

A brighter future for our towns and cities

A report from the Commission for Underperforming Towns and Cities

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Foreword



Over decades, governments, local authorities and economic development agencies have wrestled with issues of people and place, debating whether to invest in physical or human

capital to facilitate local economic growth. Of course it does not have to be an either/or choice – practitioners working in related fields would advocate a balance of both. What is disturbing is the suggestion it should be neither.

An article in *The Economist* (Britain's Decaying Towns, October 2013) suggested that towns and cities that had consistently underperformed over the past 20-30 years - in spite of high profile regeneration schemes - did not merit any further interventions. "Governments should not try to rescue failing towns", it said. We profoundly disagree.

On behalf of the Institute of Economic Development (IED), I approached the Association of Town and City Management (ATCM), Royal Institution of Chartered Surveyors (RICS) and Royal Town Planning Institute (RTPI) to explore the notion of developing a practitioner-led approach to the challenges faced by our underperforming towns and cities. The response was wholly positive.

This is the first time that leading professional bodies working in economic development and regeneration have offered collective views from people who work in and care about underperforming towns and cities. We came together for two reasons: firstly we believe that these places should be supported to realise their potential and not abandoned; and secondly because no-one else is doing this. There have been informative analysis and studies that touch on aspects of the issues we are seeking to address but, hitherto, no-one has offered practical solutions as to what should be done to support underperforming towns and cities.

The conclusions and recommendations of this work are based purely on professional experience and are not driven by personal, organisational or political agendas. Sadly, it does not contain all of the answers, but it does raise important questions and will help to inform debate on this critical issue.

This report does not include every comment and suggestion made – to do so would dilute key messages and detract from the ideas shared most commonly and the actions believed to be required most urgently to effect substantive change. However, it makes clear that there are things that government and other bodies could and should do to help underperforming places narrow the gaps with more successful towns and cities, including on employment, the scale and resilience of their business base and the extent and quality of public sector job provision.

The underperformance of some of our towns and cities reflects different combinations of complex issues. A one-size-fits-all approach will not provide adequate solutions and there will be a need for government at all levels, as well as other relevant public, private and third sector interests, to play their part in developing, resourcing and delivering bespoke actions.

In an era of austerity, the inevitability of further public expenditure reductions is understood, if not universally agreed with. Nevertheless, there is an important distinction to be drawn between expenditure and investment – and well considered investment in people and the places in which they live and work can generate significant economic and social returns.

The choice is not between people and place – it is between action and inertia. We vote for action.

Keith Burge

Chair, Institute of Economic Development (2010-2014)

1. Terms of reference and method

- 1.1. The main aim of the Commission for Underperforming Towns and Cities was to draw together ideas from a variety of perspectives as to interventions that would improve the economic performance of larger towns/smaller cities (in a sustainable way) and, thereby, improve economic and social outcomes for residents and businesses.
- 1.2. The emphasis was on exploring solutions rather than regurgitating narratives describing the circumstances that prevail in such places. The nature and scale of the challenges have been clearly set out in a variety of studies. Whilst these provide useful context, our mission was to try to come up with suggestions as to how these challenges might be tackled.
- 1.3. Our underlying assumption was that there needs to be a step-change in performance, requiring a fundamental rewiring /re-invention of purpose relating to such places. Whilst potentially useful, any proposals that merely tinker around the edges of these issues are unlikely to have the required impact.
- 1.4. The Commission's work was based largely on a series of round-table discussions across the nations and regions of the UK, involving members of ATCM, IED, RICS and RTPI. These events took place in England (Bristol, Colchester, Leeds, London, Macclesfield, Mansfield and Newcastle), Northern Ireland (Belfast and Cookstown), Scotland (Inverness) and Wales (Barry). In addition, a workshop was held at the IED's National Conference in November 2014 (also involving members of partner organisations). Conscious of the sensitivities of discussing these issues with local authority representatives, a handful were directly approached for confidential telephone discussions.
- 1.5. Collectively, those consulted offer thousands of years of relevant experience across all relevant issues. The time for these voices to be heard is long overdue.

2. So what's the problem?

- 2.1. Some places function well, others do not; some are commercially over-heating, others are frozen solid; some have an evident reason to be somewhere people would choose to live; and others lost their fundamental purpose some time in the last century. So what on earth do we do with those malfunctioning, economically unsuccessful, seemingly anachronistic towns and cities? Are solutions to their problems generic or specific? Will it involve short-term or long-term fixes? And are these fundable or pie in the sky?
- 2.2. There have been numerous academic, think tank and consultancy studies that have examined the relative performance of local economies, the majority of them descriptive rather than analytical. And the extent that they offer explanations for good or bad performance is linked to data rather than the issues pertaining to the real world. On the whole, this research has tended to be interesting rather than useful.
- 2.3. In general, Commission contributors were of the view that successful local economies tend to be driven by educated, skilled and talented people drawn from a relatively young demographic. Poorly performing locations seem trapped in a cycle which sees many of their best and brightest young people leaving due to lack of local educational and employment opportunities, and often never returning. This deprives those areas of the very people most likely to help drive up economic performance. In turn, it begs the question as to how those types of people can be attracted and/or retained.
- 2.4. Successful local economies have higher numbers of high growth businesses in expanding sectors. So how does this come about and is it replicable? Why are good things happening in some places and not others?
- 2.5. Many underperforming places are characterised by small populations, and not having the critical mass to sustain the range and quality of private and public sector service provision common to more successful locations. Furthermore, many of these towns and cities previously served purposes that no longer pertain. They may have hosted a coal mine, shipyard or major manufacturing plant, or performed the function of a market town. The loss of these functions has removed their fundamental *raison d'être*.
- 2.6. These are the places that fall farthest and fastest in an economic downturn, and yet tend to feel the reviving drips of recovery later and to a lesser degree than most other towns and cities. Furthermore, whilst successful locations can form their own virtuous circle by attracting more people and capital in search of their own individual success, the reverse applies in underperforming locations. They tend to rely more heavily on the public sector - which will shrink even more in both absolute and relative terms over the next few years as further (and the majority) of austerity measures kick in. Their populations tend to rely to a greater extent on unemployment and low income-related benefits, and as the real value of these falls, there is even less money to be spent in local economies. In some places this downward spiral has become a highly destructive whirlpool, sucking the economic life out of communities.
- 2.7. The problems are all too evident; the solutions all too lacking; and an appetite amongst politicians and policy makers to seek solutions disturbingly absent.

3. Brakes on growth

Workshop participants were asked to identify the key brakes on growth in towns and cities in their part of the UK. Inevitably this included a mixture of specific and generic issues.

Austerity Measures

- 3.1. Economic development and regeneration practitioners were absolutely clear: their ability to do their jobs as effectively as they would wish has been severely compromised by funding cuts. Indeed, in all too many cases, there is no longer an economic development/regeneration officer in post. In larger places in England there is likely to be a City Deal, but undertaking commercial developments in City Centres might be regarded as a somewhat narrow approach to economic development. In addition, it is predicated on confidence in future success – something that is decidedly lacking in many underperforming places.
- 3.2. It is fully recognised that appealing for additional resources in an era of public sector funding cuts is unlikely to be looked upon favourably. However, there is a clear distinction to be drawn between public sector expenditure and public sector investment. Putting money into economic development activities ought to generate financial as well as economic and social returns. In that context, there is a need to take a long term view of economic development projects in order to gain a full appreciation of their benefits as well as their costs.
- 3.3. In this context, it appears rather curious to many economic development and regeneration practitioners that higher standards of justification are required for investment in local projects than appears to be required for some larger scale projects (e.g. HS2).

Market Trends

- 3.4. In the vast majority of locations outside London, town and city centre rental values have collapsed over recent years, in both the retail and office sectors. The impact on rental values of recession and the move to out-of-town retail and office locations has been multiplied several fold by the continued requirement of property owners to pay business rates on vacant properties. Those tempted to move away have often been persuaded to stay by a significant reduction in rents by landlords fearful of not only losing income but incurring significant expense. That said, the reduction in rental values may well have helped to retain businesses within (and even attract businesses to) urban centres.
- 3.5. In addition, although business rates should relate to property values, there has been no scope for negotiation on rates. This has left many occupiers feeling that they are paying over the odds.
- 3.6. However, it is not just cyclical factors at play, with the impact of significant structural changes also beginning to be felt. In particular, national retailers' investment strategies have changed, with a focus on fewer locations. This suggests a withdrawal to larger centres, or at least those with a large catchment area.
- 3.7. This process may be exacerbated by the "lease-bubble" which is expected to pop from 2015 onwards. Reputedly, this is the point at which many the leases of many high street multiples are due to expire and from which they can therefore walk away without penalty. This in turn is likely to add further momentum to the downwards trajectory in rental values.

Lack of Effective Leadership

- 3.8. Effective leadership is lacking in far too many places. Elected Mayors appear well thought of (including in Bristol, Liverpool and London, according to Commission contributors) but most cities that have been offered them declined. However, it ought not be inferred from the outcome of those votes that people do not want strong leadership. Their opposition might have been prompted by any number of factors, such as an aversion to ‘personality politics’ and perceptions of additional costs/ bureaucracy. However, more recent offers of additional devolved powers might now make this a more attractive proposition.
- 3.9. In addition, there is a need for more effective leadership across local authority areas in order to provide a mechanism for more strategic and effective approaches to planning and economic development. One example is in assessing the need for new housing alongside current and proposed infrastructure and within a broad spatial economic development context. Giving people good access to employment and learning opportunities is fundamental to economic wellbeing.
- 3.10. Of course, strong leadership may involve local people being taken in directions that they do not instinctively like or feel comfortable with. It may mean local losers as well as winners. But it should mean things actually get done, that progress is made. And even if some risks are taken, that might well be what is needed. Incremental change in some places would mean improvement was barely discernible.
- 3.11. Workshop participants in areas that appear to lack strong leadership often regarded this as the most debilitating factor in seeking to address underperformance. Whilst the possible downsides of having a Mayor or similar civic leader were recognised, the potential upsides were considered to be more than worth the risk.



4. Maximising growth potential: what can be done locally?

Defining a Sense of Place

- 4.1. The way in which places are perceived is critical. Branding and the means by which that brand is promoted can be hugely important in capturing attention and securing investment. But promotion also needs to be co-ordinated. If Liverpool and Manchester can put aside their differences to engage in joint promotion, then so can anywhere else.
- 4.2. Great places have their own identity, their own character. They are places which people recognise from a photo, and might well have an opinion of. Most places have a heritage that defines them (positively, negatively or banally). They can play to that heritage, re-interpret it or re-invent it themselves. This might become manifest in its retail offer, its cultural offer or its broader entertainment offer. Is there anywhere a farmer's market or Christmas market has not worked? Are there many festivals the costs of which outweighed their economic benefits? Is there not still an appetite – especially amongst those with higher levels of disposable income – to visit places replete with independent shops, cafes, restaurants and bars?
- 4.3. Places are also characterised by their buildings and open spaces. It is apparent that many people are drawn to places by the physical environment, sometimes regardless of whether they actually set foot inside the buildings that attracted them. That certainly applies to most buildings of note in London as well as numerous others across the UK, including The Sage Gateshead, St. George's Hall in Liverpool and Brighton Pavilion amongst a very long list.
- 4.4. Town and city centres need to become destinations which can accommodate events, markets and festivals, define the brand of the area, and provide a platform for niche marketing which plays to its particular characteristics. Centres need to focus more on people and memorable events that create community spirit and a sense of belonging. Residential development, creative spaces, markets and festivals should be part of that mix so that centres can be differentiated from each other.
- 4.5. In many instances there is a need to fundamentally re-invent towns and cities as places in which to live, work, play and spend money. This could include:
- More diverse residential offers, with the reintroduction of residential units into tertiary and secondary shopping frontages and a greater emphasis on residential development above shops to create sustainable urban dwellings.
 - The establishment of technology hubs and other employment-related (non-retail) activity and the provision of free wi-fi.
 - Creating 'fun places' by adopting a change in approach towards multi-use town/city centres, addressing the perceived dependency on retail and targeting vacancies (for example, through a vacant space strategy), and boosting the 'experience economy'. Bold thinking is required, such as the flexibility to open pedestrian-only town centres on a Sunday or reducing speed limits to promote café culture.



Attracting and Retaining the Brightest and the Best

- 4.6. Bright young businesses tend to be developed by bright young people in places where they choose to live for practical, emotional or lifestyle reasons. It seems to be the case that some towns and cities (and particular parts of towns and cities) have attracted such people because of one or more of the following factors:
- Availability of employment/self-employment opportunities
 - Affordable residential/business properties
 - An attractive cultural and leisure offer
 - The cache associated with a town/city/area
- 4.7. In some cases, it is because a place has been unsuccessful that lays the foundation for future success: it is affordable and alternative/cool. Of course, this is easier to achieve for well-connected places with nice buildings than those that are out on a limb and suffering the worst excesses of 1960s development. It is perhaps too easily forgotten that many of the places that have become hives of economic activity (albeit while continuing to face significant challenges) include some of those previously written off as failures: Belfast, Brighton, Bristol, Cardiff, Glasgow, Leeds, Liverpool, Manchester, Newcastle and plenty of others places have all at various times suffered economic adversity, and all are now on upward trajectories.
- 4.8. Indeed, how the reputations of these places have changed over recent years. Investments in cultural facilities and activities, such as in Glasgow, Liverpool and on Tyneside, have certainly paid dividends, attracting private sector investment alongside or following on from public sector interventions, which have in turn helped to further enhance the reputations of those places. It will be fascinating to see the extent to which Hull's Capital of Culture status will help persuade those with prejudicial views to find out what sort of City it is becoming.

Forming Effective Partnerships

- 4.9. Our discussions across the UK suggested that the places closest to maximising their potential tended to be those with strong partnerships, where each organisation was prepared to play its part and could appreciate the bigger picture. Through the adoption of a collaborative, mutually supporting and consensual approach, these places were able to galvanise public, private and third sector bodies in pursuing shared ambitions. Even where disagreements on detail persisted, these remained internal and did not detract from the determination to press ahead.
- 4.10. There is believed to be a strong case in favour of the formation of town/city partnerships that bring together a manageable number of relevant interests from across the public, private and third sectors. This will aid mutual understanding, promote a holistic approach and help formulate clear messages to government, investors, businesses and the general public.
- 4.11. Having established a credible partnership it is important that a town/city develops a plan. All too often, this only happens because it is necessary to frame or support a funding bid. As a consequence, the design of the plan tends to be dictated by the funding criteria rather than the needs of the local area. An alternative approach would be to develop a plan that serves the needs and aspirations of the place, its people and its institutions, elements of which may become fundable in different ways at different times.
- 4.12. Developing and delivering local strategies takes time and careful consideration, but this need not cost much money and has the potential to offer spectacular rates of return on investment. In contrast, the absence of plans, such as in those parts of the UK where there are strategic planning changes (Wales) or local authority reorganisation (Northern Ireland), could leave some towns/cities lacking direction and visibility, at least in the short term. Whilst over time the shift to more strategic planning ought to be welcomed, initial disruptions may be unhelpful.

5. Maximising growth potential: what should be done nationally?

Devolution

- 5.1. With the devolution debate ongoing, there is the potential that new freedoms and flexibilities will be afforded to Northern Ireland, Wales, areas of Scotland and city-regions in England (albeit to significantly different degrees). But will these be more beneficial to affluent areas than to less affluent areas? Successful places have much greater scope for raising taxes than less successful places. In contrast, towns and cities with a relatively small business base, high levels of unemployment and low house prices have much less room for manoeuvre when raising funds locally.
- 5.2. Nevertheless, as an operating principle, there may be merit in devolving more local tax raising powers in order to better engage local people and businesses in local decision making. This may or may not generate additional resources for economic development, but will mean greater local control of how business rates and other locally generated taxes are spent. In addition, whilst City Deals have helped to facilitate some development in some places in England, there is believed to be merit in exploring other borrowing mechanisms.
- 5.3. Currently, the most commonly pursued option in terms of raising resources for specific purposes within town and city centres are Business Improvement Districts (BIDs). These tend to be loved by local authorities (who can divest themselves of certain responsibilities) and retailers (who like to see clean streets and Christmas lights) but can be maligned by office users who share all of the costs but not all of the benefits (save where the BID is focused on meeting the needs of office occupiers).
- 5.4. The key issues are whether or not resources raised are truly additional (rather than a substitution for spending by existing bodies) and whether the activities being resourced

generate added value for those towns and cities. In any event, there would appear to be merit in better engaging landlords (rather than just occupiers) in BID development and activity, not least in business-led neighbourhood planning. In addition, BIDs may have a role to play in mitigating the impact of out-of-town shopping centres and office developments.

- 5.5. The danger that needs to be avoided is central government using decentralisation/devolution as an excuse to abdicate all responsibility for pursuing balanced economic development across the UK. Stepping away and allowing a battle of the fittest to play out may well see gaps between places widen rather than narrow.
- 5.6. While many are calling for greater decentralisation/devolution, there has been disturbingly little said about what local areas might wish to do with these additional powers and resources. Where does economic development and regeneration rank as a priority and what are its priorities?
- 5.7. Within this debate, there is a strong belief by some in the need for one crucial underpinning action: the requirement to make economic development a statutory function.

Government Intervention

- 5.8. There are of course plenty of things that governments can do that do not require additional resources. For example, governments can decide where to locate their departments. It seems that after every change in government a review is instigated to determine the potential for moving bits of government outside London. It will save costs in the long term (true). It will provide jobs in areas that need them more than London does (true). It will never happen (true). But it should.
- 5.9. Governments can also influence the decisions of other organisation directly or indirectly, either

dangling a carrot or wielding a stick. For example, hospitals and other large-scale healthcare provision tends to be based where populations and clinical needs dictate, but not all location decisions are entirely clear cut. In those instances government ought to step in so that investment decisions balance those areas most in need of the economic boost that the building and operation of hospital facilities can bring.

- 5.10. Similarly, higher education plays a huge role in the economic wellbeing of our towns and cities. Universities are a major economic driver in their own right (directly and indirectly), they help raise educational standards, they support enterprise and growth in local business communities and they enhance external perceptions of the places in which they are based. Indeed, it can be no coincidence that each of the cities mentioned previously as being on an upward trajectory benefited from sharp increases in higher education provision, especially during the early part of this Century.
- 5.11. In London this virtuous cycle in higher education is supported by increased student demand, particularly international. As London universities grow and regional universities open campuses in the city, it seems that more needs to be done to incentivise and support higher education provision outside the capital and underline the critical contribution it can make to its locality.

- 5.12. More generally, why are some universities better than others at promoting and supporting enterprise amongst students, staff and local communities? Ought it not be a standard requirement and one which merits core funding?

Strategic Investments

- 5.13. Connectivity was a regular theme in workshop discussions (although, tellingly, HS2 was not). Simply put, businesses need to access markets and people need to access jobs. This means providing businesses and people with access to Superfast Broadband, as well as providing faster, more reliable and, crucially, more affordable physical access to customers and workplaces. This means government playing a role in ensuring that infrastructure is in place at a local level and operated in a way which serves public interests more than private interests. In this context, Government capital spending also needs to go to places which are delivering significant numbers of new homes.
- 5.14. Where there is a case for public investment in underperforming places, a higher level of risk has to be accepted. Furthermore, this level of risk may be determined not just by the lack of private sector interest in the first instance, but by the fact that there may be a need for ambition and innovation, inherently carrying a risk premium.



- 5.15. In addition, it was suggested in workshop discussions that in order to mitigate risk in development, the Government (and local partners) ought to provide a clear pipeline of infrastructure linked to development and the capture of value, and effectively manage institutional risk.
- 5.16. Note though, it is about public sector investment rather than subsidy. The culture of grant dependency amongst businesses is not considered healthy, sustainable or especially good value for money. However, there will always be justification for targeted grant funding in order to address market failure that is holding back economic activity.

Education and Skills

- 5.17. Related to the connectivity issues outlined above, there is a need to ensure that people have the skills necessary for them to access employment opportunities, as well as employers having access to sufficient numbers of people with the right skills.
- 5.18. There is believed to be a fundamental need for better provision of education and training. The education and skills agenda is seen as central to improving the economy (nationally and locally). In short, we need more and better skilled people with jobs and more spending power in order to improve underperforming towns and cities. However, employers increasingly complain about the employability of young people who are coming out of schools, colleges and universities and them being not 'business ready'.
- 5.19. There is considered to be a need to develop much closer ties between schools/colleges and employers. The competition for young people and the systemic favouring of academic over vocational options not only leads to sub-optimal outcomes for employers, but for young people as well. There is a need for a strong, comprehensive and independent careers guidance service that opens up all options for young people and supports them in making the right decisions for them (and, ultimately, the economy as a whole).

Local Enterprise Partnerships

- 5.20. It is of course recognised that Local Enterprise Partnerships (LEPs) are a specifically English phenomenon. Nevertheless, as the primary facilitators of economic development in England, their roles and responsibilities were the subject of a significant level of discussion amongst workshop participants in England.
- 5.21. LEPs all appear to be on a mission to accelerate growth. But for whose benefit? If a LEP is being judged by increasing GVA per head or reducing unemployment it might very reasonably focus on those parts of its area of responsibility with the greatest potential and ignore those places facing more difficult issues. Why risk falling off the ladder in trying to pick fruit higher up the tree? Governments can and should offer more of a steer to LEPs in this regard.
- 5.22. The consensus amongst workshop participants was that the move from RDA regions to LEP regions was a step in the right direction, but possibly a step too far, with many being seen as too small (in respect of both spatial coverage and staffing capacity). Workshop participants would like to see them reflecting a genuine functional economic/travel to work area and not be confined to local authority boundaries.



- 5.23. Furthermore, there was general agreement amongst workshop participants that businesses should be more engaged. With some notable exceptions, LEPs were seen to be lacking involvement from important segments of the business community (as well as from the third sector).
- 5.24. Some concern was expressed about the lack of strategic overview across LEP areas. For example, Local Growth Fund (LGF) applications are being appraised at LEP level with no strategic overview. As a result, it is possible that two neighbouring LEPs may resource the same type of facility/activity, which may make absolute sense for each individually but none at all for both collectively. In due course, the same may be true of European Structural Funds.
- 5.25. In addition, there is concern about the apparent disconnect between LEP economic plans and proposals for housing development in their area.

Area-Based Regeneration

- 5.26. The use of various models of Area Based Initiatives (ABIs) is often derided – including by implication in the aforementioned article in The Economist. The general consensus appears to be that benefits are modest and/or short lived. This is not the place in which to offer a detailed critique of such initiatives, but it is worth noting that the resource constrained and time-limited nature of such interventions meant that the likelihood of transformative effects being achieved was always slim. To take one example, the New Deal for Communities Programme was worth £2 billion, boosted further by partner contributions at the local level. But that was just £200 million a year – equivalent to what is spent by the Ministry of Defence every 40 hours or by the NHS every 17 hours.
- 5.27. Whilst there was a degree of cynicism amongst private sector colleagues especially about ABIs that had focused on social rather than economic outcomes, there was also recognition of the benefits in overcoming siloed departments and budgets. There may be merit in looking at ways to return to a more spatial approach to planning and resource provision.

6. Recommendations

6.1. This Commission has drawn on a huge depth and range of economic development and regeneration skills and experience. This report cannot possibly reflect all of that in full, but it hopefully demonstrates the commitment of those working in related professions to trying to address the issues cited and our willingness to work with partners at all levels to further develop and enact the following recommendations. These should apply to all towns and cities with populations above 100,000 and with above average national levels of unemployment for each of the past three years.

It should be noted that these recommendations have emerged from the work of the Commission (principally practitioner workshops) and do not necessarily represent the official views or policy of each of the partner organisations.

1

Each should each produce a development plan and be given the resources to do so. This would set out what kind of place each town/city wants to be and how this vision would be achieved, including a list of priority projects and initiatives. Clear links would need to be established between activities outlined in each plan and the most pressing issues faced in that particular town or city.

2

Where physical developments are proposed, these ought to be bold and innovative: capable of attracting people to live, work, study, shop and play. In-fill schemes and superficial improvements to existing buildings and public spaces may not be sufficient to grab the attention of all target audiences.

3

Where achievement of the vision requires devolution of powers and responsibilities, this should be detailed in specific terms: what powers and responsibilities, why they are best devolved and what added value this will achieve.

4

Economic development should be made a statutory function within each local authority and resourced accordingly.

5

In spite of repeated overhauls, the system of providing education and developing skills is failing both young people and employers. All Local Enterprise Partnerships should be given full responsibility for funding skills development in their area, informed by the work of Education Business Partnerships and complemented by independent and appropriately resourced careers support services (supporting both young people and adults).

6

Regardless of what happens with HS2, other transport and ICT infrastructure projects should be explored which have the prospect of bringing benefits to underperforming towns and cities specifically. Better connections between these places and with more successful local economies will help businesses seeking new markets and people seeking jobs.

7

The system of Business Rates needs to be overhauled in the interests of both fairness and efficiency. In so doing, there is the potential for underperforming town and city centres to be more competitive and retain/attract more business activity (and associated jobs).

8

The issue of poor leadership needs to be tackled head on through the creation of full time elected posts (the word 'Mayor' is still regarded as toxic in some quarters). Job descriptions should focus on economic development, regeneration, housing, commercial property, planning and transport.

9

These leaders should head new partnerships of the private, public and third sector that will help to ensure the appropriateness, deliverability and effectiveness of development plans.

10

Higher education provision in these towns and cities should be supported locally and nationally, while recognising that universities are independent organisations. Mechanisms to incentivise students to study there (e.g. tuition fee support) and the bending of national funding (both direct and through research grants) could support universities in underperforming towns and cities. Universities themselves must play a active role in addressing local performance issues, and see their success as partly dependant upon it.

11

All higher education provision in underperforming towns and cities should be resourced to provide start-up business accommodation and customised business support for graduates, staff and local communities.

12

The siting of new hospitals and other large scale healthcare provision should consider economic impacts and how they can be maximised for underperforming towns and cities.

13

All London-based government departments should be made to justify why they (or component parts) cannot be relocated outside the capital, as part of an independent review of civil service activities in London.

14

Local Enterprise Partnerships ought to be better resourced and demonstrate the best of practice amongst their peers (e.g. in respect of Board structure and appointments). Within their current Investment Plans they should be required to set out specific proposals for underperforming towns and cities as their contribution to town/city development plans.

15

The above should be overseen by a beefed up LEP Network, which should also have a co-ordinating role to ensure that LEP decisions make sense across LEP boundaries and not just within them.

16

Area-based regeneration has its role to play but needs to be appropriately resourced and focus on long-term solutions not short-term fixes. There should be a particular focus on linking people to opportunities as a sustainable pathway out of deprivation.



Inspiring people - Improving places

The Institute of Economic Development (IED) is the UK's leading independent professional body representing economic development and regeneration practitioners. Established over 30 years ago, the IED's key objective is to represent the interests of economic development practitioners and ensure their views are widely expressed and noted.

The IED is committed to demonstrating the value of economic development work for local and regional communities; the pursuit of best practice in economic development and the attainment of the highest standards of professional conduct and competence.

www.ied.co.uk

info@ied.co.uk

@theIED



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www.rtpi.org.uk

policy@rtpi.org.uk

@rtpiknowledge



The Association of Town & City Management (ATCM) is a not-for-profit membership organisation dedicated to promoting the vitality and viability of town and city centres. As the largest organisation of its kind in Europe, it has 900 members including key stakeholders in town and city centres across the UK and Ireland, with over 400 of these being town and city centre management practitioners. The majority of these function as partnerships, some with several hundred contributing members. They develop and implement shared visions, strategies and action plans for a total of more than 700 district, town and city centres throughout the UK and Ireland. The ATCM has been operating for over 20 years and can offer a significant body of experience in the field of place management.

www.atcm.org

office@atcm.org



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