

# Why cities matter / key city stats

## GVA

- UK cities contribute 60% to the UK's Gross Value Added (GVA).<sup>1</sup>
- UK cities account for 9% of the UK's land mass (according to 2001 census data).<sup>2</sup>
- England's 56 cities accounted for 63% of GVA in 2008. When the 56 cities and their hinterlands – as measured by Travel-to-work-areas (TTWAs) – are considered they accounted for 89% of GVA in 2008.<sup>3</sup>
- England's top performing cities grew faster than the national average from 1998-2008. The real GVA of the top 10 performing cities – Cardiff, Cambridge, Edinburgh, Peterborough, London, Reading, Milton Keynes, Preston, Bournemouth and Bristol – grew by an average of 4.2% compared to the UK average of 3.4%.<sup>4</sup>

## Jobs & Businesses

- Great Britain's cities account for 60% of jobs and 52% of businesses.<sup>5</sup>
- England's cities contain:
  - 62% of jobs;<sup>6</sup>
  - 55% of firms;<sup>7</sup> and,
  - 64% of the headquarters of high growth firms.<sup>8</sup>
- When England's 56 cities include their hinterlands (as measured by TTWAs), they contain 75% of the country's private sector jobs.<sup>9</sup>

## Skills & Innovation

- In 2008, England's cities contained 62% of England's high-skilled workers – although the concentration of high-skilled workers within cities varies widely between places like Cambridge (52%) and Hull (14%).<sup>10</sup>
- England's cities also account for the lion's share of innovative activity. Between 1999 and 2000, they were responsible for 67% of patent applications.<sup>11</sup> 43% of these applications came from just 10 urban areas which included Cambridge, Oxford, Birkenhead, Swindon and Reading.
- Employment in innovative industries is also highly concentrated in and around cities: 81% of knowledge-based jobs were within in cities in 2005.<sup>12</sup>
- 77% of UK universities are located in cities.<sup>13</sup>

## Wages

- A high demand for labour and high skills levels in cities like London, Cambridge and Edinburgh mean that they offer the highest wages in the country.
- In 2010, 16 out of the UK's 64 cities had workplace wages higher than the UK average. The average weekly wage was highest in London at £627 per week – nearly 130% higher than the UK average of £491.

## Population

- Nearly 80% of UK's population lived in an urban area in 2001.<sup>14</sup>
- Between 1999 and 2009 some cities – Milton Keynes (1.36%), York (1.16%), (Swindon (1.04%), Norwich (1.04%) Cambridge (0.95%), and Bristol (1.0%) – grew by approximately double the GB average of 0.51%. On the other hand, places like Glasgow (-0.1%) Stoke, (-0.1%), and Liverpool (-0.1) have steadily lost residents over the last decade.<sup>15</sup>

## Environment

- Cities tend to be greener than rural areas because they reduce the main source of personal emissions – petrol consumption. CO<sub>2</sub> emissions per capita are, on average, lower in cities (7.4 tons per capita) than the UK average (8.2 tons per capita).<sup>16</sup>

### Defining a City

There are several ways to define a city. Details on the two most common approaches are below. Unless otherwise stated the statistics here refer to Primary Urban Areas.

#### Primary Urban Areas (PUAs)

PUAs are defined as areas of continuous built-up land containing urban structures that are within 50 metres of each other which have a population in excess of 125,000. On this basis England had 56 Primary Urban Areas in 2007. For more details see [www.centreforcities.org/puas](http://www.centreforcities.org/puas)

#### Travel-to-work-areas (TTWAs)

A city's TTWA is defined as the area within which at least 75% of its resident population also work. The geography of TTWAs is identified by exploring the patterns of commuting.

### Sources:

1. ONS 2010, NUTS3 GVA, own calculations for PUA level –weighted by population.
2. Pointer G (2005) *The UK's major urban areas: Focus on People and Migration*. London: ONS
3. *ibid*
4. ONS 2010, own calculations for PUA level
5. ONS 2010, Annual Business Inquiry, ONS 2010, Business Demography Database
6. Centre for Cities (2010) *Cities Outlook 2010*. London: Centre for Cities, p16
7. ONS 2010, Business Demography Database
8. Swinney P, Larkin K & Webber C (2010) *Firm Intentions: Cities, Private Sector Jobs and the Coalition*. London: Centre for Cities
9. Webber C & Swinney P (2010) *Private sector cities: A new geography of opportunity*. London: Centre for Cities, p 1
10. Centre for Cities (2011) *Cities Outlook 2011*. London: Centre for Cities, p53
11. Athey, et al (2007) *Innovation and the city: How innovation has developed in five city-regions*. London: NESTA
12. *ibid*
13. Higher Education Statistics Agency (HESA)
14. Pointer G (2005) *The UK's major urban areas: Focus on People and Migration*. London: ONS
15. NOMIS 2010, Mid-year population estimates, 1999 and 2009 data
16. DECC 2010, CO<sub>2</sub> emissions per capita