



# Our urban manifesto

## General Election 2019

### Introduction

Cities make a huge contribution to the UK's prosperity. They account for around 60 per cent of jobs, business starts and GVA in the economy. Yet, there is huge regional variation in this: for example, cities in Southern England are almost 50 per cent more productive than those elsewhere in the UK. If every British city were as productive as those in the Greater South East, the UK's economy would be £240 billion larger a year.

As an international comparison, the average city worker the Greater South East is more productive than the average worker in Germany, but those in cities in the rest of the UK are far less productive, meaning they usually work longer hours and are paid less for their labour.

If politicians at this election want to make Britain a more prosperous and productive place to live for everyone then improving the economic performance of cities needs to be central to their plans in this election.

This paper sets out our city-focused, five-point plan to boost the economy and make the whole country more prosperous.

### 1. Create a new City Centre Productivity Fund

The presence of a strong private sector is a good indicator of a city's prosperity. Compare Crawley in the South East, where there are almost eight private sector jobs for each in the public sector, to Dundee or Birkenhead where almost 50 per cent of jobs are in the public sector. Increasingly, firms are seeking out city centre locations and a challenge for many cities is that their city centres are not attractive to the most productive business that bring high-skilled, high-paying jobs.

To counter this, **the next Government should establish a new £5 billion city centre productivity fund for councils to bid into to make their city centres more attractive places to do business.**

## 2. Establish an Adult Education Service

A further, related, reason why many urban areas struggle is because of a lack of skilled workers. There is a strong regional dimension to this. Despite being home to 44 per cent of the urban population, cities in the North and Midlands account for 62 per cent of all the low-skilled jobs and 66 per cent of all the low-skilled people in urban Britain.

**The next Government should establish an Adult Education Service, similar to Singapore's system that assigns £300 a year for training to every person over 25 without five A-C passes at GCSE or equivalent.**

They would be able to roll over the money to future years to save up 'credits,' but the financial incentive would diminish the more qualified a person becomes.

## 3. Make it easier to build more homes in high-demand cities

There is no national housing crisis but rather a series of urban housing crises as affordability varies with the performance of local economies. The planning system constrains the amount of homes which will be built in a city, increasing the price. As a result, housing wealth in the Greater South East has increased by £80,000 since 2013 more than elsewhere in England and Wales.

**The next Government should introduce a flexible 'zoning' system, where developments can proceed unless the council says 'no', rather than the current system where little development can occur until the council says 'yes'.**

## 4. Give every city Transport for London-style powers to manage bus networks

For the past 33 years, London has been the only city that directly manages its bus network through franchising. Transport for London sets the fares, frequency and routes, while private providers operate the buses. Almost every other city leaves the whole operation to private operators and then fills in the gaps. Franchising has helped double the number of journeys in London over the last three decades, while in other major cities they have halved.

Mayors already have the power to franchise but only one or two are on course.

**The next Government should extend the bus franchising powers already available to mayors to all cities, and it should provide £50 million funding to encourage mayors to use the powers they already have.**

## 5. Give cities more power

City devolution has come a long way in the past two decades, but English metro mayors' powers are tiny in comparison to the mayors of New York, Tokyo or Madrid, where mayors have extensive authority over taxation, planning, transport, housing and other policy areas. The rest of the UK is lagging even further behind – there is not a single directly-elected mayor in Scotland, Wales or Northern Ireland.

**The next Government should set out a clear plan for ensuring that all of the existing metro mayors, and any new ones created, are given powers and resources comparable to their international counterparts.** This means powers to alter council tax bands, retain and pool a share of stamp duty and business rates, and introduce new taxes.

Devolution has progressed since the last general election; adult education has been devolved in London and the North of Tyne city-region has seen its first elections. But cities face new challenges such as climate change, technology-related jobs disruption, air pollution and pressure on the social care system. To meet these challenges head on we must go further and give cities the economic support and political powers that they need.

## 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](http://www.centreforcities.org/about)

## Partnerships

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](http://www.centreforcities.org/about/partnerships)

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