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Urban Voices:
UK City Leaders' Survey 2019

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1: Introduction

Climate change and transport are emerging priorities

City leaders work every day to solve issues affecting residents and businesses, such as improving public transport, reducing toxic air, ensuring housing affordability and helping make sure people can get good jobs. They are important actors when it comes to addressing these crucial challenges and provide accountability to local residents and businesses. Hence, city leaders' voices need to be heard and should be taken seriously if the government wants those issues close to families and businesses to be properly addressed.

In 2018, Centre for Cities and Arup conducted the first Urban Voices survey to better understand the challenges UK city leaders are facing. The survey also provides a platform for city leaders across the country to voice priorities and concerns.

This survey's goal is to shed light on how our city leaders see the challenges, opportunities, and priorities facing their places. By giving city leaders the voice to communicate their concerns and aspirations, this survey opens up a discourse about how to achieve a better relationship between local government and Westminster to make a positive difference in cities and to the country as a whole. The upcoming election creates an opportunity for national parties to set out how they will help city leaders address these shared issues.

Last year, city leaders called for the devolution of more powers and funding to help them solve problems locally. This year, leaders are most concerned by air pollution, climate change and finding ways to fund growing demand for housing and public services. For example, leaders reported that national policy barriers, poor relations with government ministers and a lack of resources are significant obstacles to providing quality services, public transport and acting on climate change at a local level.

How to read this report

The survey received 32 responses out of 168 leaders of councils in UK cities. This is a relatively similar response to the 2018 City Leaders Survey. While this response rate will give us a good picture of what city leaders are thinking, it does not allow us to discuss trends between years with statistical significance. However, we do present the results from similar topics across both years to understand responses in the context of one another.

2: Overall Policy Priorities

Figure 1: Half of city leaders identified climate change as a current policy priority, and just under half prioritised housing over other policy fields

On which three policy priorities are you currently most focused?

Half of the respondents (50 per cent) mentioned climate change as one of their top policy priorities. Challenges related to housing, such as affordability, availability of social housing and rising demand against supply, continue to be policy priorities. Almost half (44 per cent) of respondents said they are prioritising housing over other policy areas.

Almost one-third (29 per cent) of our respondents ranked either the development of local infrastructure or sustainable transport highly on their agenda.

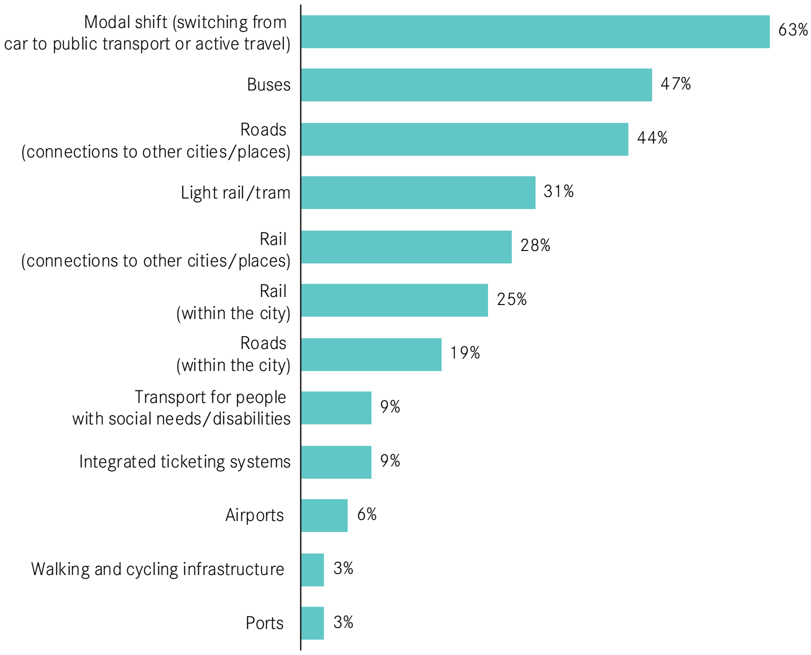
Last year's respondents overwhelmingly mentioned inclusive economic growth as one of their priorities. This was higher than the level stated by this year's respondents. In addition, although some of last year's respondents mentioned air quality and the environment as priorities, this was much more clearly stated by this year's respondents. While we do not have the reason for the higher prominence of focus on these issues, they are likely to have been impacted by the growing awareness of climate issues, Extinction Rebellion and the 'Greta Effect'.

3: Priorities within policy themes

Transport infrastructure and provision

Figure 2: Switching from car to public transport or active travel is the top transport priority for city leaders

Of the following options, what are the top three priorities for developing or expanding transport services and infrastructure for your area over the short to medium term?



Modal shift is a top transport priority for city leaders. 63 per cent of this year's leaders put **switching from car to public transport or active travel (e.g. walking and cycling)** as a priority. In line with overall policy priorities, this highlights that zero-carbon active travel and lower carbon public transport are of high importance for this year's respondents.

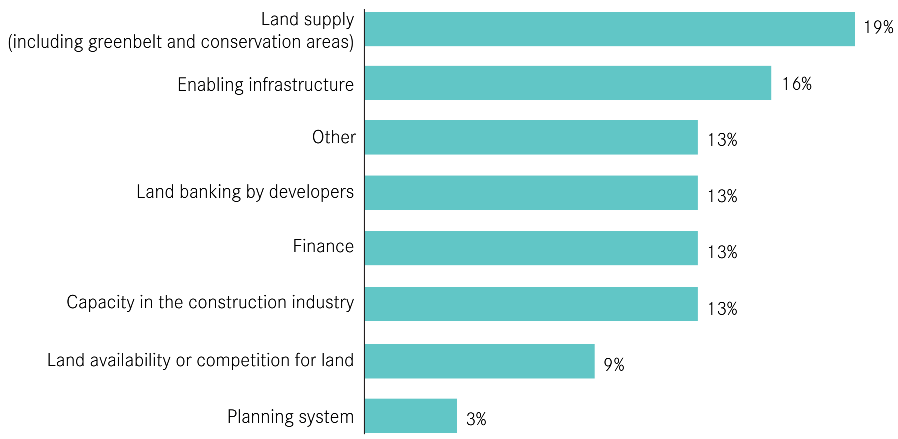
In addition, **buses** grew in importance compared to last year. While less than one-third of last year's respondents mentioned buses as a priority, almost half (47 per cent) of this year's respondents did so.

Despite the strong focus on public transport, 44 per cent of this year's respondents stated that **road connections to other cities** are a priority to them. But while half of respondents last year identified **roads within the city** as a priority, less than one in five of this year's respondents did.

Housing

Figure 3: Land supply is the main barrier to meeting city leaders' housing supply targets

What is the biggest barrier to meeting your housing supply targets?



The UK still fails to build enough homes to meet demand. The strain on local areas varies across the country. Some areas have vacant homes and need regeneration, while other areas struggle to make housing affordable for many workers.

Land supply and **enabling infrastructure development** were identified by leaders as the biggest issues in regard to housing supply. Almost one in five (19 per cent) mentioned **land supply** as the biggest barrier to increasing housing numbers, and 16 per cent reported that **infrastructure** is an obstacle to the achievement of housing supply targets.

Land banking, **finance**, **capacity in the construction industry** and "**other**" (mostly financial and capacity barriers) all received an equal share of responses (13 per cent).

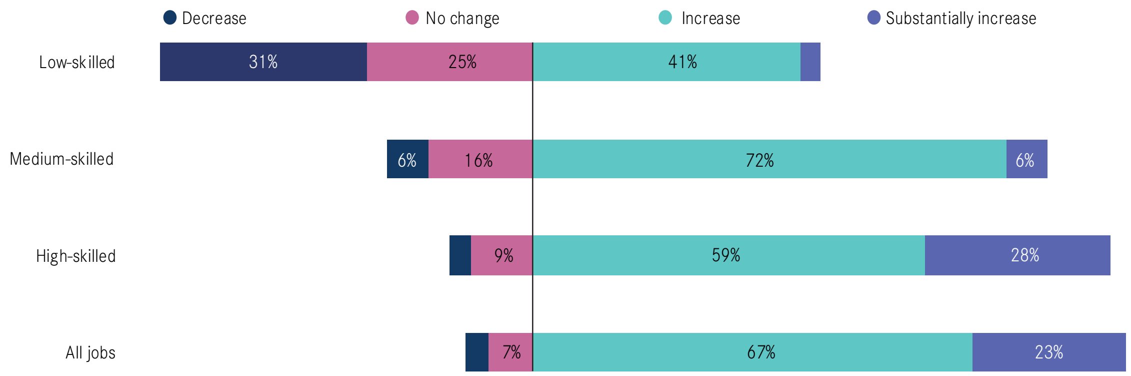
Only one respondent said that the **planning system** is the greatest obstacle to meeting housing supply goals, and no one reported that **local opposition to development** or **low demand** hinders the accomplishment of these goals.

Jobs

Technology is changing the way businesses work, and Brexit could change the types of jobs we have in the UK. So, we asked city leaders how they thought the types of jobs (by skill level) in their area might change in the coming years.

Figure 4: City leaders think that overall job numbers will increase over the next five years but that low-skilled jobs are most likely to decrease

Overall, how do you think the number of jobs in your area will change in five years compared to today? And, in your area in the next five years, how do you see the types of jobs changing?



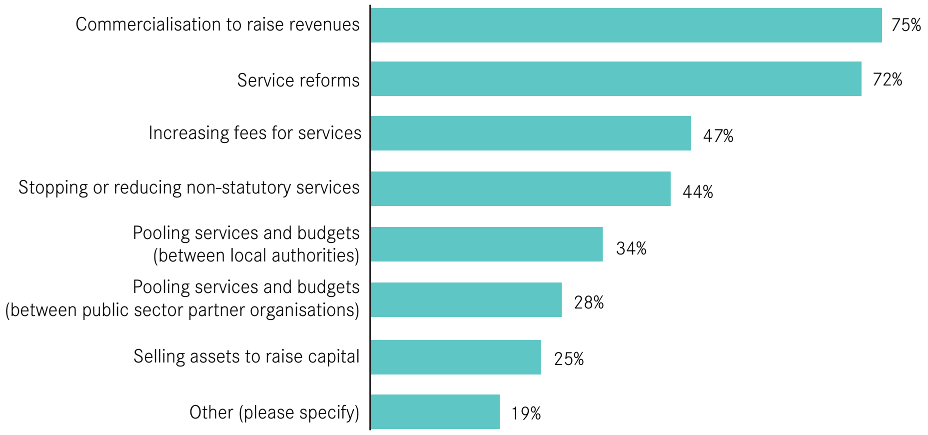
Most leaders (90 per cent) said that **the number of jobs**, **regardless of their required skill level**, **will increase in the future**. High-skilled jobs are perceived as most likely to either increase (59 per cent) or increase substantially (28 per cent). Just one respondent expected high-skilled jobs to decline. Only slightly more council leaders viewed low-skilled jobs as likely to increase (43 per cent) compared to decline (31 per cent).

Public services

Since 2010, cities have borne a disproportionate amount of funding cuts. Nearly three-quarters (74 per cent) of all local government funding cuts in real-terms (accounting for inflation) have fallen on cities, despite being home to just 54 per cent of the population. Efficiencies have been made, but many areas now find it difficult to provide valuable services due to budget constraints.

Figure 5: City leaders have been managing cuts to budgets with commercialisation and service reforms

What are you doing to manage the dual challenge of increased demand for public services and the reduction of revenue funding for public services? Select all that apply.



Commercialisation and **service reform** are top priorities for leaders to respond to increasing pressures on public services. Three out of four respondents said they are increasing commercialisation, and almost the same number of respondents (72 per cent) are reforming services.

Others were **pooling services and budgets** between public sector partner organisations (28 per cent) and **selling assets to raise capital** (25 per cent).

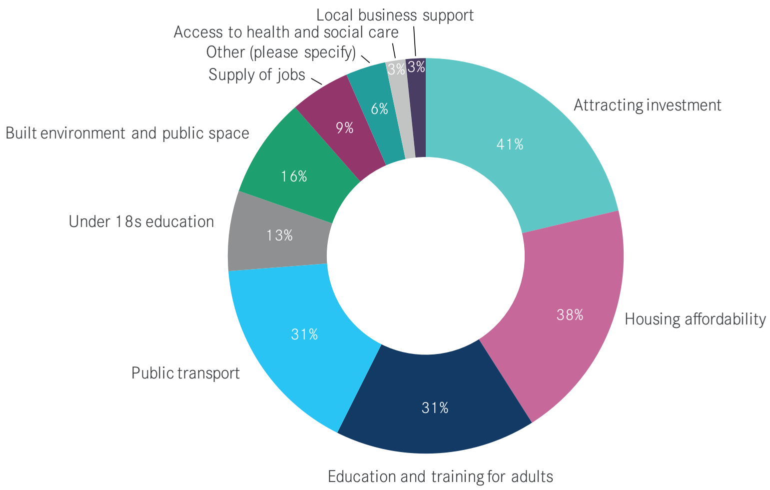
Almost one in five (19 per cent) chose "**other**" ways of coping with public service pressures. Leaders who chose this option mentioned that they are approaching public service challenges with alternative finance models and a focus on efficiency and preventive measures.

Inclusive growth

Inclusive growth is the idea that the distribution of the opportunities to benefit from growth in a city are more evenly spread. Many city leaders are considering inclusive growth in their economic development strategies.

Figure 6: To achieve inclusive growth, city leaders will focus on attracting investment and improving housing affordability

To achieve inclusive growth in your area, which of the following options are most important to improve? Please select two.



According to city leaders, **attracting investment**, **housing affordability**, **education for adults** and **public transport** are the greatest barriers to inclusive growth. A **lack of new investment** hampers inclusive growth in many cities, according to respondents; 41 per cent of leaders chose **attracting investment** as a central way to encourage inclusive growth.

Attracting investment is followed by **housing affordability** (38 per cent), **public transport** (31 per cent) and **education and training for adults** (31 per cent) as challenges to not just the levels of growth but how the benefits of that growth are distributed within cities.

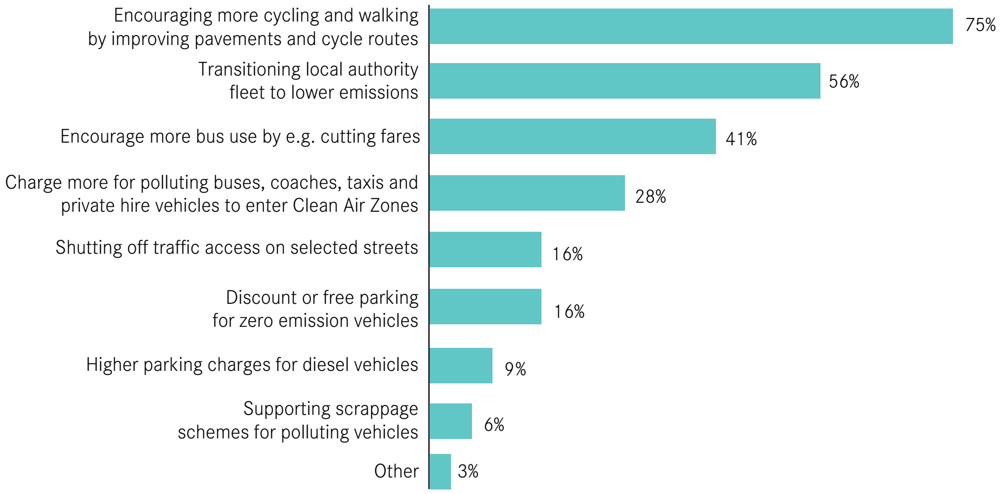
Attracting new investment was only identified as a top barrier by about one in four of last year's respondents. Similarly, **local business support** and **access to health and social care** are again perceived as less important than other factors to support inclusive growth.

Air quality

Air quality continues to be a local, national and international policy concern. But in particular, air pollution is an urban issue. According to the World Health Organisation (WHO), more than 80 per cent of people worldwide living in urban areas monitoring air quality are exposed to pollution levels that exceed their 'safe' limits[1]. In the UK, 40 cities and towns are at or have exceeded WHO air pollution limits.

Figure 7: Three quarters of city leaders will encourage active travel to improve air quality in their city

Which of the following initiatives are you prioritising in your city to contribute to improving air quality from road transport? Choose no more than three.



The overwhelming majority of respondents (75 per cent) said that the **encouragement of cycling and walking by improving pavements and cycling routes** is critical to improve the air quality in their city. More than half (56 per cent) are prioritising **reducing emissions from local authority vehicle fleets**. **Encouragement of bus use** ranked third with 41 per cent, highlighting this year's focus on the development of public transport.

On the other hand, **higher parking charges for diesel vehicles** and the **support of scrappage schemes** were only chosen by 9 and 6 per cent, respectively.

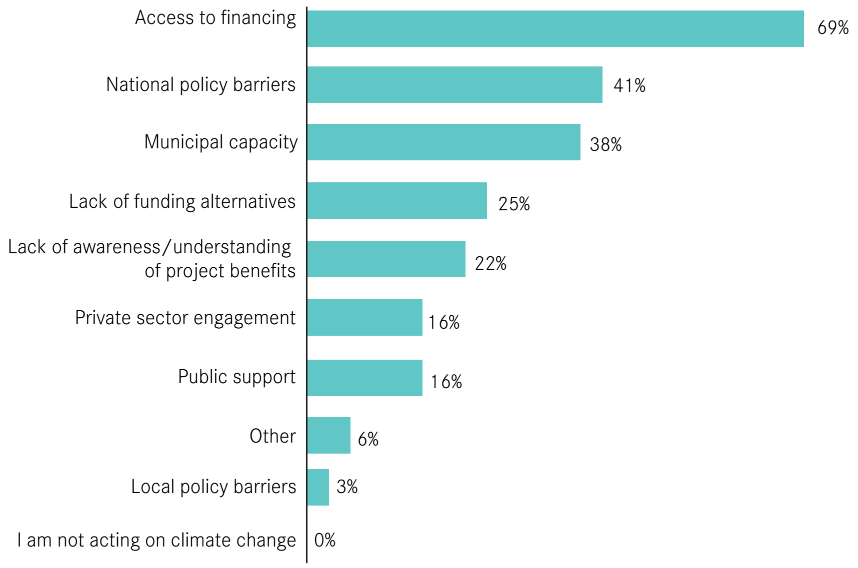
1 https://www.who.int/news-room/fact-sheets/detail/ambient-(outdoor)-air-quality-and-health

Climate change

Climate change has gained more prominence in the media over the past year, with groups like Extinction Rebellion making the headlines and the implementation of UN Sustainable Development Goals. In the UK, 65 per cent of all 353 local authorities and eight combined authorities have declared a climate emergency.

Figure 8: Access to financing and national policy are the main barriers to effective climate change mitigation in cities

What are the key barriers in your city to effective climate change mitigation? Choose no more than three.



Access to financing constitutes a major obstacle to addressing climate change. More than two-thirds (69 per cent) identified **access to funding** as one key barrier and 41 per cent of respondents highlighted **national policy barriers** as a significant obstacle in the fight against climate change.

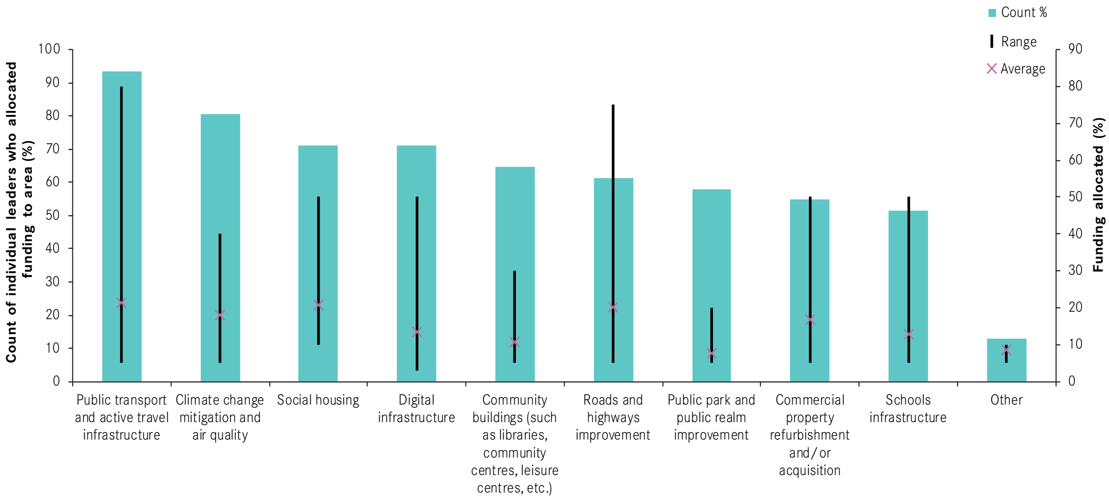
Municipal capacity was chosen by more than one third (38 per cent), indicating the lack of resources at the local level to understand and address climate change. Moreover, a quarter of city leaders regarded the **lack of funding alternatives** as hampering climate action.

Every respondent said that they were acting on climate change, and only one respondent identified **local policy barriers** as an obstacle to climate change mitigation.

4: Funding priorities

Figure 9: The top spending priorities for city leaders are public transport, climate change mitigation and air quality, and social housing

You have been given a large capital grant to spend in your area. Of the following, what would you spend it on, regardless of whether you control them? Spread 100% of the funding across the following options.



City leaders play an important role in deciding how the city's funds are spent. We asked city leaders to allocate a hypothetical grant to a range of possible interventions. **Public transport**, **climate change mitigation** and **social housing** are seen as the most urgent spending priorities. Almost every respondent (94 per cent) allocated money to **public transport and active travel** when asked to distribute this fictitious grant. This year, 71 per cent of respondents selected **social housing**, indicating, that this remained a priority.

In addition to being the most cited intervention area, public transport received the highest allocation of funds on average (25 per cent). However, there was significant variation. While some leaders allocated up to 80 per cent of the grant to public transport, making it a great priority, others decided to only allocate five per cent.

This year, **road and highway improvement** was chosen by fewer respondents (61 per cent) than last year (68 per cent), and respondents who chose this option allocated on average less money to it. Despite this, the allocated grant varied from as much as 5 per cent to 75 per cent with an average of 20 per cent.

Grants for **climate change mitigation and air quality** were also very popular amongst this year's respondents; 81 per cent of this year's respondents allocated money to this area, ranking it second. Respondents chose to allocate between 5 to 40 per cent to climate mitigation with an average of 18 per cent.

Parks and public realm improvements were selected by 58 per cent of respondents. While **schools infrastructure** was the least likely option to receive money, over half of respondents (52 per cent) allocated it extra money. It also received on average higher grants than parks and **public realm improvements**.

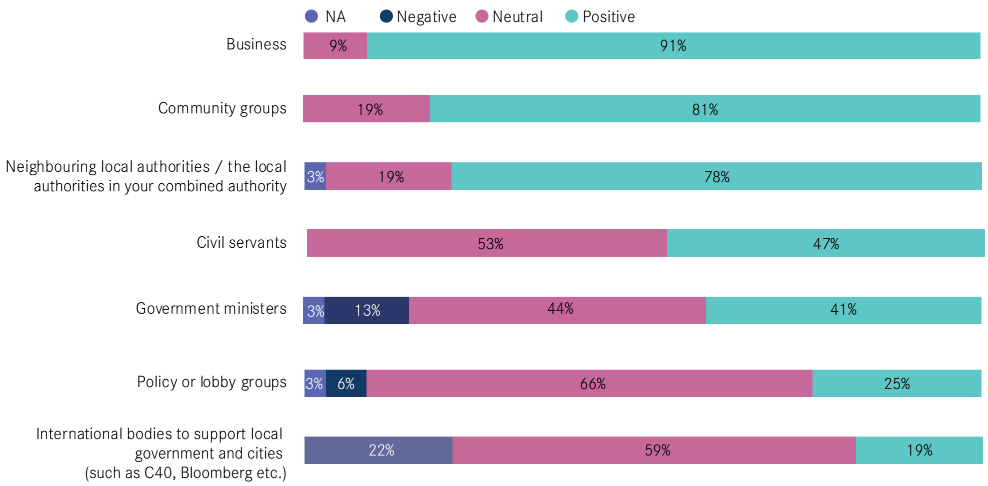
In last year's survey, most respondents allocated some of the grant to **social housing** (82 per cent), giving it the highest funding priority, while **environmental resilience and air quality** ranked fifth.

5: Relationships and governance

This question aims to better understand the perceived relationship city leaders have with national policymakers and other stakeholders.

Figure 10: Most city leaders feel positive about contact with community groups, neighbouring local authorities and businesses and mostly neutral about policy groups and civil servants

This question refers to the nature of your contact with both national government and local stakeholder groups. Thinking about the following stakeholder groups, how would you judge your relationship with them?



Overall, city leaders view relationships with **businesses**, **community groups** and **neighbouring local authorities** as positive. These closer local working relationships demonstrate the strength of local government in managing the issues close to residents and workers.

The majority of leaders see the relationship to both **government ministers** and **policy and lobby groups** as neutral. Only 13 per cent of leaders said their relationship with **government ministers** is negative compared to one-third (32 per cent) of last year's respondents. One-quarter of leaders (25 per cent) reported positive relationships with **policy and lobby groups**, while only 6 per cent reported negative relationships with them.

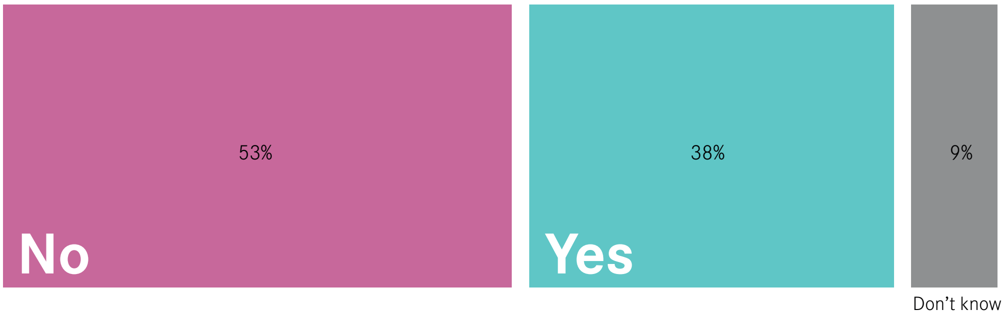
Similar to last year, most respondents reported that they have a positive relationship with businesses and community groups. The majority of this year's respondents reported that their relationship with businesses was positive (91 per cent), as was contact with community groups (81 per cent of leaders reported positive contact).

Nearly all leaders identified links to international bodies as either neutral (59 per cent) or not applicable (22 per cent).

International relationships

Figure 11: More than half of city leaders surveyed are not members of international organisations

Are you, or is your place a member of any international public sector organisation or partnerships?



International organisations help cities learn from one another, and some provide resources for research and projects that will help fulfil a policy initiative that is common to cities around the world. Organisations focussed on climate change and specific development issues provide valuable resources and networks for cities.

Most city leaders surveyed (53 per cent) are not members of international organisations compared to 38 per cent who are. Out of these, more than half are part of Eurocities, and one-quarter said they are part of 100 Resilient Cities. Other organisations that were mentioned are C40 Cities, World Cities Cultural Forum and Strong Cities Network amongst others.

6: Political environment

The urban agenda

Figure 12: Most city leaders surveyed do not feel the needs of urban areas are supported by national government or policy

How do you feel that the needs of urban areas to help them succeed are supported by national government and policy?

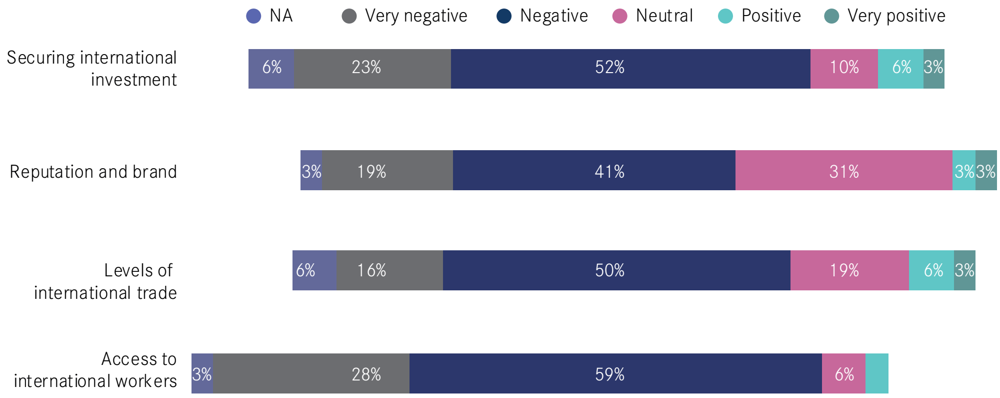
Almost two-thirds (62 per cent) of leaders thought urban areas have insufficient support from the national government. Only 19 per cent of respondents said they are satisfied with the national support of urban areas. No respondent felt that the support was 'very good.' As devolution has fallen down the political agenda, with the pressing issue of Brexit at the fore, this response may reflect this shift.

Brexit

Ongoing Brexit negotiations have had and will have consequences for both the national economy and local economies. We asked city leaders how Brexit will affect several areas related to their city's economy.

Figure 13: The majority of leaders believe that Brexit is most likely to have undesirable or harmful consequences in the short term

How will Brexit affect your place in relation to the following areas in the short term?



The majority of respondents believe that Brexit is most likely to have undesirable or harmful consequences for local economies' ability to **secure international investment**, their **reputation and brand**, **levels of international trade** and **access to international workers**. The biggest consensus was on **access to international workers** where 87 per cent viewed Brexit as likely to have a negative (59 per cent) or very negative (28 per cent) effect.

Regarding **securing international investment**, three quarters (75 per cent) see this being reduced by Brexit—more than one-half (52 per cent) of city leader respendents see a negative effect and 23 per cent a very negative effect. The picture seems more mixed for both **levels of international trade** and **reputation and brand**.

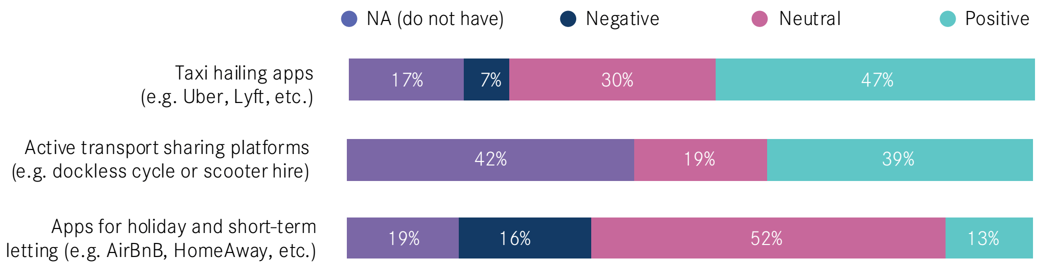
While the majority of respondents fear negative consequences of Brexit on those four economic areas, some believe Brexit will have either a positive or very positive effect in the short term. However, no respondent said Brexit will be very positive for their access to international workers.

Digital platforms and sharing economy

The impact of digital platforms and the sharing economy have affected how people live in, visit and get around UK cities. The survey asked city leaders' views on the effects of some of these digital platforms.

Figure 14: Leaders view taxi hailing apps most positively and apps for short-term letting most negatively

Smartphones, improved payment systems and new online platforms and marketplaces have made it easier to buy and sell many services in cities. How have the following tech platforms affected your place?



Taxi-hailing apps were most positively regarded among tech platforms which are changing cities, while **apps for holiday and short-term letting** were seen most negatively. Almost half (47 per cent) of the leaders thought that platforms such as Uber and Lyft had a positive effect on their cities. But only one in eight (13 per cent) respondents reported positive effects of platforms such as AirBnB and HomeAway. However, platforms for holiday and short-term letting were also the category that received the most neutral answers (52 per cent), perhaps reflecting how holiday lets tend to be concentrated in specific cities.

Although **active transport sharing platforms** were regarded positively, 42 per cent of city leaders reported that this is not applicable/available in their city, highlighting how limited rollout has been across the country and within cities. Importantly, of those which do have them, there were no negative responses, and two-thirds saw active transport sharing platforms as having a positive impact.

7: Conclusion

Climate change mitigation has risen on city leaders' agendas

Throughout the survey, leaders identified climate change mitigation and air pollution as pressing challenges, and eight in ten would allocate more money to it if given the choice. However, leaders reported that barriers to funding and national policy barriers are hampering effective climate change mitigation on a local level.

Public transport is a priority

Almost every respondent (94 per cent) chose to allocate money to public transport in a hypothetical grant and 41 per cent of respondents stated that they were encouraging bus travel to improve air quality. Moreover, transport is an overall policy priority for almost one third of the city leaders (29 per cent).

Housing supply remains a challenge

This year, almost half of the leaders surveyed (44 per cent) said that challenges related to housing supply and affordability count to their top three overall policy priorities. The high cost of housing is a persistent problem that many cities share.

Funding and resources are needed

Leaders consistently reported that the lack of access to funding and resources is hampering the achievements of their major priorities: inclusive growth, transport, the quality of public services and climate change mitigation.

City leaders are relying on whoever wins the General Election to deliver on their pledges to end austerity and give cities the resources they need to tackle the issues they face.

Leaders do not feel supported by the national government

When asked how well leaders feel that their cities are supported on the national level, the majority (62 per cent) said they were unsatisfied. Just one in ten urban city leaders is satisfied with the support they get from national government.

Next steps

The opportunities and challenges outlined in this survey should serve as a starting point for shaping the work in Whitehall and the ever-changing relationship between cities and national government.

The findings give a good foundation for calling for more collaboration on solving the big challenges facing our cities today.

Centre for Cities and Arup have conducted this second annual survey to continue to bring the perspectives of city leaders to the fore in today's discourse. We will continue to listen to and work with cities to provide evidence-based advice to make their places more successful economically, better places to live, and better connected to one another.

About Centre for Cities

Centre for Cities is a research and policy institute, dedicated to improving the economic success of UK cities. We are a charity that works with cities, business and Whitehall to develop and implement policy that supports the performance of urban economies. We do this through impartial research and knowledge exchange. For more information, please visit www.centreforcities.org/about.

Centre for Cities is always keen to work in partnership with like-minded organisations who share our commitment to helping cities to thrive, and supporting policy makers to achieve that aim. As a registered charity (no. 1119841) we rely on external support to deliver our programme of quality research and events. To find out more please visit: www.centreforcities.org/about/partnerships.

About Arup

Arup is the creative force at the heart of many of the world's most prominent projects in the built environment and across industry. We offer a broad range of professional services, from initial planning and advisory services through to building design and structural engineering, that combine to make a real difference to our clients and the communities in which we work.

Our aim is to be a driving force for development and progression, to ensure cities grow as liveable, sustainable spaces where people and business thrive. In the UK, we're at the forefront of developing new transport systems and helping cities prepare for climate change.

For more information, please visit: www.arup.com.

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