure projects. The work will concentrate on providing robust and reliable evidence for any case it makes.

The views of the business sector as well as central Government are important in taking this work forward.

### Influencing the Local Authority Business Growth Incentive Scheme (LABGI)

The work stream will respond to, and influence, all the relevant consultations and decision-making relating to the future of LABGI and other schemes that seek to stimulate economic growth in local authority areas.

### Exploring the role of local asset-backed vehicles and local investment vehicles

The work stream will take stock of current thinking for each of the Core Cities towards local asset backed vehicles and local investment vehicles in order to assess the prerequisites for success and encourage a common voice where needed.

## 8

# GOVERNANCE AND PARTNERSHIPS WORK STREAM – BIRMINGHAM

## LEADING THE WAY

The policy agenda established by the Core Cities to boost their global competitiveness – reflected in the work stream priority areas – includes making the case for taking these issues forward through city region partnerships, which are now well established in each of the Core City areas.

Core Cities believe the key to success is to ensure programmes for transport, skills, housing and so on are fully integrated at the city region level through governance arrangements that provide strong leadership but that are also accountable to the local authorities and communities within the city region.

The Governance and Partnerships work stream, led by Birmingham with support from Manchester, has been established to assess what arrangements are needed at the city region level to provide the right leadership, integration and accountability. Drawing on the work of the city region partnerships, which have accumulated considerable experience over recent years of what works and what does not, Core Cities will also be looking to work more closely with the Greater London Authority. Through its international connections, the group is also studying European city regions, which have a strong legacy of co-operation.

This work stream is looking at the role, scope and practicalities of Multi-Area Agreements (MAAs) as an early priority. MAAs are a potentially powerful tool to encourage co-operation, not only among the local authorities within a city region, but also between them, national government and regional institutions. Core Cities and representatives from some city region partnerships have had meetings with Government officials to consider MAAs, and potential models are already beginning to emerge.

We also recognises the need to look in detail, for example, at how Executive Boards are developing in the city region partnerships, how their machinery

and working methods can offer strong leadership and accountability, and can deliver city region growth strategies in an integrated way.

Specific issues to be considered by the governance work stream include the role of a Duty to Co-operate. This will include an exploration of what programmes this Duty might cover, which organisations would need to be party to the Duty, and what the implications are for aligning the strategies and programmes of the organisations involved.

The Governance work stream will also look at the legal status of the city region and the Executive Board. A number of different models are emerging in the city region partnerships, from company status to joint committees.

Another key issue for this work stream is the relationship between the city region and its wider region. City regions are a powerful vehicle for delivering regional strategies, and for ensuring the alignment of investment by regional and local bodies. But we believe in strong cities and strong regions, so at the same time, the city regions must respect the role of regional bodies and those local authorities outside the city region.

Core Cities and the RDAs have established a broad measure of agreement about their respective roles, and have made a joint submission to the Sub National Review on the issue. City regions are developing different models of collaboration with regional institutions within this broad framework.

The Governance work stream will look at the different models being developed to address these issues, share best practice across the city regions, and provide an evidence base to help shape future Government proposals for city regions.

*Young people  
presenting their  
views to the Core  
Cities Summit  
audience, 2006*

## ENGAGING YOUNG PEOPLE

### **SPEAKING OUT FOR A BETTER FUTURE**

Each of the Core Cities believes in involving young people in the decision-making process at a grass-roots level. At this year's Summit in Nottingham the emphasis will be on building a long-term relationship to create maximum impact on the Core Cities' agenda. "We'll be pushing home the message this year that the voices of young people need to be heard and actually listened to," said Jon Rea, engagement officer with Nottingham City Council's children's services.

"The Summit will enable the young delegates to build relationships with Core Cities' groups and we will also be challenging the adult delegates to speak to the young people at the event and get involved. There are many elements of the Core Cities' agenda that are deeply relevant to young people so it's important that we get a commitment and maintain momentum," said Mr Rea.

A key issue raised by young delegates at last year's Summit in Bristol was the lack of representation that causes young people to feel disaffected. Local government needs to talk to young people more and they should also be able to communicate ideas more directly to government rather than through youth parliaments, argued the young delegates. Sixty-five per cent of the young people who attended the Bristol

summit also believed the voting age should be lowered from 18 to 16.

Skills and training are also high on the youth agenda. Not only are university fees and the ensuing debts they cause of great concern, but there were worries that schools are putting too much emphasis on exams and academia rather than the skills students will need for work and real life.

Young people are one of the groups most reliant on public transport. The young delegates pointed out that public transport was expensive and regional variations in ticket pricing unfair. A standard under-16 fare introduced nationally was one of the young delegates' main proposals.

Another priority was the lack of affordable housing available for young people. More than a third of young delegates attending the Bristol Summit said they saw the cost of housing as their main challenge and added that too often they were not consulted about changes to facilities and services, of which they were often the main users.





# COMPETE PROJECT

## PUSHING NEW BOUNDARIES

The Core Cities have been at the centre of a dynamic European network of cities and city regions that aims to share experience and raise urban profiles across national boundaries. Led by Sheffield on behalf of the seven network partners, the UK Core Cities and DCLG, the COMPETE project was set up to encourage major regional cities to become drivers of urban renaissance and economic competitiveness.

Funded through European partnerships programme Interreg III C and DCLG, the project is now drawing to an end, leaving a legacy of policy implications that will shape urban futures.

COMPETE is made up of a series of showcasing and networking events across Europe, and the project is also underpinned by benchmarking data on European cities so that best practice is shared and cities can measure urban competitiveness. Benchmarking also enables cities to identify other places with similar strengths and weaknesses and create opportunities for joint working.

As COMPETE demonstrates, it is the cities that offer a good quality of life, sustainable development and strong communities that are the most successful. Success also depends on strong business investment and retaining a skilled and flexible workforce.


Factors for successful cities include the following.

- Strong leadership and partnership in both private and public sectors are crucial to understanding and exploiting global trends.
- The public sector must determine strategic direction, building confidence in the private sector to increase investment levels and use public funding to pump prime private investment.
- Government's role in managing the potential of cities at different levels and empowering them to find their own place in a competitive globalising world.

- Marketing the city and city region, establishing a brand and image and ensuring buy-in of all partners in promoting the city and its region.
- The importance of social milieu, delivering economic and social programmes together.
- Developing people and skills, particularly in growth sectors.
- Connectivity and investing in infrastructure are critical to make connections between companies, regions and global markets.
- Universities are crucial to development and innovation. The challenge is for us to build world-class universities, as an integrated component of the local economy.
- The role of creative industries in economic competitiveness as well as place-making is critical to urban success.
- Further information at [www.compete-eu.org](http://www.compete-eu.org)

The COMPETE project held its last event in June, presenting the major findings generated by the network and exploring the key themes that should be embraced by the UK to create competitive European cities.

COMPETE will launch the final project report at the Core Cities Summit in Nottingham on 7 and 8 November. For details please visit [www.glasgowscities.co.uk/corecities/](http://www.glasgowscities.co.uk/corecities/)



## Working together: transformational leadership for city growth

To highlight the importance of successful, pragmatic leadership within local authorities, the Core Cities Group in partnership with the Smith Institute have produced a series of essays by the leaders of the eight Core Cities co-authored with leaders from other sectors including industry and higher education. Sir Michael Lyons, Author of the Lyons Review of Local Government, BBC Chairman, and Former Council Chief Executive has provided the foreword for the publication.

Each essay demonstrates the renaissance of the Core Cities in recent years as exciting places to live, work and visit. They also show a new city dynamic at work, centred on partnership working, political consensus and a shared sense of vision and ambition.

However, all the authors acknowledge the difficult challenges facing our major cities. Taken together, this collection offers solutions, from differing perspectives, on how city leadership can meet the challenges of economic success on the one hand, and ensure social inclusion and sustainable communities on the other.

The continued success of our cities is central to narrowing regional divides and improving our overall national competitiveness. All the authors are seeking ways to help pull out all the stops so that the core cities can enjoy the levels of growth we have seen in London and the South East. But, as this monograph makes clear: the core cities want sustainable growth, not more boom and bust. City leaders are offering local solutions alongside national programmes: solutions, as described in this monograph, that celebrate their unique histories and cultures and provide for prosperity and growth, not only for the citizens of the cities themselves, but also for those who live and work in the surrounding areas.

■ For details on how to obtain a copy, please visit [www.corecities.com](http://www.corecities.com).



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