

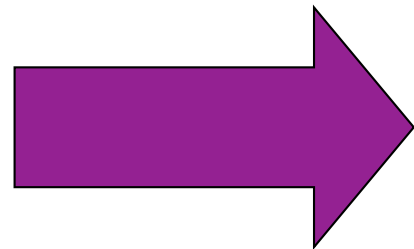
# Understanding spatial issues in public policy

Cecilia Wong, Mark Baker,  
Stephen Hincks, & Brian Webb

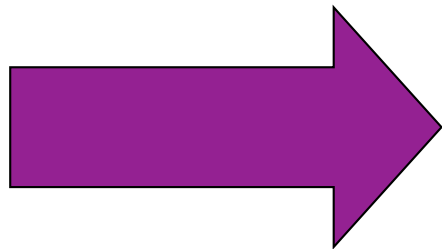
Centre for Urban Policy Studies  
University of Manchester

# Bringing *spatial* thinking to policy-making

Professor Cecilia Wong  
Centre for Urban Policy Studies  
University of Manchester



**Space blind: North/South, urban/rural**

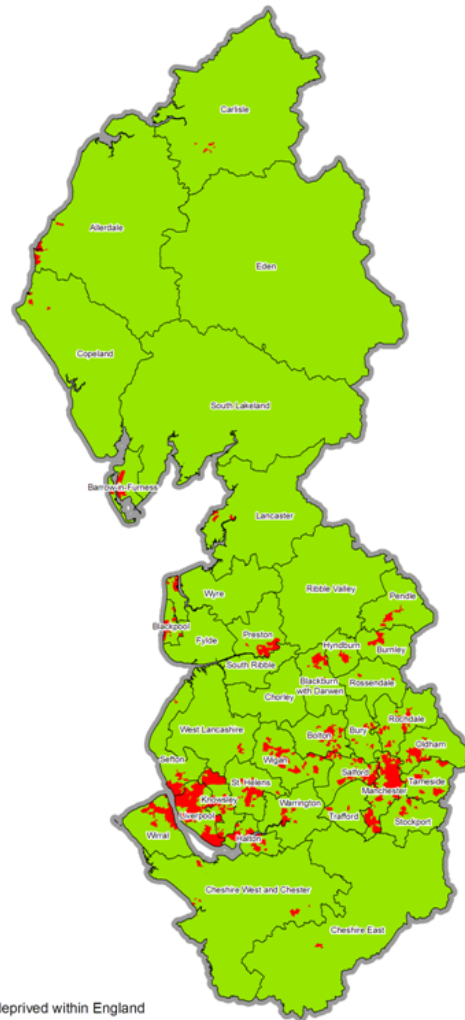


**Spatial fragmentation**

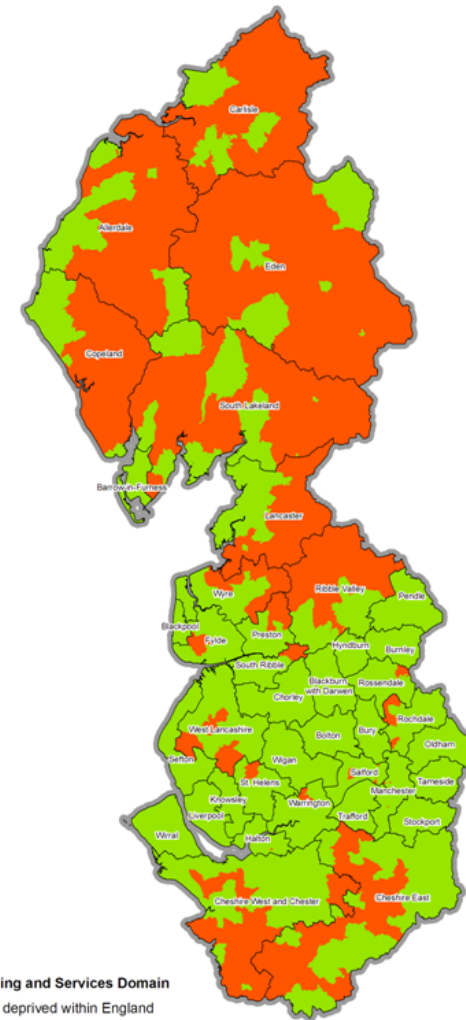


**Democratic deficit and  
poor institutional design**

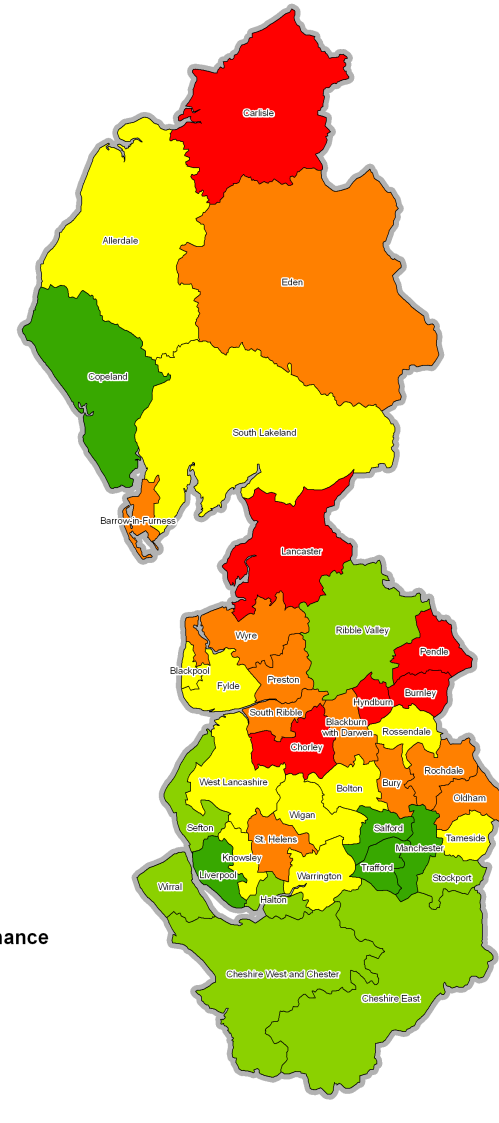
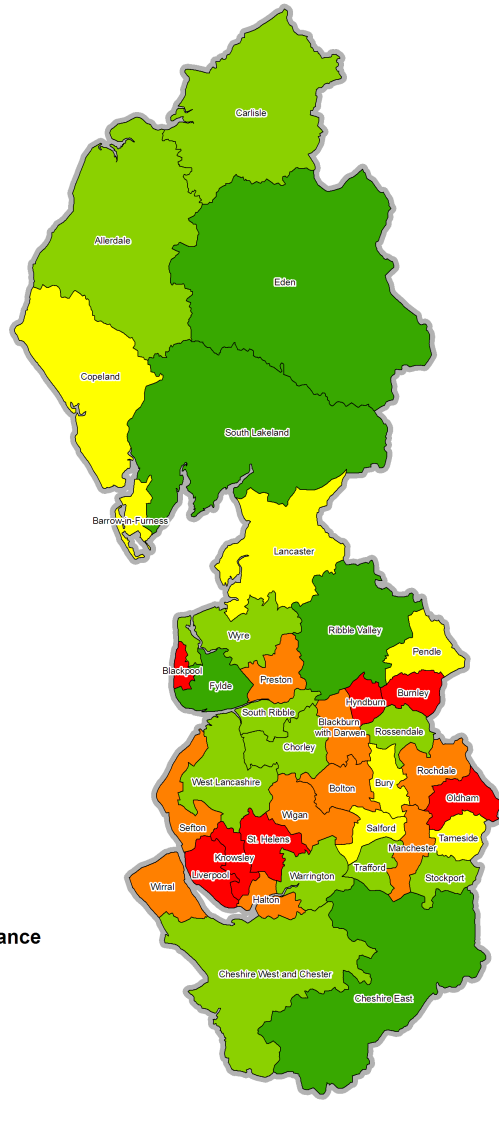
## IMD 2007 (Index of Multiple Deprivation)



**IMD 2007**  
**All Domains**  
■ 10% most deprived within England  
■ All other areas



**IMD 2007**  
**Barriers to Housing and Services Domain**  
■ 10% most deprived within England  
■ All other areas

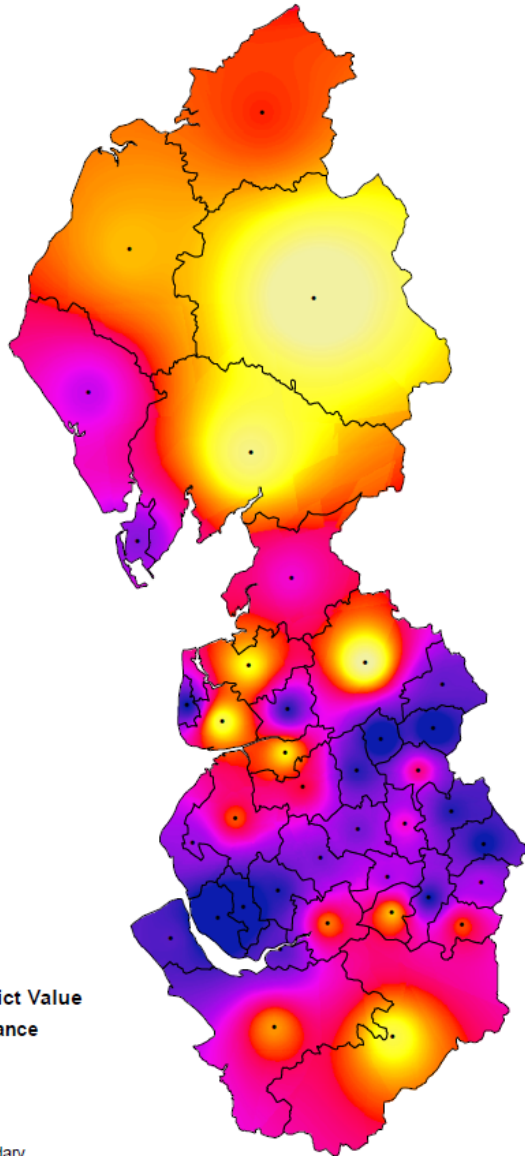


Established Performance since late 1980s

Labour Market & Productivity since late 1980s

**Night Time (Residence-based) vs Day Time (Workplace-based) Performance mediated by *Commuting***

Factor 1 Surface - Overall Performance



Factor 1 - District Value  
Overall Performance

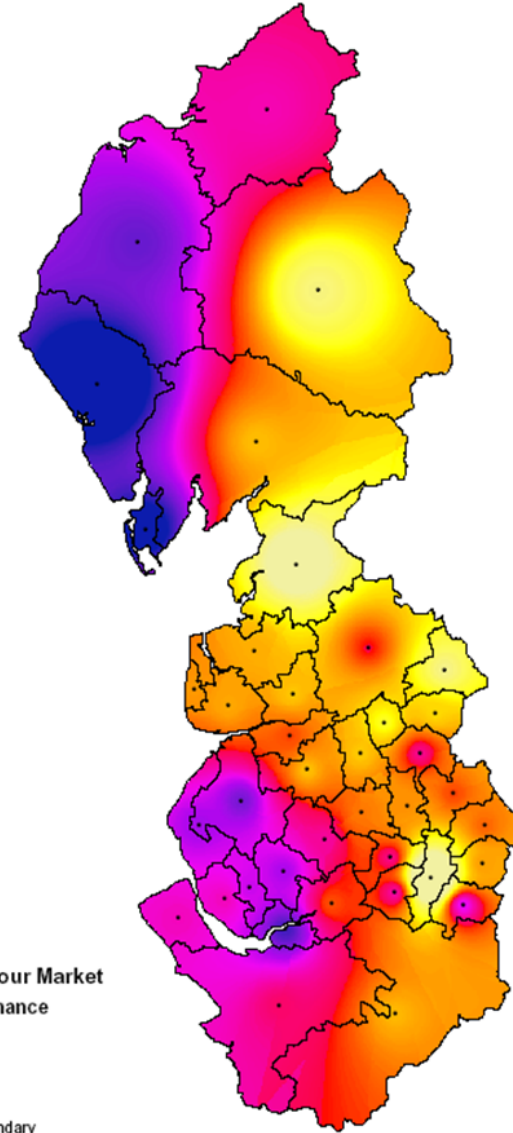
High

Low

District Boundary

District Centroid

Factor 2 Surface - Labour Market/Productivity



Factor 2 - Labour Market  
Overall Performance

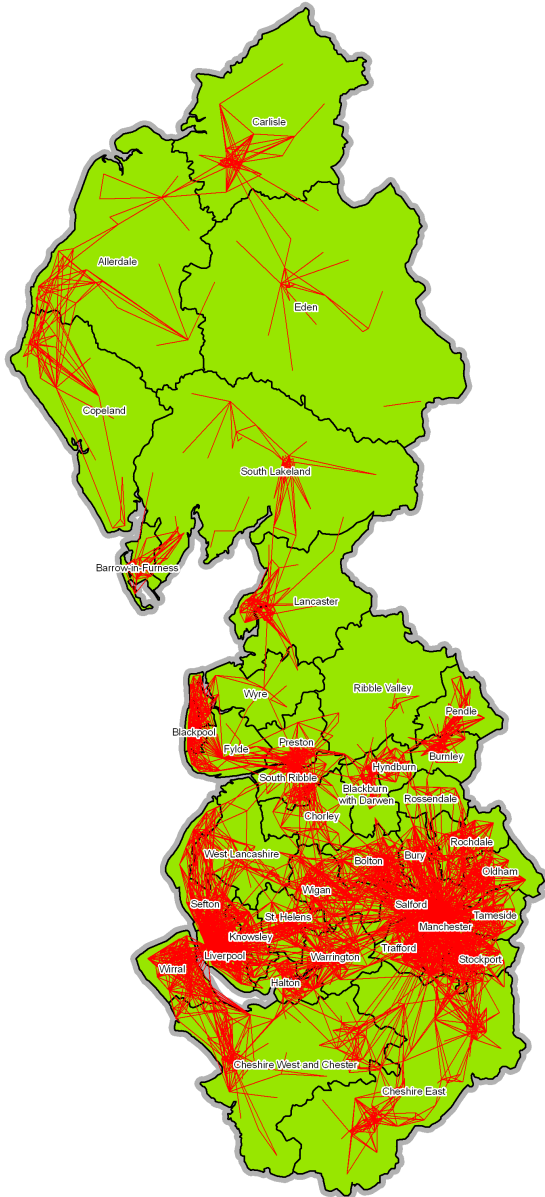
High

Low

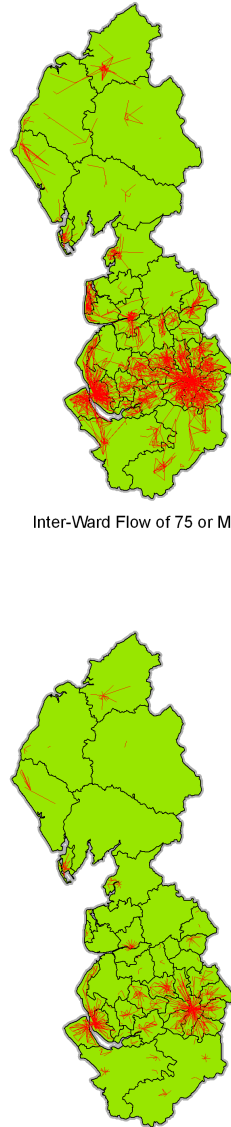
District Boundary

District Centroid

**Night Time (Resident-based) vs Day Time (Workplace-based) Performance mediated by *Commuting***

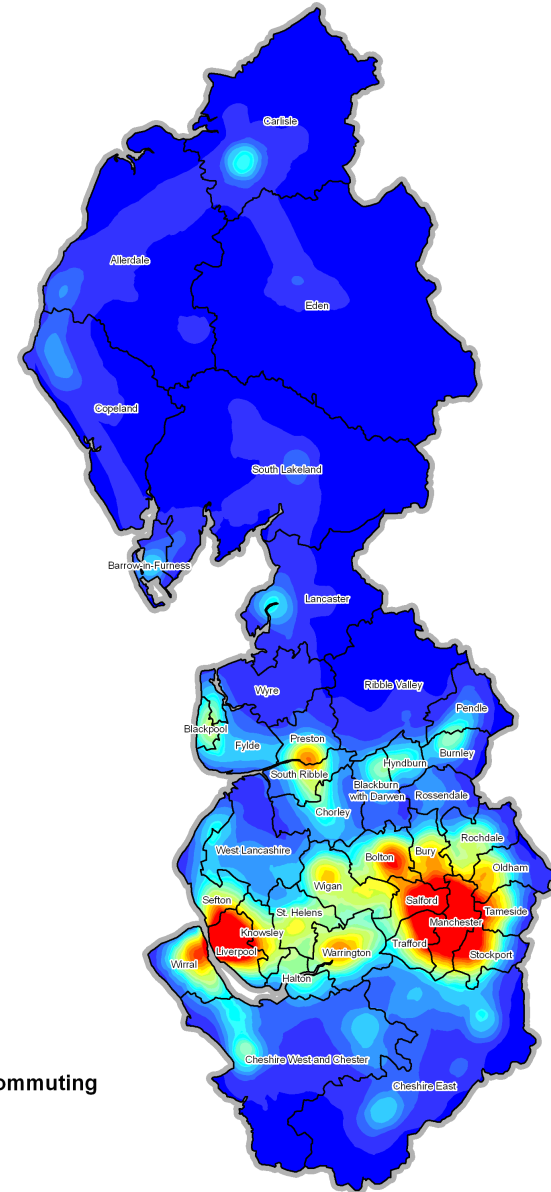


Inter-Ward Flow of 50 or More



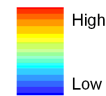
Inter-Ward Flow of 75 or More

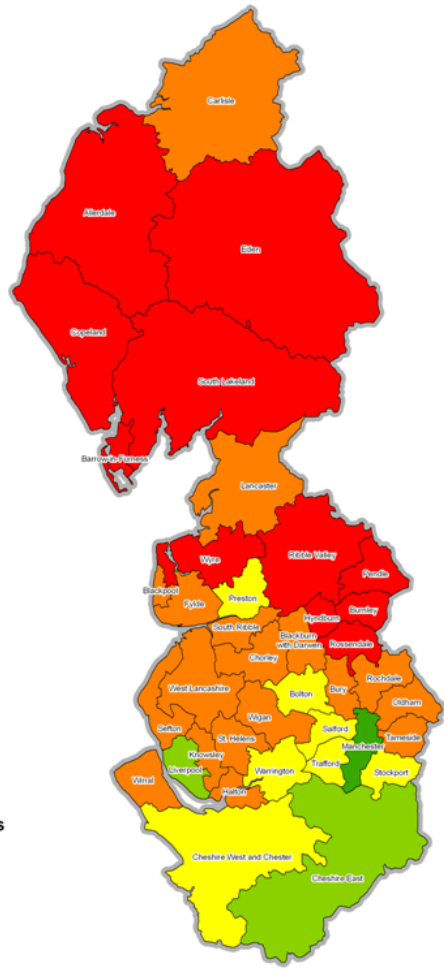
Inter-Ward Flow of 100 or More



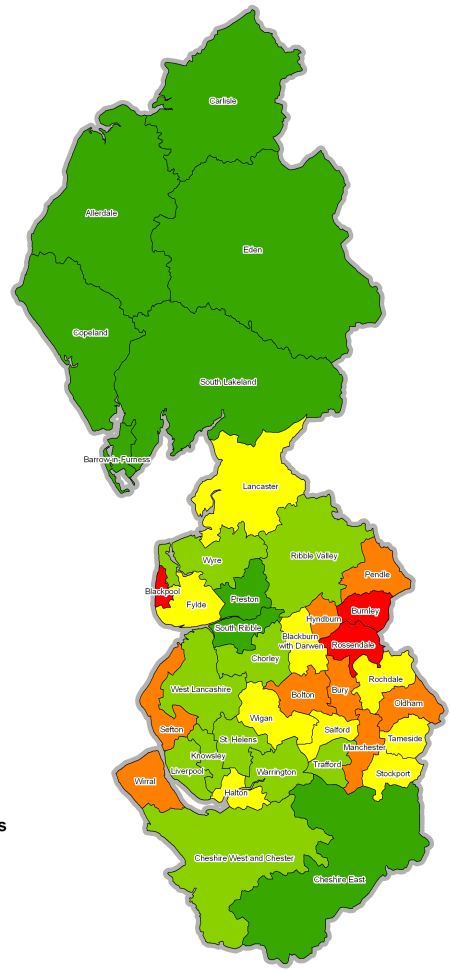
Inter-Ward Commuting

Intensity

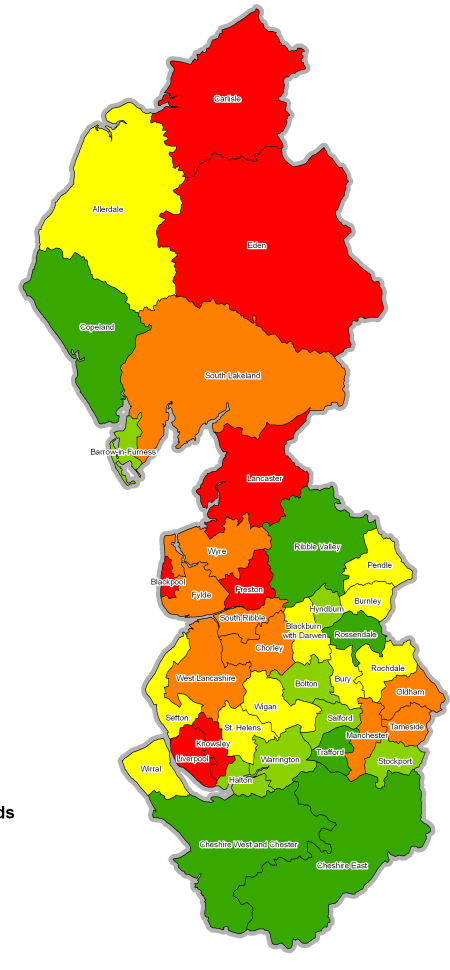




**Knowledge Economy & Employment Centres**



**Upward Development Trajectories**



**Enterprise Culture and Productivity**

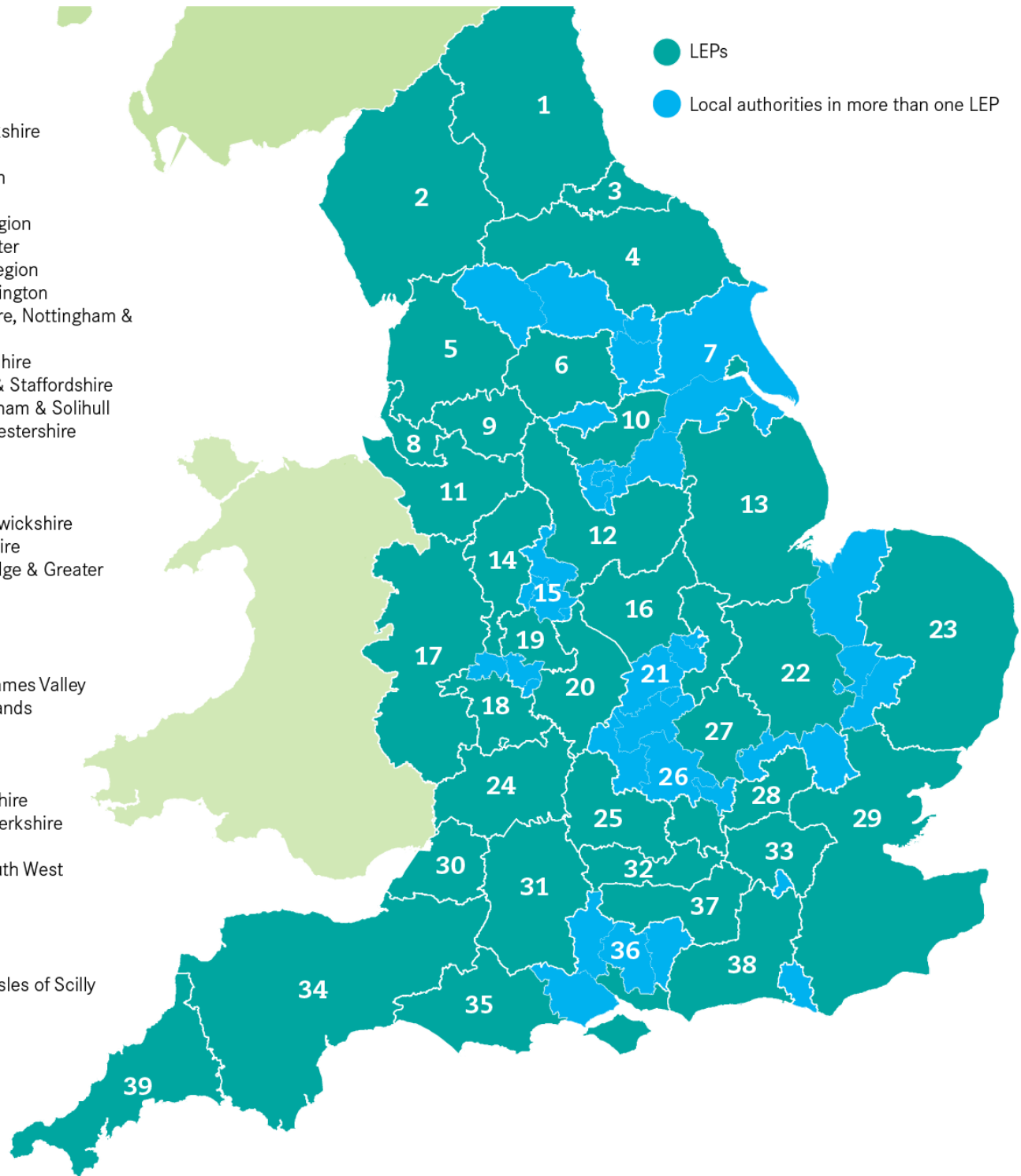
**Recent Performance since early 2000s**



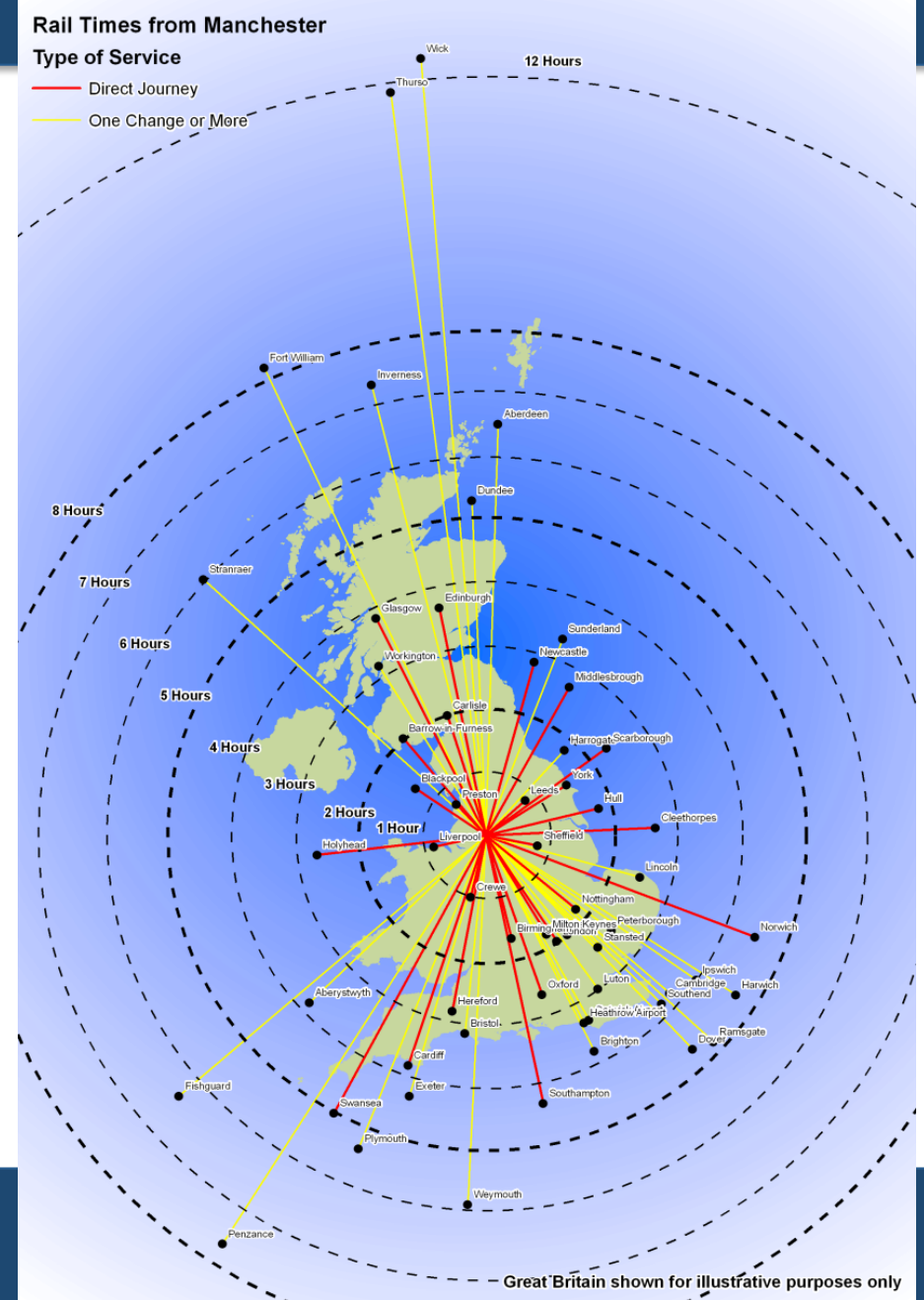
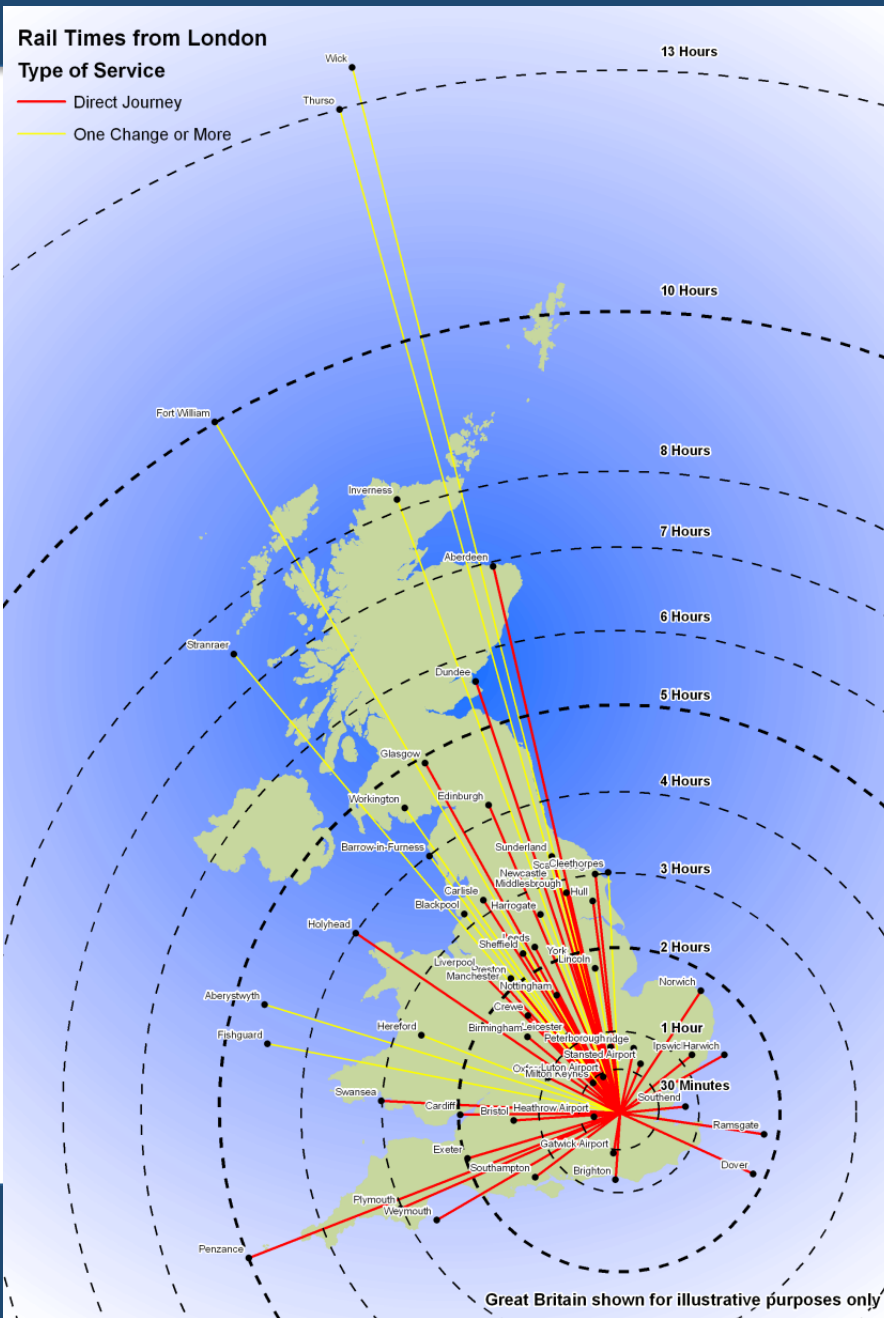


# Policy@

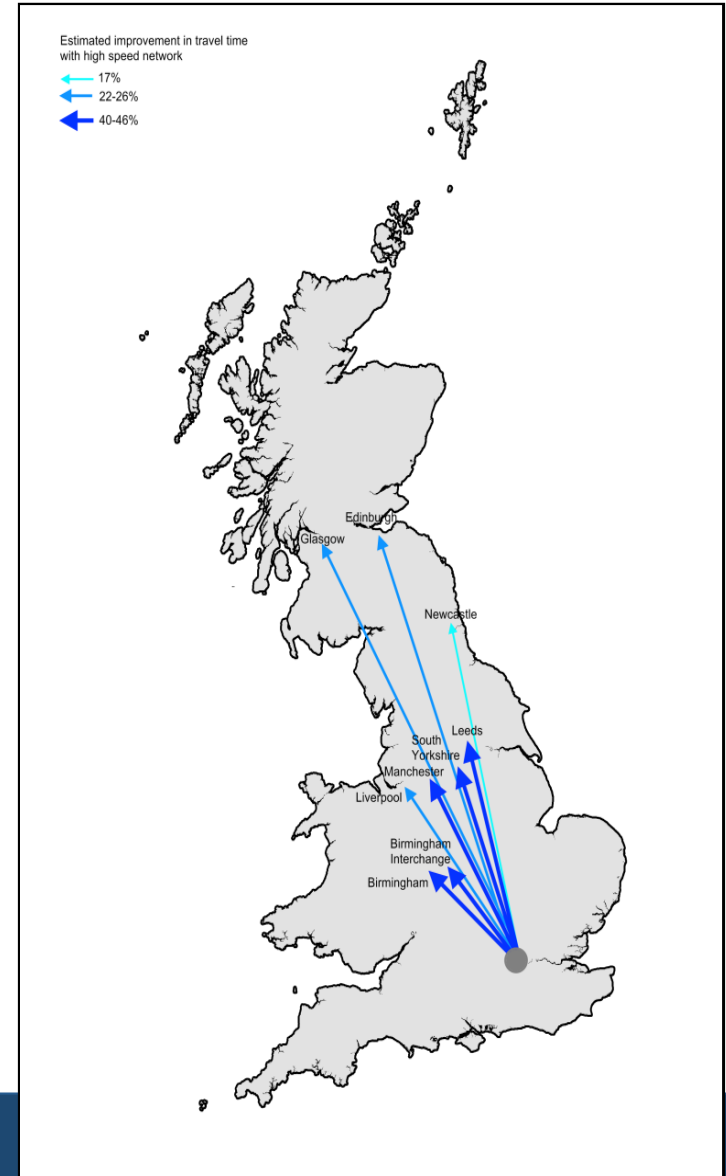
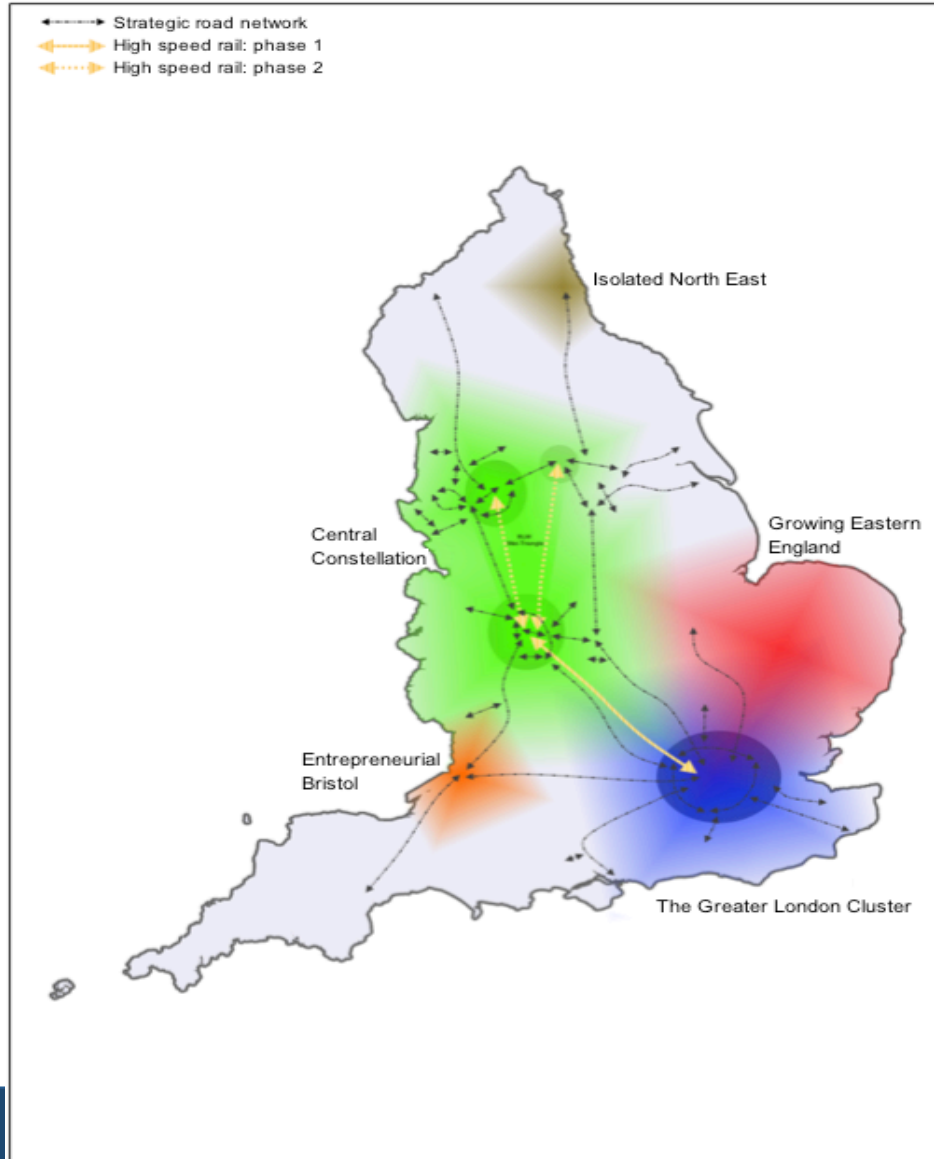
1. North Eastern
2. Cumbria
3. Tees Valley
4. York & North Yorkshire
5. Lancashire
6. Leeds City Region
7. Humber
8. Liverpool City Region
9. Greater Manchester
10. Sheffield City Region
11. Cheshire & Warrington
12. Derby, Derbyshire, Nottingham & Nottinghamshire
13. Greater Lincolnshire
14. Stoke-on-Trent & Staffordshire
15. Greater Birmingham & Solihull
16. Leicester & Leicestershire
17. The Marches
18. Worcestershire
19. Black Country
20. Coventry & Warwickshire
21. Northamptonshire
22. Greater Cambridge & Greater Peterborough
23. New Anglia
24. Gloucestershire
25. Oxfordshire
26. Buckingham Thames Valley
27. South East Midlands
28. Hertfordshire
29. South East
30. West of England
31. Swindon & Wiltshire
32. Thames Valley Berkshire
33. Pan London
34. Heart of the South West
35. Dorset
36. Solent
37. Enterprise M3
38. Coast to Capital
39. Cornwall & the Isles of Scilly



Time-Space compression



## High speed rail and multi-speed England



**‘The tradeoffs between growth maximization through spatial unevenness and growth enhancement through combating underdevelopment must be rigorously assessed and defined’**

Farole, T., Rodríguez-Pose, A. and Storper, M.  
(2009)

# **Fragility and Recovery: Housing, Localities and Uneven Spatial Development in the UK**

Dr. Stephen Hincks

Centre for Urban Policy Studies

University of Manchester

## Background

- A project for the Joseph Rowntree Foundation
- Understand changing trends in relation to housing and localities in the UK
- Seeking to explore spatial variations in housing market and locality change in the UK
- In the context of...

## A Dominant Spatial Policy Narrative: North-South Divide

- Immediate post-war period: rise of the North-South divide
- Stark spatial inequalities following the collapse of the traditional spatial division of labour in inter-war Britain
- Explicit redistributive policy mantra branded as ‘a strategy of spatial Keynesianism’
- State assumed strong welfare role
- **‘Regions’** were the focus for delivery of interventions to reduce inequalities & unevenness in development



# Breakdown of Keynesianism

- Mid-1970s – post-war Keynesian settlement collapsed
- Global economic crisis emerged
- Neoliberal economic and social agenda pursued by the Thatcher government post-1979
- The secret of economic growth “...was seen to lie in the unshackling on Britain’s stifled entrepreneurial spirit [achieved] through the dismantling of the welfare state” (Peck and Tickell, 1992: 355)
- North-South divide gained increasing prominence as inequalities re-intensified & social unrest grew
- N-S divide lingered on through the ‘Major’ years





# The New Labour Era

- Early in New Labour Era – **Third Way politics**
- Enterprise with fairness and equality
- Period of devolution
- Regional Institutions in England
- Asymmetric process
- But...seen as a way of 'tooling-up' to reinvigorate underperforming regions whilst allowing London and the South East to continue to thrive
- Sought to address spatial & social inequalities



## But...The Same Old Story?

- Unrealised 'balanced' competitive regional development
- Third-way abandoned
- Policy focus then shifted towards competitive city-regionalism
- 'Balanced competitiveness' shifted the political focus away from regional disparities towards emphasising the 'untapped opportunities' for *all*
- Masked uneven regional development across the UK (Harrison, 2007)



# The Economy Implodes!

- Global economic crisis (2007-) has underlined the vulnerability of economies across the UK
- Housing issues
  - Reduction in the availability of mortgage finance contributed to ‘housing crunch’
    - Falling housing prices
    - Reduced private sector sales
    - Reduced supply
- Locality issues
  - Rising unemployment and worklessness
  - Reduction in new business formation
  - Increase in business death rate

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News | Sport | Comment | Culture | Business | Money | Life & style

Comment is free

Good GDP data? No, the economy's stagnant and Europe can't be blamed  
The British economy is a drag on Europe – not vice versa



Michael Burke  
guardian.co.uk, Tuesday 1 November 2011 13:55 GMT  
Article history



theguardian | TheObserver

News | Sport | Comment | Culture | Business | Money | Life & style

Comment is free

The economy: we need Plan B and we need it now

A 'business as usual' approach is no longer acceptable

Editorial  
The Observer, Sunday 30 October 2011

# Unsurprising then to see...

- ...the North-South debate reemerging in the aftermath of the recession!

But is that all there is to it...?

Is the Spatial Divide in the UK simply one of:



theguardian

News | Sport | Comment | Culture | Business | Money | Life & style

Business > Economics

## North-south income divide widens, official figures show

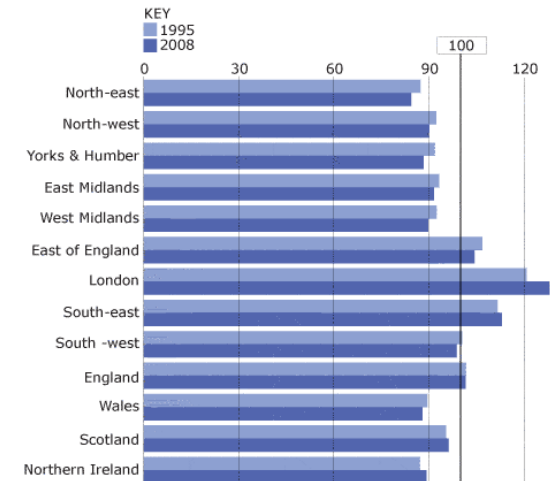
Workers in London and south-east see income outperform national average – while every other region loses out

Heather Stewart

guardian.co.uk, Wednesday 31 March 2010 17.42 BST  
Article history

### North-South Divide

Regional gross disposable household income per head, index: UK = 100



Graphic: regional income comparison

# Looking Beyond the Traditional Divide

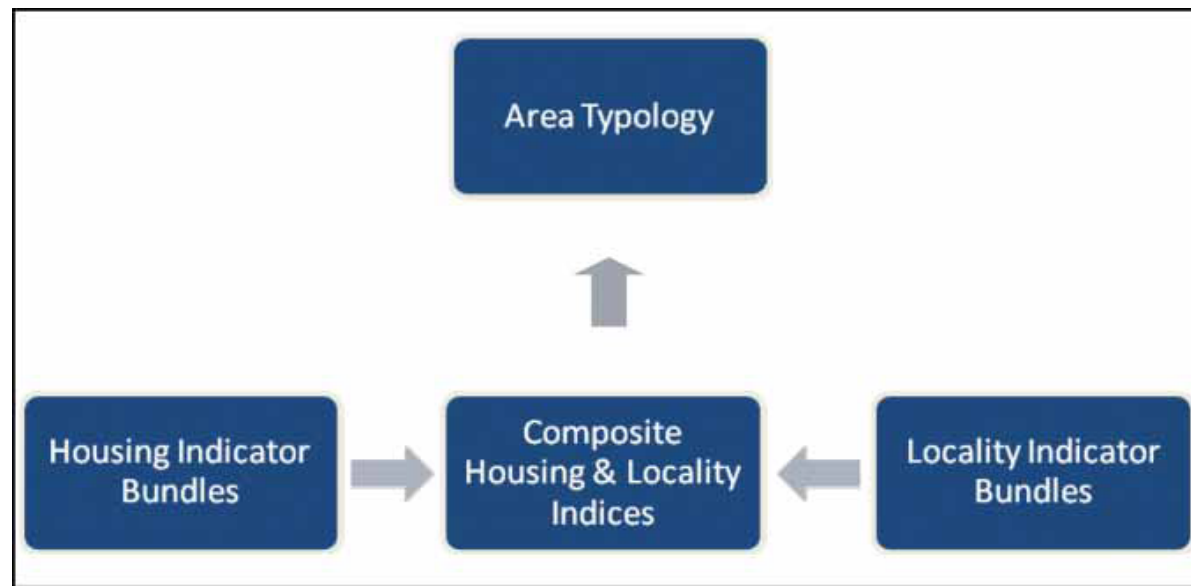
- To engineer effective redistributive change, “...the geography of relations of control, the geometries of power and the discursive dominance of the South East over the rest of the country” need to be addressed (Massey, 2001).
- North-South divide is a partial and simplifying explanation (Gonzalez, 2011)
- Provides a convenient “...discursive device for simplifying what in reality is a necessary complex socioeconomic landscape” (Martin, 2004: 21)
- Uneven development is more complicated

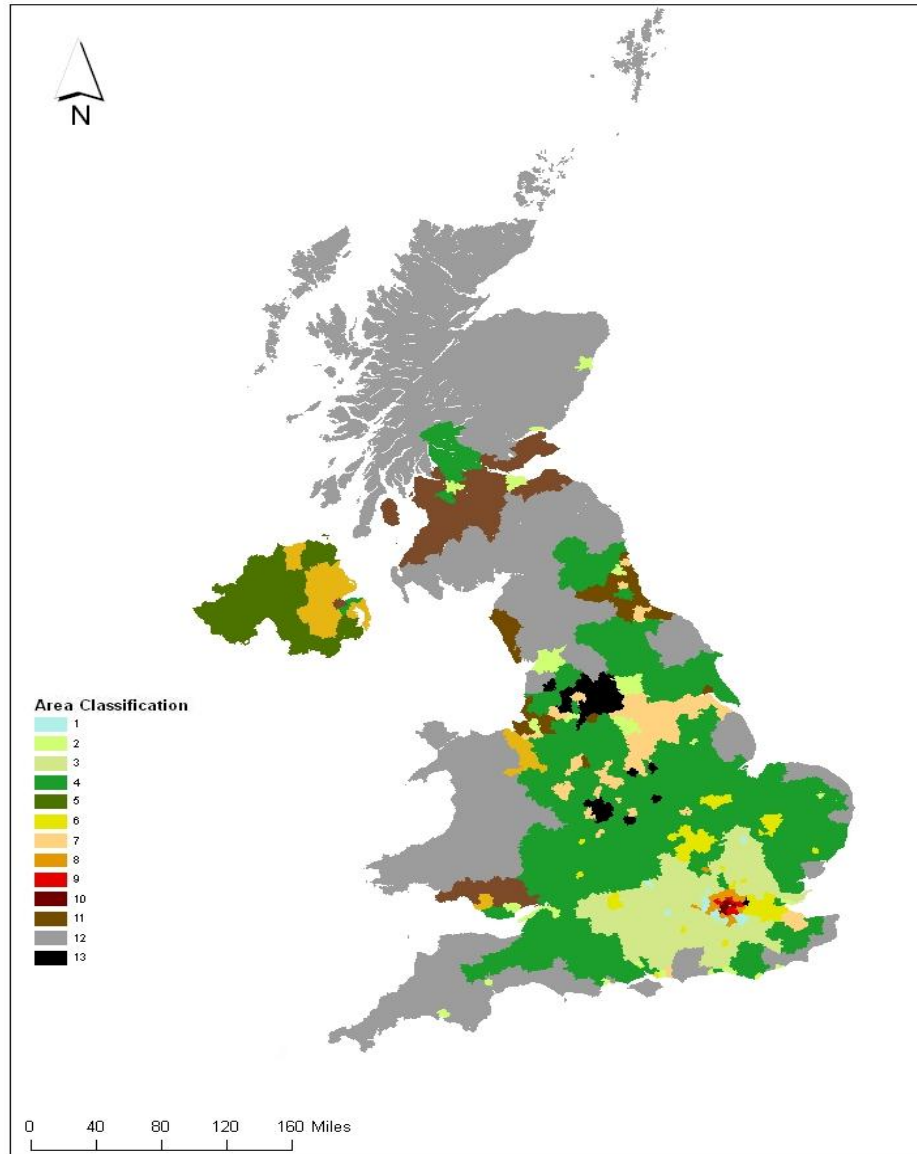
## Policy (Political) Context

- Coalition Government
- Localism Act – ‘taking powers away from officials and putting it in the hands of...local people...’
- ‘Local solutions to local problems’
- Uncertainty over strategic issues
  - ‘Death’ of strategic regional planning
  - Reconfiguration of strategic economic development (RDAs-LEPS)
  - Delivery of housing, infrastructure, national priorities
  - Implementation of spatially variable policies: Effectiveness of Duty to Cooperate; Growth Funds etc.

## Study Methodology

- Nine Housing Indicators (Supply-demand interactions; house prices...)
- Nine Locality Indicators (Population change; unemployment; business vitality)





1. Thriving London Periphery
2. Regional Centres
3. Prospering Southern England
4. Prospering Smaller Towns
5. Northern Ireland Countryside
6. New and Growing Towns
7. Manufacturing Towns
8. London Suburbs
9. London Cosmopolitan
10. London Centre
11. Industrial Hinterlands
12. Coastal and Countryside
13. Centres with Industry

Acted as a benchmark



## Study Methodology

- Housing market index (HI-Mkt)
  - House price, house price change, affordability ratio, and market rent – measure general level of pressure of the housing market
- Housing supply index (HI-S)
  - Supply/demand ratio, private and social sector new build – measure of housing supply
- Social housing needs index (HI-SN)
  - Homelessness and social rent levels – measure social housing needs
- Socio-economic conditions (NI-SE)
  - Population change, deprivation level, economic inactivity rate, unemployment rate and burglary rate
- Enterprise and labour market activities (NI-EN)
  - New enterprise start-up rates and death rates, employment rates and education qualification levels.
- Composite indices were constructed for 2006-07 and 2009/2010

# Housing Market Change

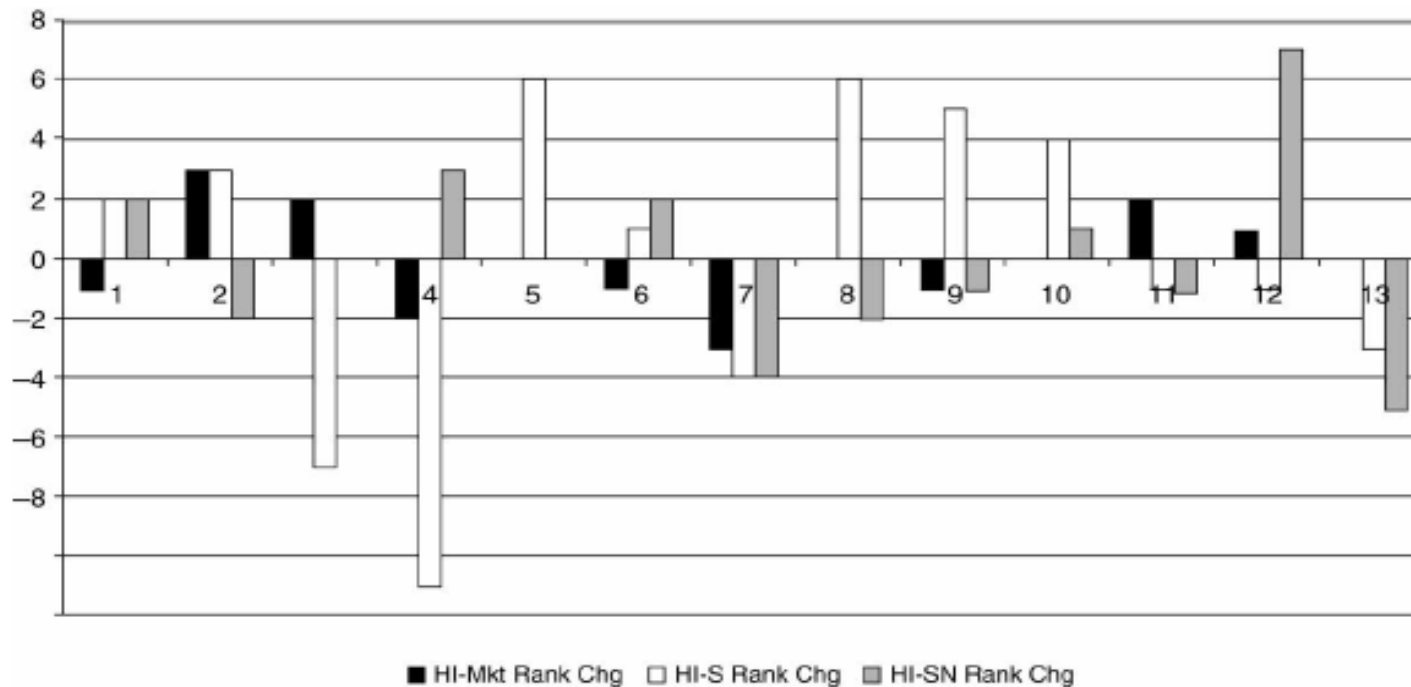


Fig. 5. Housing indices' rank change between 2006/07 and 2009/10

Note: HI-Mkt, Housing Market Index (increase in rank = more pressurized market); HI-S, Housing Supply Index (increase in rank = increased housing supply); and HI-SN, Social Housing Needs Index (increase in rank = increase in social housing needs). 2009/10 data are not available for Northern Ireland Countryside on HI-Mkt and HI-SN

# Locality Change

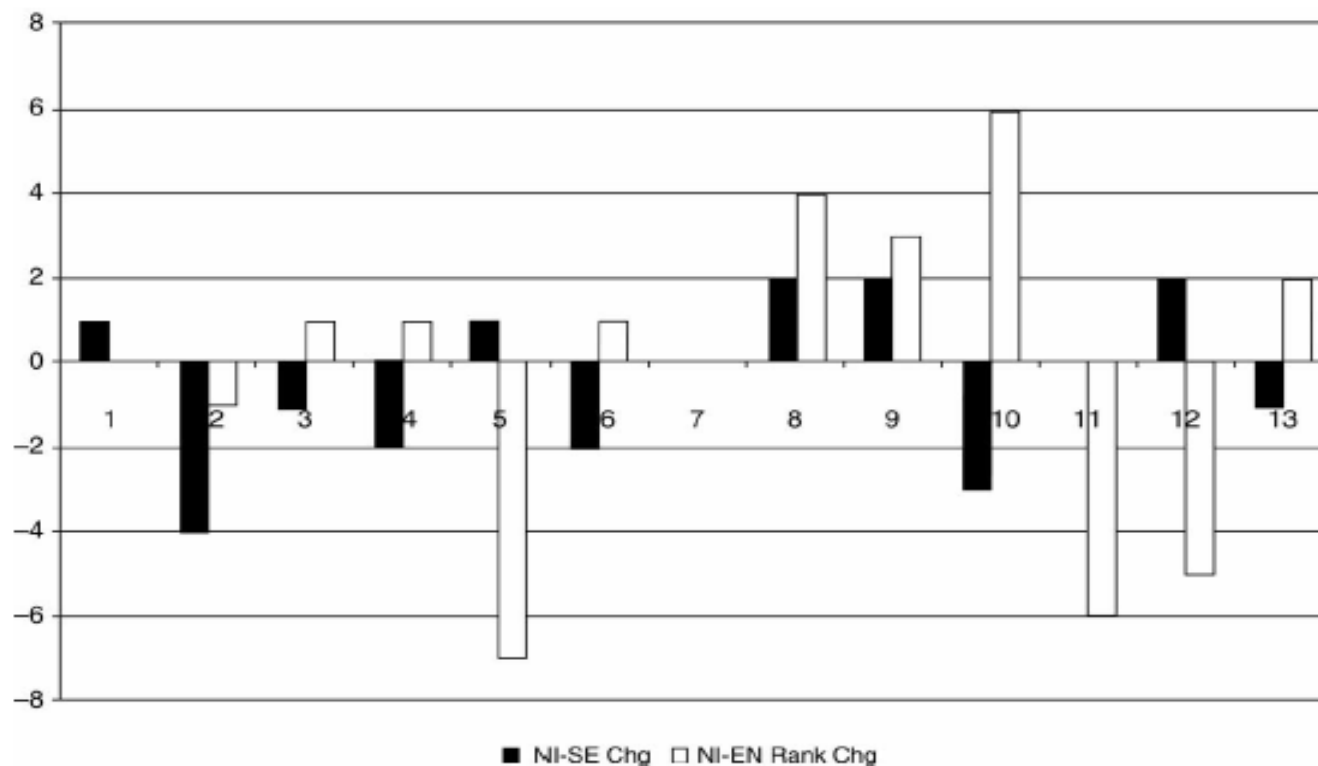
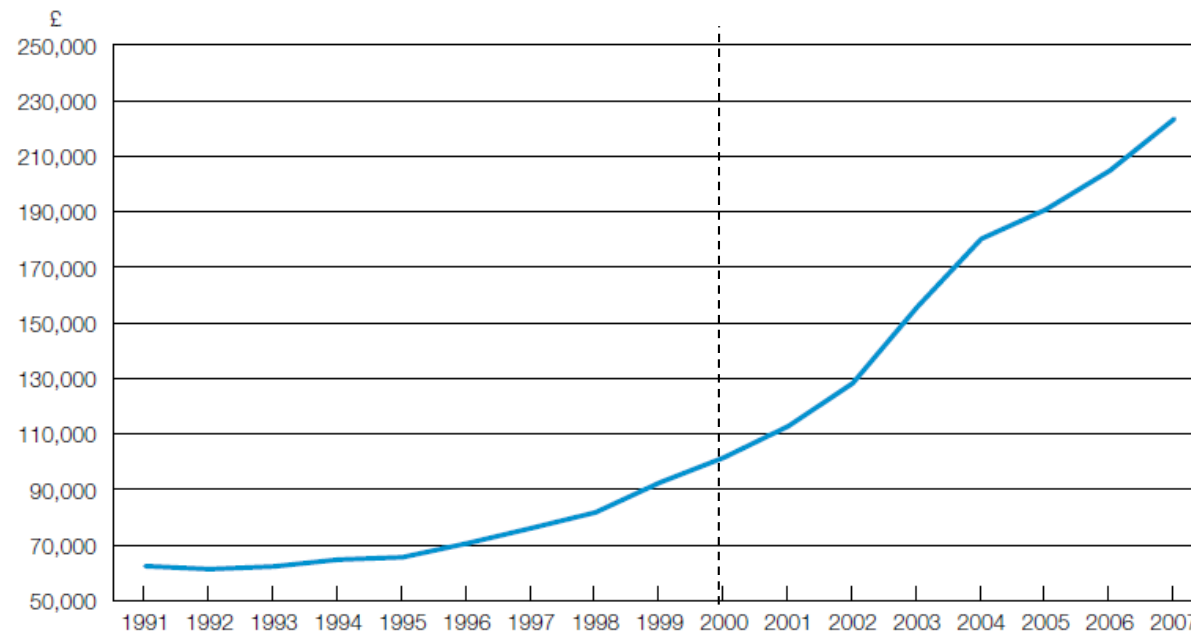


Fig. 6. Locality indices' rank change between 2006/07 and 2009/10

Note: NI-SE, Socio-Economic Index (increase in rank = relative increase in negative conditions); and NI-EN, Enterprise/Labour Market Index (increase in rank = relative increase in favourable conditions)

Figure 2.18: UK average house price, 1991–2007

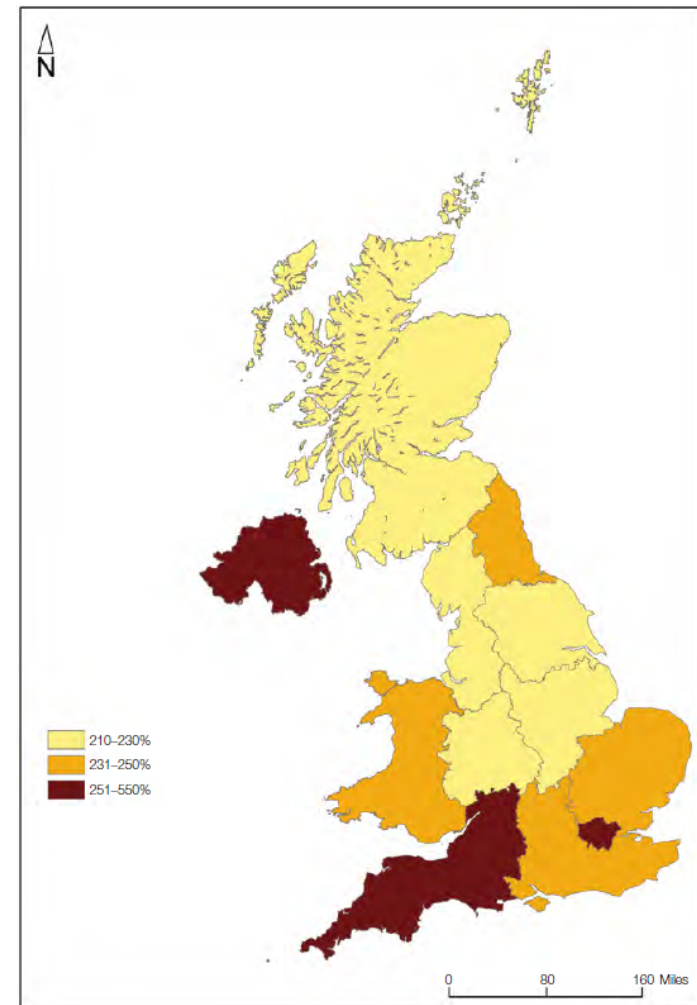


Source: CIH/BSA (2008: 143)

- UK average house prices on the rise between 1991 and 2007
- Boom period between 2000-2008
- Peak of the market in 2006-2007 average house prices in the UK - £223,000

- The overall trend of house price changes conceals major spatial variations in the housing market
- Between 1991 & 2007, property prices in different regions went up by over 200%. The most extreme increase was found in Northern Ireland, which experienced a 549% increase
- Another notable increase was London, where the average house price increased by 299%

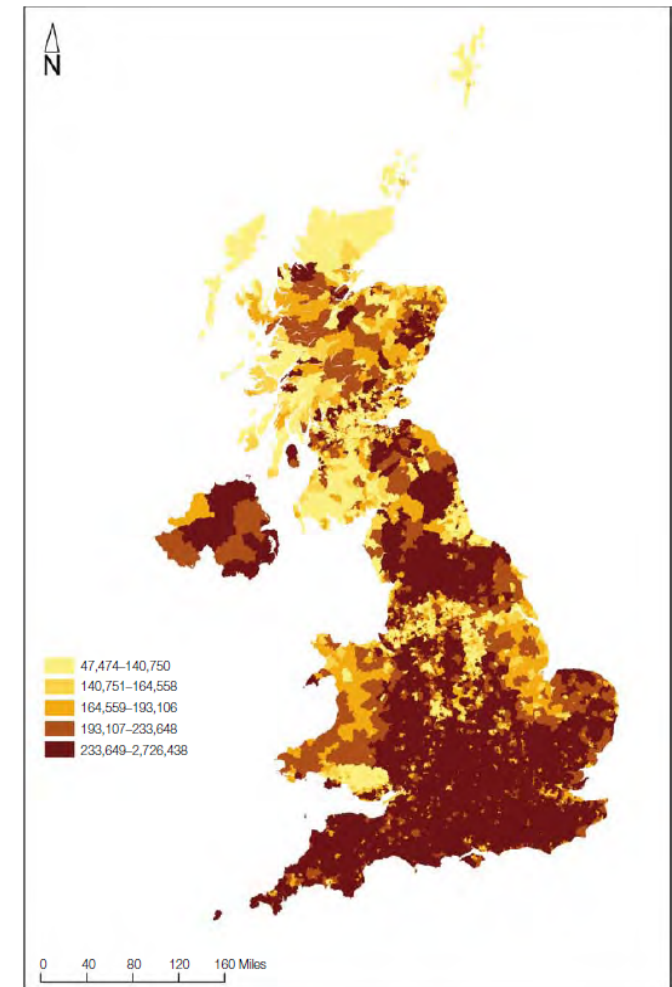
Figure 2.19: Percentage change in house prices, 1991–2007



Source: CIP/BSA (2008: 143)

- Looking at a particular point in time (2007) below the regional scale
- We can see that not all areas are developing at the same intensity
- North-South divide is not particularly evident here
- Areas of northern England and parts of Scotland have similar price levels as the South East

Figure 3.7: Standardised house price (£), 2007



*Note:* Northern Ireland data is based on median data, while data for England, Wales and Scotland is based on mean data.  
*Source:* HM Land Registry, SNS, NIHE

# Spatial 'Archipelago'

- The recession impacted spatial housing markets in different ways
- Areas in and around London, for example, improved their relative housing supply ranking
- But other areas in London and the more prosperous outlying areas suffered a greater relative decline in socio-economic conditions, enterprise culture and labour market activities
- Paradoxically, industrialised and peripheral areas have improved their relative positions
- Mirrors the situation in the early 1990s during recession – spatial narrowing
- Previous recessions - the recovery follows a restoration of the spatial disparities with stronger recovery in London and southern England
- Strength of the unique London-South East 'Super-Region'

# Spatial 'Archipelago' – Policy implications

- Complex and layered picture of *uneven spatial development* - variegated processes and interactions lead to variegated spatial outcomes
  - Different area types – (North and South) are cross-cut by varying housing market and locality conditions
  - Austerity (reforms) and public spending settlements - variable socio-spatial impacts
  - More 'market-orientated' will be better positioned to take advantage of emerging opportunities
- Value of strategic-spatial thinking in policy-making to address:
  - Spatial blindness
    - aspatial policy
  - Spatial insensitivities
    - hegemonic spatial policy narrative
    - neglect of alternative policy discourses



**‘A MAP FOR ENGLAND’  
SPATIAL SYNERGIES AND CONFLICTS:  
GOVERNMENT POLICIES AND PROGRAMMES IN  
ENGLAND**

Dr. Mark Baker

(Cecilia Wong, Stephen Hincks, Brian Webb,  
Andreas Schultz-Baing)

Centre for Urban Policy Studies (CUPS)

University of Manchester

# Spatial complexity of area-based urban initiatives in Britain

- *'a patchwork quilt of complexity & idiosyncrasy'*, Audit Commission (1989)
- *'a bowl of spaghetti'*,  
(Labour Regeneration Minister, Lord Rooker, 2003)
- *What has happened another decade later?*

# The Research Team

- Cecilia Wong
- Mark Baker
- Stephen Hincks
- Andreas Schulze Bäing
- Brian Webb

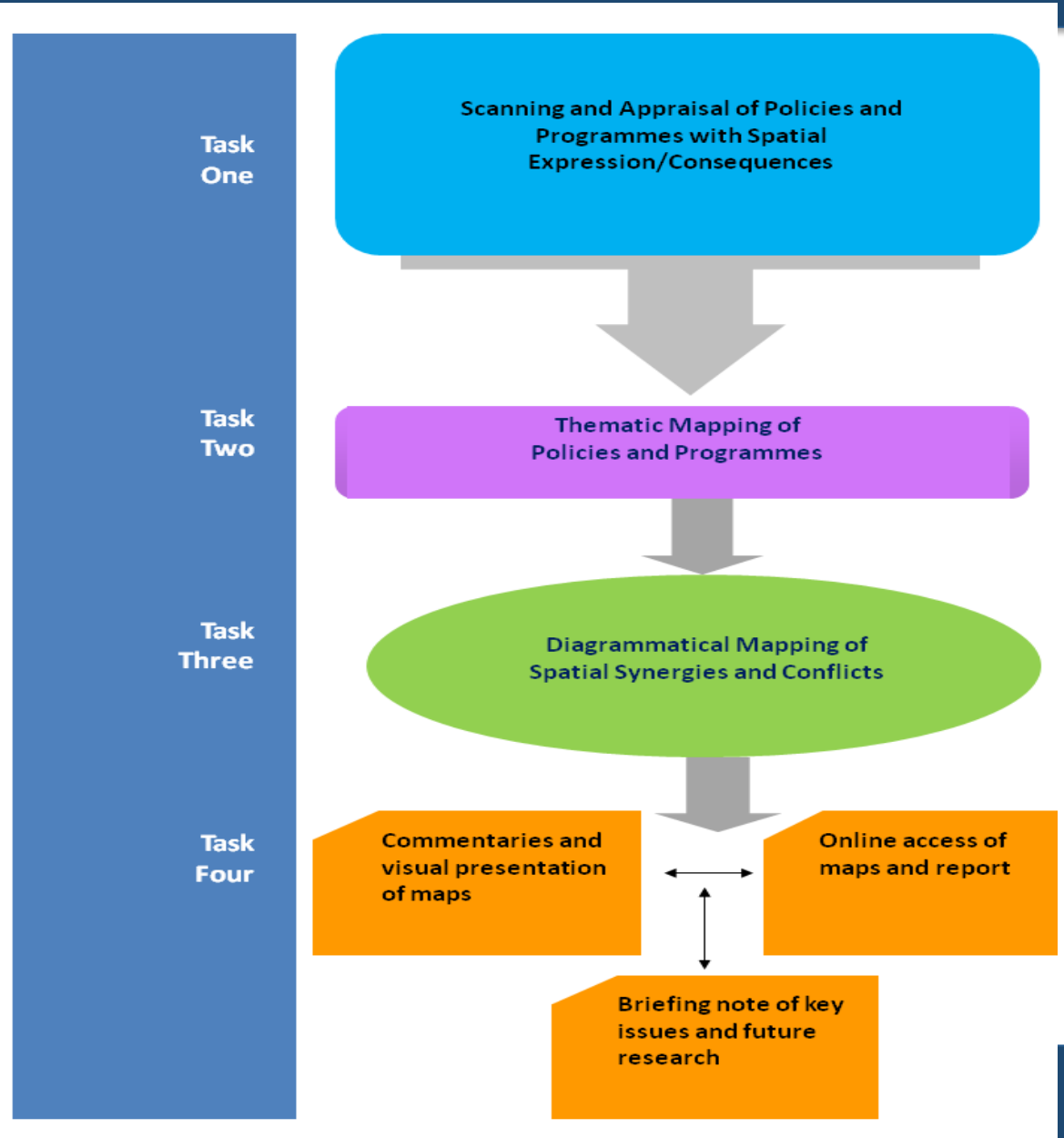
Centre for Urban Policy Studies (CUPS),  
the University of Manchester

the *third* report over the last 10 years with the RTPI

# What is the report about?

- To appraise government policies and programmes (including agencies and NDPBs) with an **explicit spatial expression** and/or **spatial consequences**.
- To perform **thematic mapping** of government policies and programmes that have an explicit spatial expression and/or consequences.
- To identify and map the patterns of **spatial synergies and conflicts** arising from existing government policies and programmes
- To highlight key issues and further research work required to fully address the need of providing a **spatial framework** to support the development of **NPPF** and the delivery of the **Localism Act**.

## Methodology

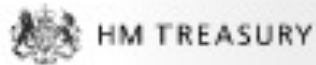


# Policy@



Draft National Planning Policy Framework

*deliberately, and unrelentingly, aspatial in content and contains very limited cross references to any of the other, more spatially explicit, statements of national policy*



National Infrastructure Plan 2011

*projects, programmes and funding sources are explicitly spatially targeted, but does not present or analyse this spatial targeting in a cross-sectoral or integrated manner*

November 2011



*concentrates a substantial amount of attention and financial resources on eight designated English core cities and their surrounding functional areas*

## ***.... a partial picture of sectorally-based spatial development:***

- *the degree to which the national road, rail and digital communication proposals will, in combination, concentrate resources along particular strategic corridors and/or complement the potential concentration of resources on eight core cities remain unanswered....*
- *.... the relationships between these and other issues (e.g. the location of new power stations; future airport capacity etc.) and the spatial context of environmental constraints (e.g. national parks, AONBs, nature conservation sites) and risks (e.g. flooding, drought) are not explored at the national level....*
- *.... nor are they considered in the context of future population projections, house prices and affordability, unemployment, levels of deprivation and so on....*

## ***Think spatially, act spatially...***

- *.... little understanding is shown of how these sectoral issues might complement or conflict with each other, creating synergies or tensions that might lead to future successes or failures in delivery and implementation ....*
- *.... ultimately contributing to, or frustrating, future economic growth and sustainable development...*

Three sets of key planning issues were identified for further analysis:

**The Growing Places Fund and Regional Growth Fund;**

**The High Speed Rail Link (HS2); and**

**Future Housing Delivery**

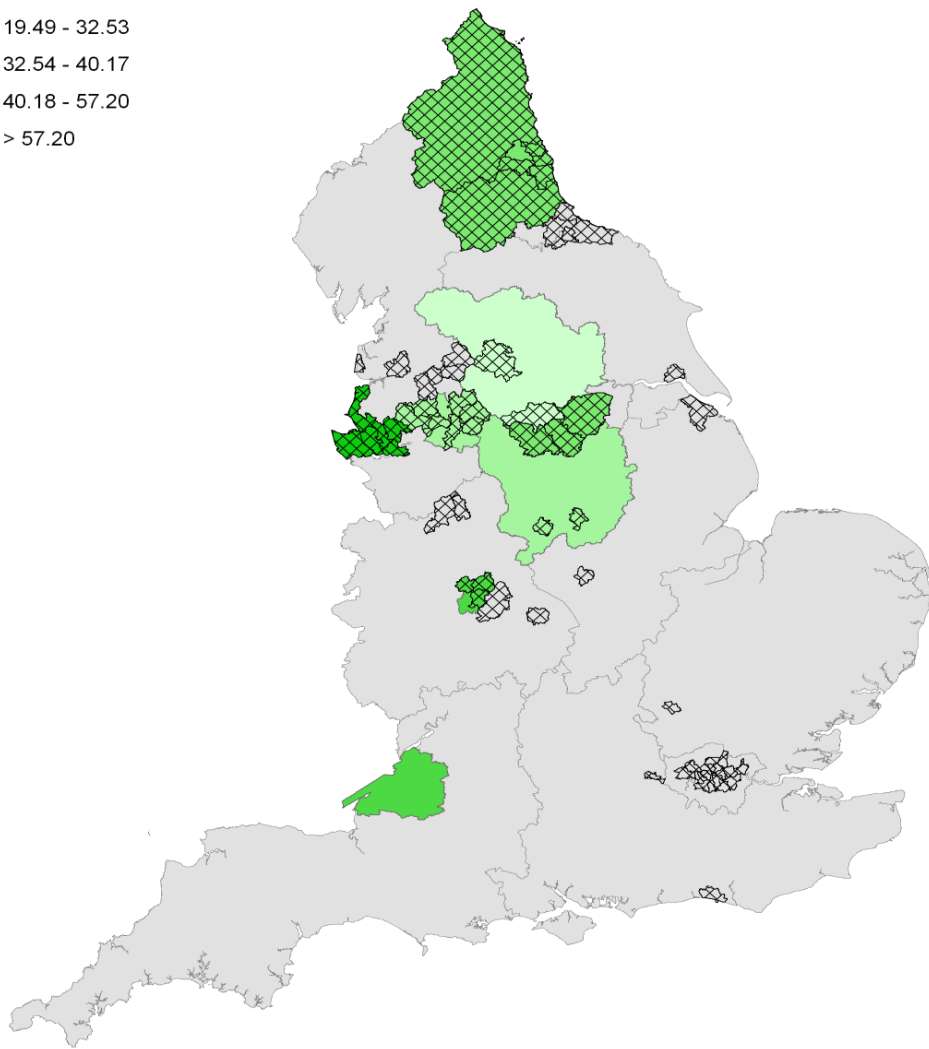


Cumulative cuts to LA's in £ per capita

▨ > -75

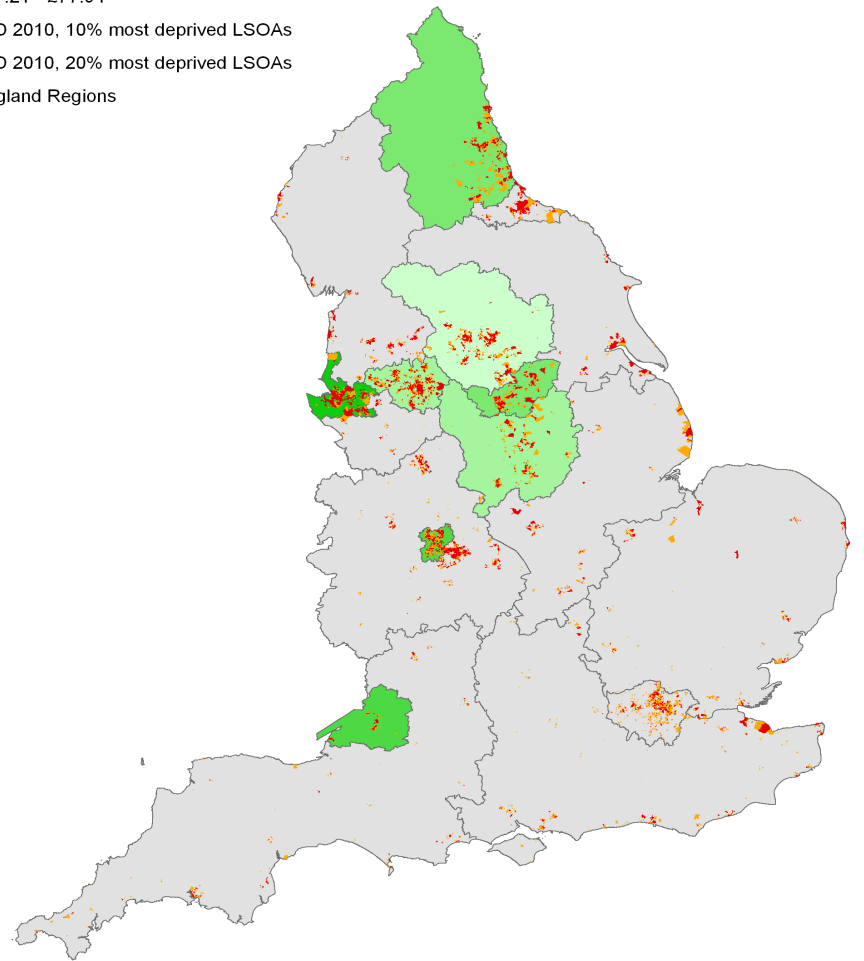
GPL and RGF spending in £ per capita

- 19.48
- 19.49 - 32.53
- 32.54 - 40.17
- 40.18 - 57.20
- > 57.20



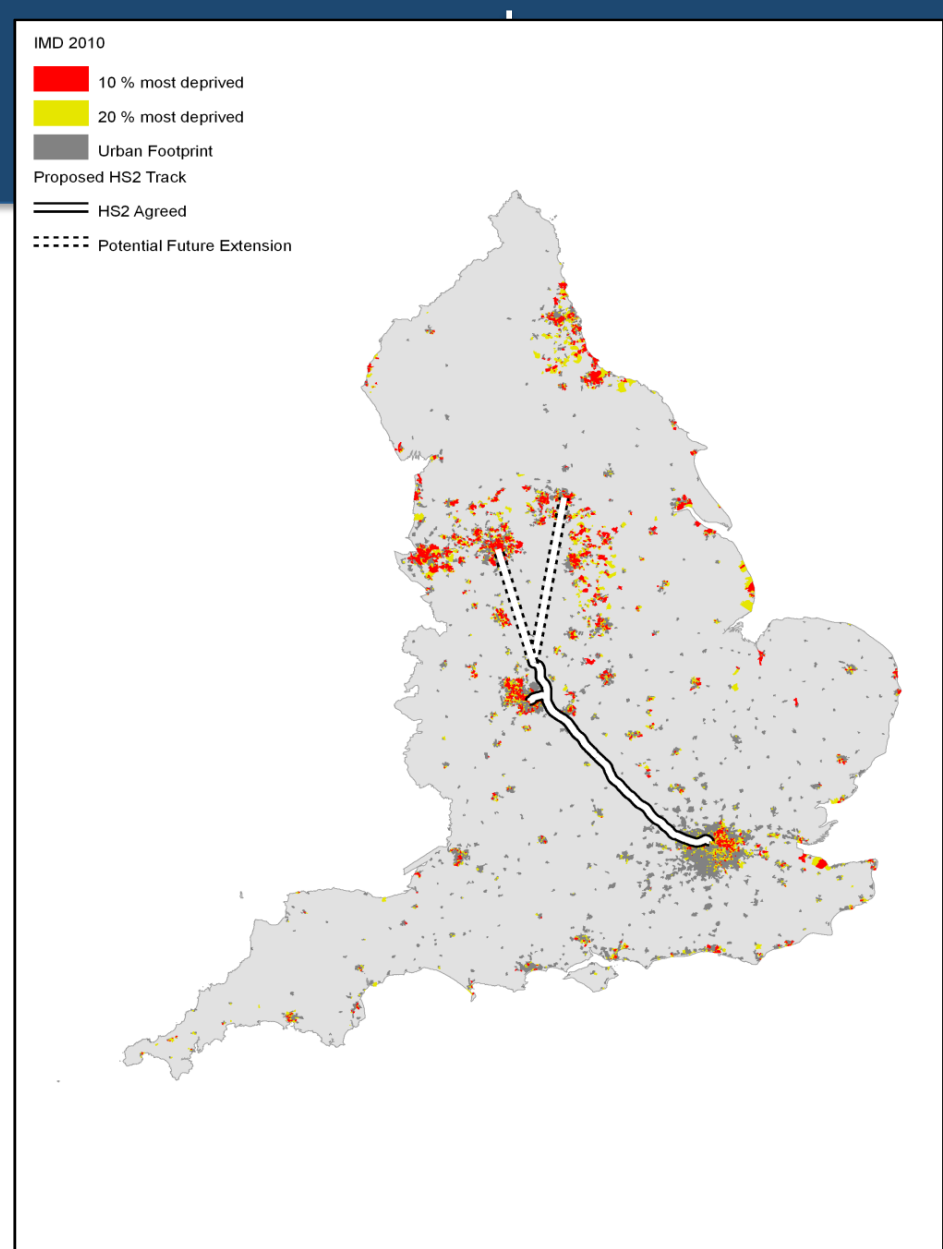
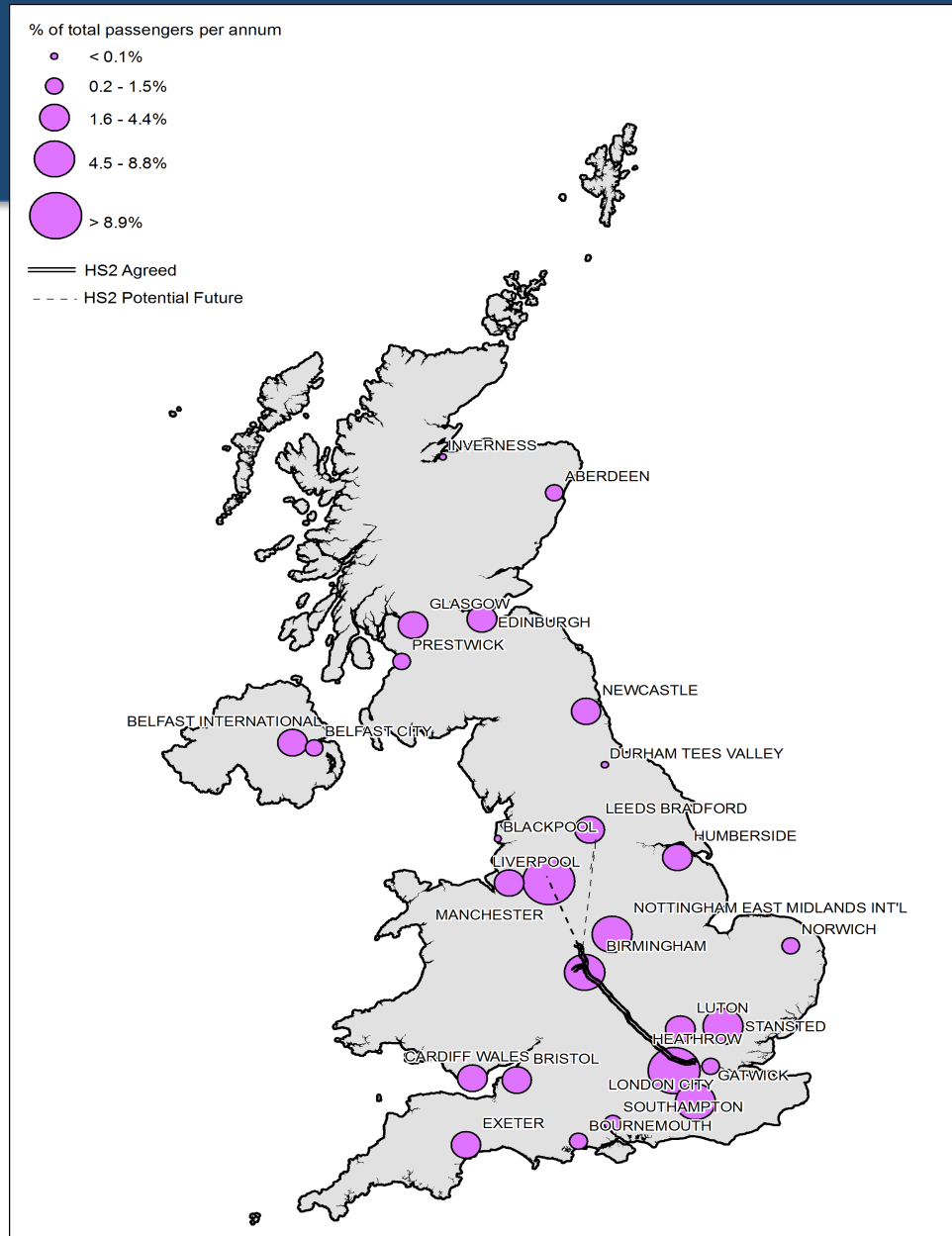
GPL and RGF spending per capita and LEP

- £19.48
- £19.49 - £32.53
- £32.54 - £40.17
- £40.18 - £57.20
- £57.21 - £77.94
- IMD 2010, 10% most deprived LSOAs
- IMD 2010, 20% most deprived LSOAs
- England Regions



Combined growth funds and local authority funding cuts

Combined growth funds and deprivation

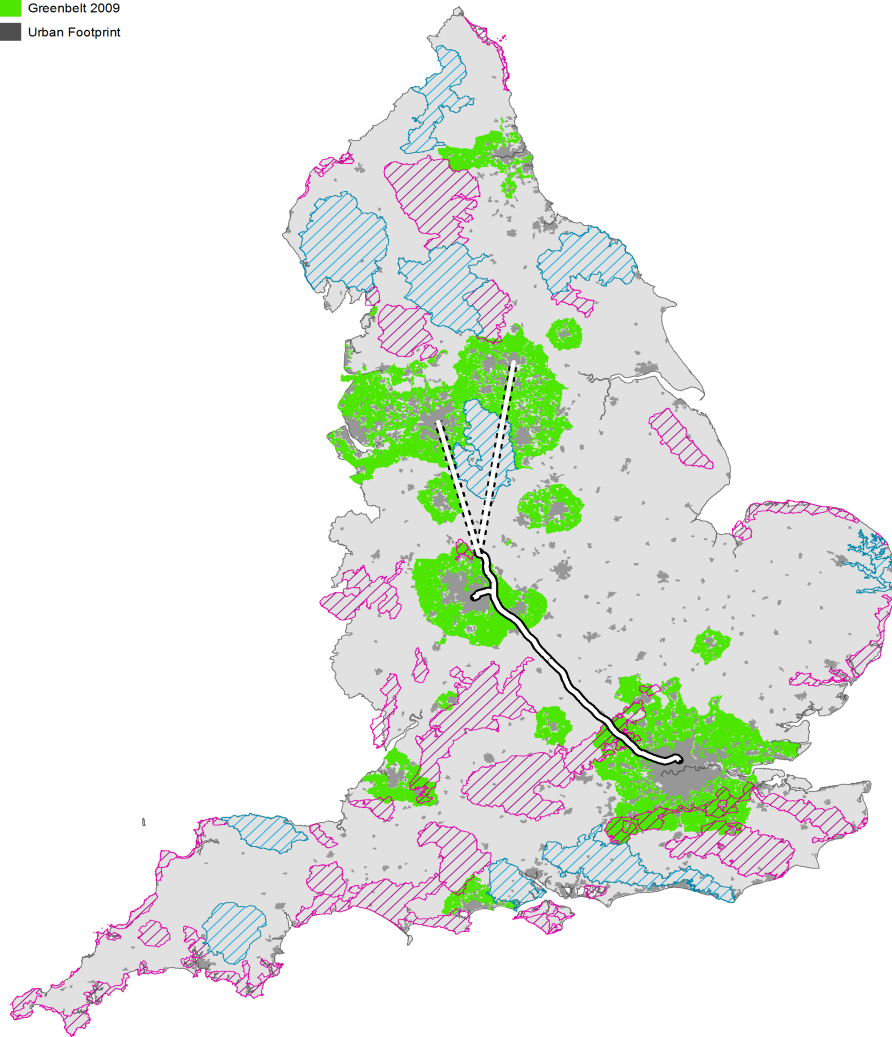


Projected air passengers, 2050 and HS2

HS2 and most deprived areas

**Highspeed 2**

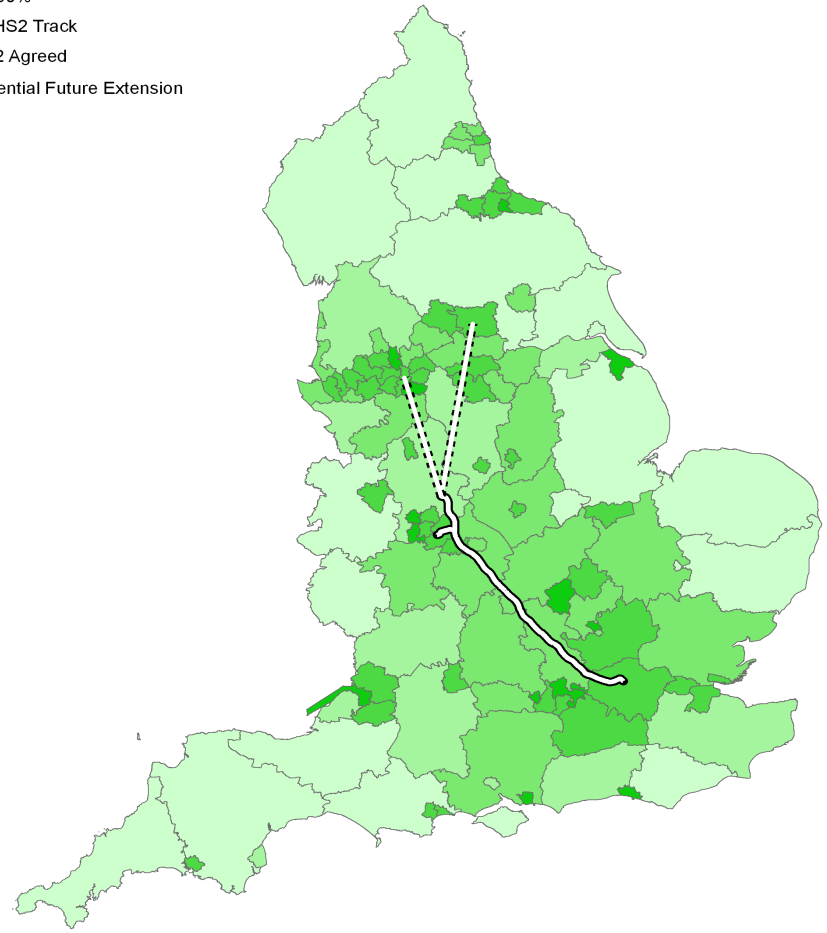
- HS2 Agreed
- - - Potential Future Extension
- ▨ National Parks
- ▨ Areas of Outstanding Natural Beauty
- Greenbelt 2009
- Urban Footprint



**Availability of superfast broadband**

- < 30%
- 30% to < 50%
- 50% to < 70%
- 70% to < 90%
- >= 90%

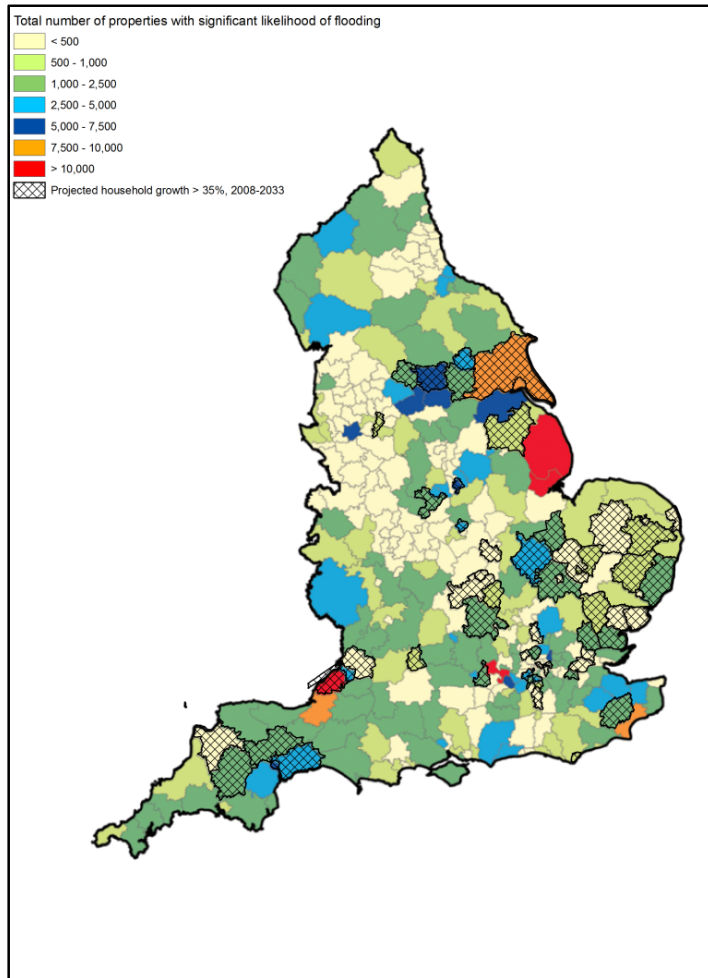
- Proposed HS2 Track
- HS2 Agreed
  - - - Potential Future Extension



HS2 and landscape designation

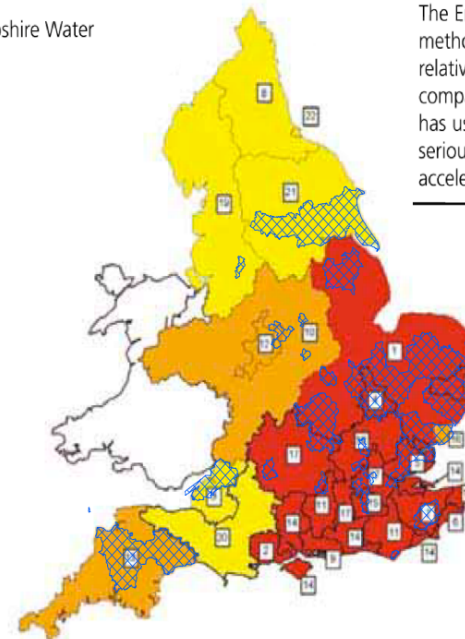
HS2 and Superfast Broadband

## Flood risk and high household growth projections



1. Anglian Water
2. Bournemouth and West Hampshire Water
3. Bristol Water
4. Cambridge Water
5. Essex and Suffolk Water
6. Folkestone and Dover Water
7. Mid Kent Water
8. Northumbrian Water
9. Portsmouth Water
10. Severn Trent Water
11. South East Water
12. South Staffordshire Water
13. South West Water
14. Southern Water
15. Sutton and East Surrey Water
16. Tendring Hundred Water
17. Thames Water
18. Three Valleys Water
19. United Utilities
20. Wessex Water
21. Yorkshire Water
22. Anglian Water (formerly Hartlepool Water)






Projected Household Growth >35% 08-33

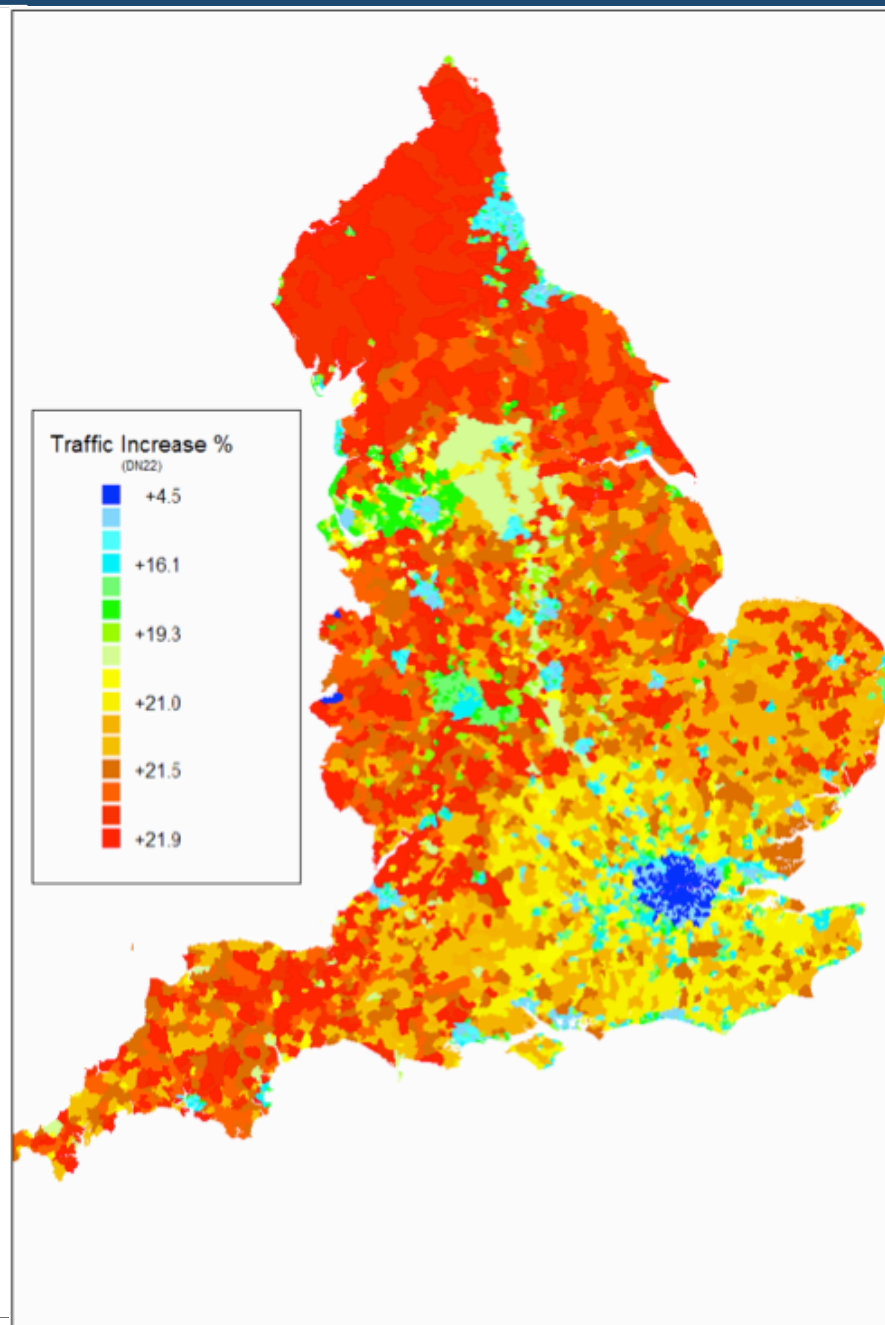
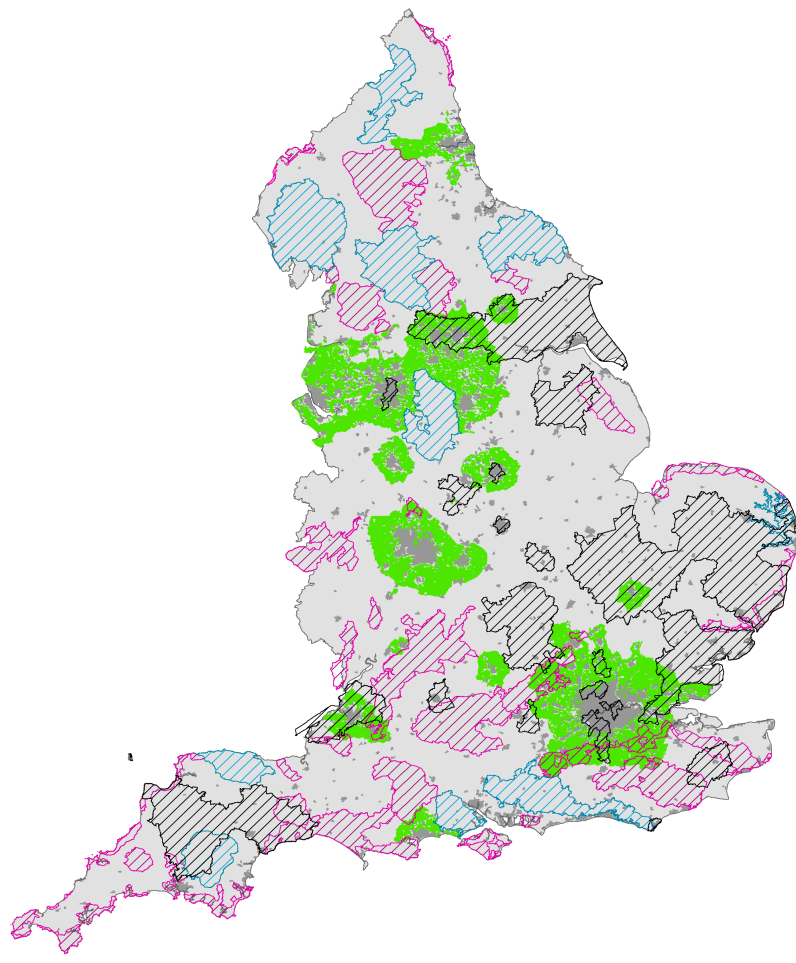


Source: Environment Agency, 2007

The Environment Agency has developed a methodology for identifying and classifying relative levels of water stress in water company areas in England. The Government has used this map to designate areas of serious water stress for the purpose of accelerating water metering.

## Relative water stress level and high household growth projections

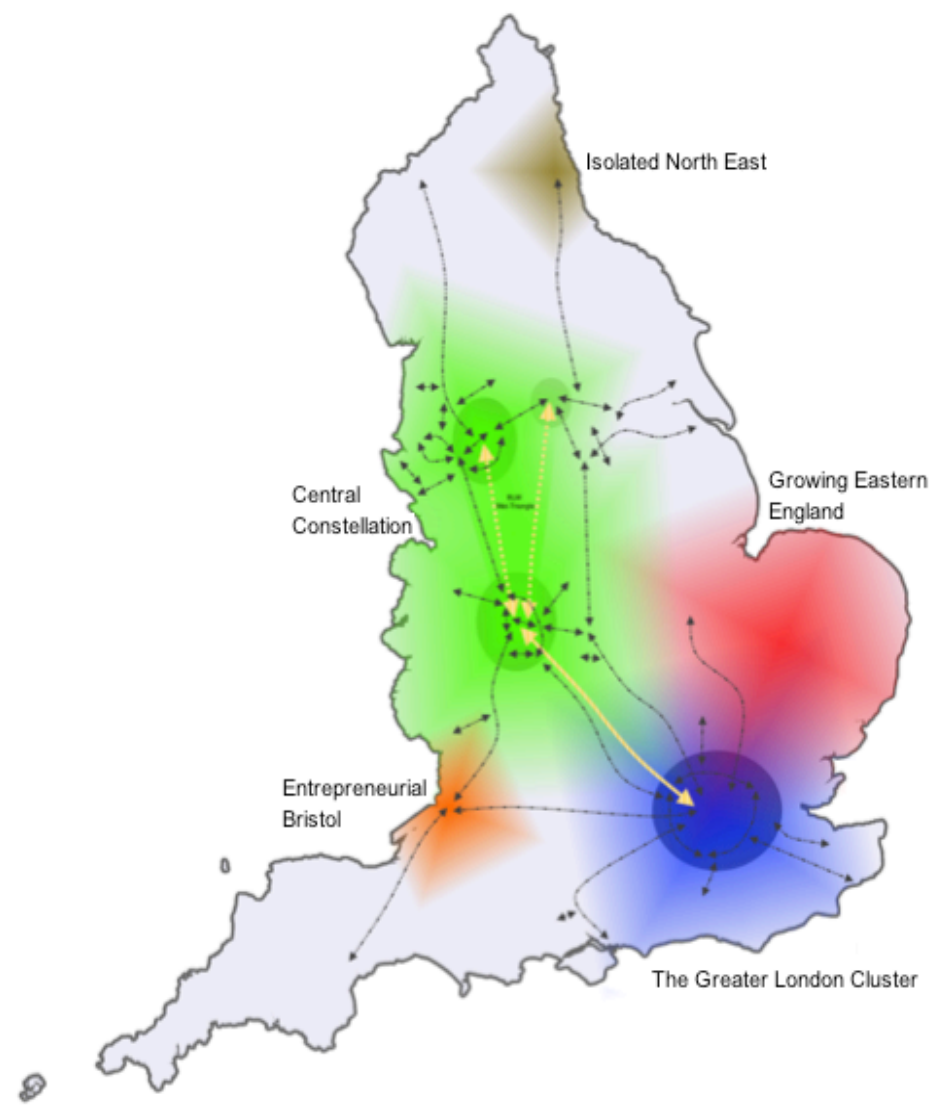
-  Projected household growth above 35%, 08-33
-  National Parks
-  Areas of Outstanding Natural Beauty
-  Greenbelt 2009
-  Urban Footprint



Key landscape designations and household growth projection

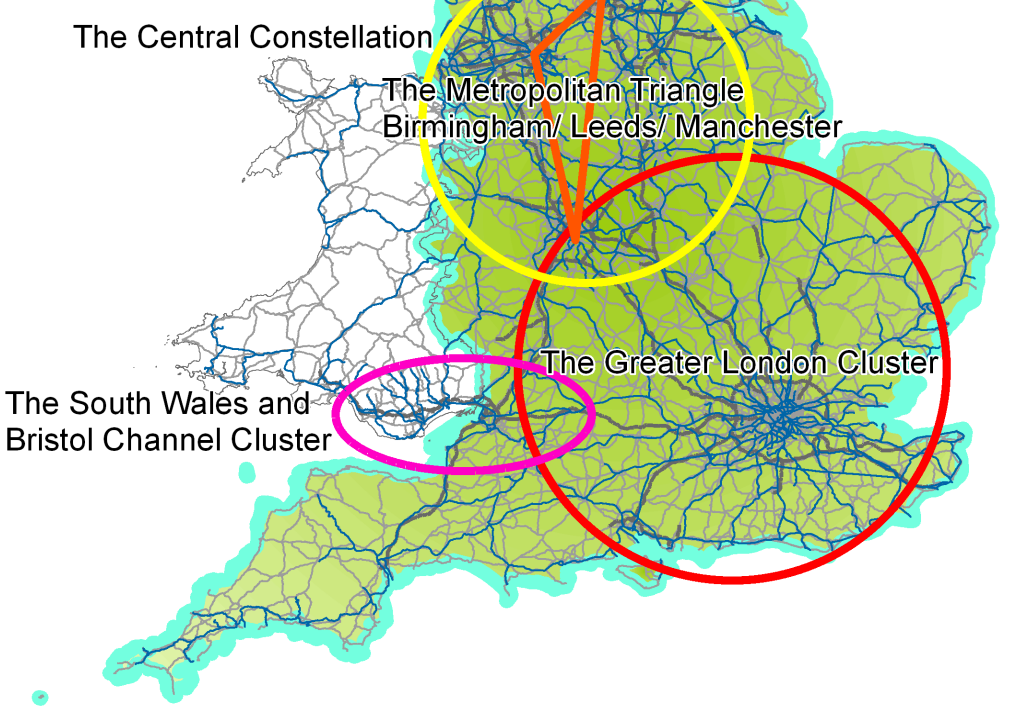
Effect on road traffic: do nothing for 10 years

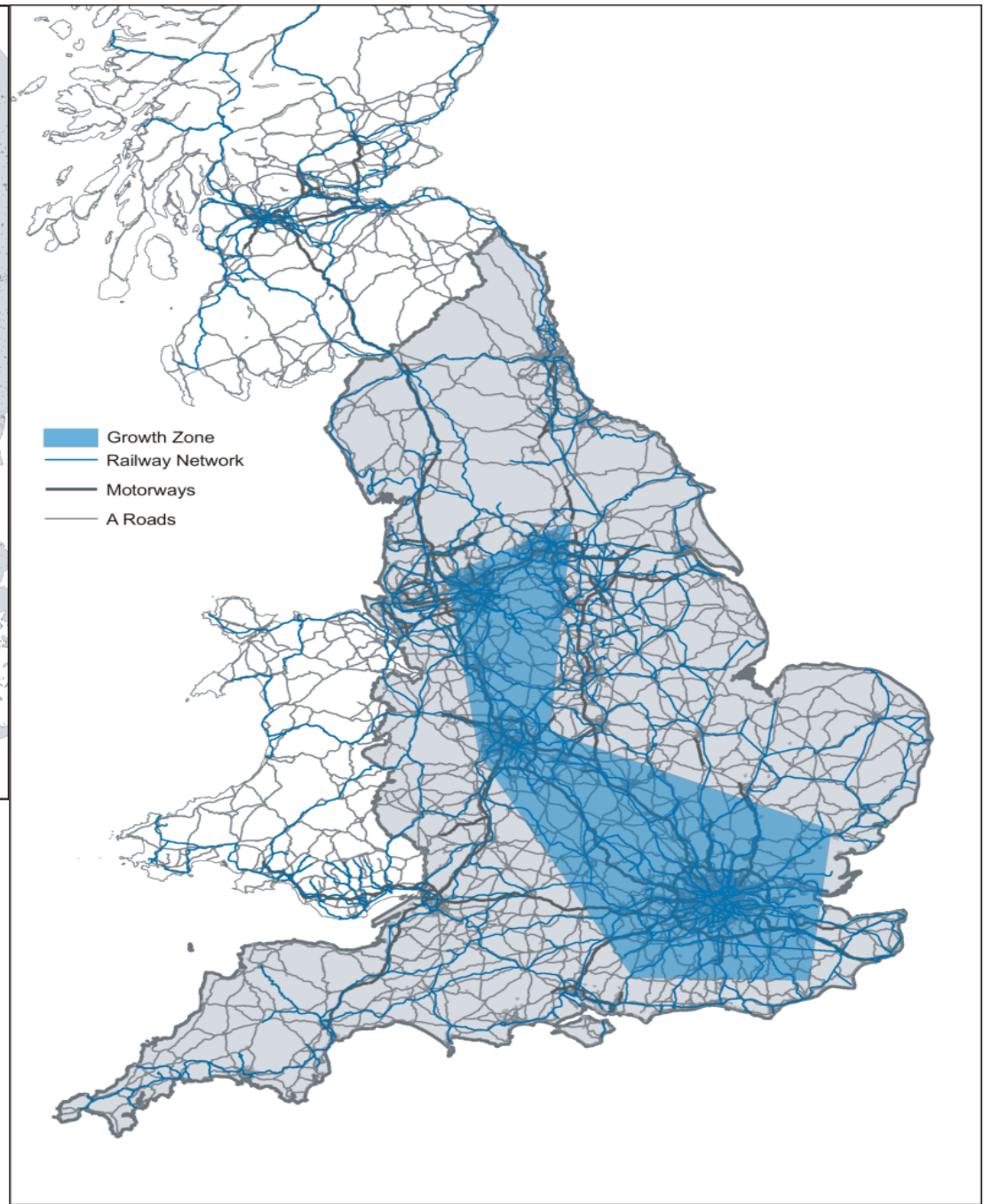
- ↔ Strategic road network
- ↔ High speed rail: phase 1
- ↔ High speed rail: phase 2



**Legend**

- Railway Network
- Motorways
- A Roads





## The core-periphery of the European spatial development context



## ***Reflections and conclusions (1)***

- *The study examined the interplay between policy needs and spatial contexts via mapping the policies and programmes of Government Departments and their agencies /NDPBs.*
- *It showed that many government policies and programmes do have strong spatial expression or, more importantly, significant spatial consequences.*
- *Making these spatial challenges and opportunities explicit can help inform policy debate and encourage partnership working to better coordinate and manage the delivery of very complex spatial planning policies.*
- *Not articulating the spatial relationships of planning issues can lead to disjointed and ad hoc management of infrastructure and service provisions at the local level.*



## ***Reflections and conclusions (2)***

- *The different spatial scenarios and metaphors of the future spatial opportunities and challenges in England and Europe can also serve as a reference point to stimulate policy debate and thinking.*
- *The study shows that the GIS analytical methodology of spatial synergies, conflicts, challenges and opportunities can be applied to a whole array of planning issues and different sectoral policies at national as well as regional and sub-regional levels to inform policy-thinking.*
- *It demonstrates the potential function and value of having a national spatial planning framework.*

## www.mapforengland.co.uk

The screenshot shows a Mozilla Firefox browser window displaying the RTPI website. The address bar shows the URL <http://www.rtpi.org.uk/item/5169>. The page features the RTPI logo with the tagline 'mediation of space - making of place' and a search bar. A navigation menu includes links for 'The RTPI', 'What Planning Does', 'Education & Careers', 'Join the RTPI', 'Member Services', 'Events, Awards & Networking', and 'News & Media'. The main content area is titled 'MAP FOR ENGLAND' and dated '13-Mar-12'. It includes a section 'RELATED ARTICLES' with a list of links such as 'London 2012 Olympic and Paralympic Games' and 'Open Consultations'. A central graphic shows a map of England with the text 'a map for ENGLAND'. Below this, the text explains the need for a joined-up approach to planning infrastructure and services. A 'Listen to our podcast' link is provided. The 'ADDITIONAL BENEFITS OF A MAP FOR ENGLAND INCLUDE:' section lists points like 'Helping to boost growth' and 'Being much more transparent'. The 'RESEARCH FINDINGS' section mentions a study from the University of Manchester. The Windows taskbar at the bottom shows the Start button, system tray, and several open applications including 'RStudents - M...', 'Inzulza-Conta...', 'Jorge Inzulza ...', 'A\_map\_for\_E...', and 'Map for Engla...'. The system clock shows 13:02 on 13/03/12.

## ***Further information...***

Royal Town Planning Institute (RTPI) '*A Map for England*' Website:

<http://www.rtpi.org.uk>

<http://www.maforengland.co.uk>

*'A compendium of spatial maps for England'*:

[www.seed.manchester.ac.uk/cups](http://www.seed.manchester.ac.uk/cups)

[mark.baker@manchester.ac.uk](mailto:mark.baker@manchester.ac.uk)

[cecilia.wong@manchester.ac.uk](mailto:cecilia.wong@manchester.ac.uk)

[stephen.hincks@manchester.ac.uk](mailto:stephen.hincks@manchester.ac.uk)

[brian.webb@manchester.ac.uk](mailto:brian.webb@manchester.ac.uk)

[a.schulze-baing@liverpool.ac.uk](mailto:a.schulze-baing@liverpool.ac.uk)

# **Local Decline & Recovery: Divergent economic performance in England**

Dr. Brian Webb

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- The election of a Conservative and Liberal Democrat Coalition Government in May 2010 has seen an emphasis on economic competitiveness, all developed within the context of a constrained financial situation stemming from the economic downturn that reached its height in 2009.
- Has spatial implications for regions and local authorities.
- In England for example, the unemployment rate rose from 5.5% in 2008 to 7.9% in 2009, but regional disparities continued with the South East seeing an unemployment rate of 5.8% compared to 10.6% in the West Midlands in 2009
- This research seeks to highlight the changing institutional and policy context for local authorities and contextualise this by evaluating the economic performance of local authorities in the lead up to and period following the recent recession (circa 2005-2013).

This recent period also saw significant changes in regional and urban spatial policy (Deas, 2013).

- The focus shifted from regional spatial planning towards the local level through the introduction of the Localism Act, the dismantling of Regional Development Agencies and a wide range of local authority targets and agreements devised by the previous Labour administration.
- The Coalition Government has brought in steep public expenditure cuts for local authorities creating new difficulties related to local service integration in targeted regeneration areas.
- There has been a loss of a series of national urban regeneration initiatives, including the Housing Market Renewal programme and Working Neighbourhoods Fund which both closed in 2011, coupled with a shift away from spatially targeted programmes.

- Leads to concerns about spatial unevenness and whether this approach privileges certain local communities over others.
- It has also led to a wider debate on whether England no longer has a national urban or regeneration policy.
- Yet there is an argument to suggest that this would be an inaccurate assumption.
- Rather there has been a move away from targeted grants towards a competitive bidding process for funds by local authorities to central government and a stronger reliance on the private sector.
- Deas (2013) identifies 3 innovations implemented by the Coalition Government related to urban and regeneration policy

The first is the introduction of Local Enterprise Partnerships (LEPs), in part as a replacement for the Regional Development Agencies.

- The LEPs are business-led, locally initiated, partnerships that are suppose to be designed to meet local and functional contexts focused around achieving economic growth.
- A small amount of start-up funding has been provided by central government however the main funding for LEP initiatives is to come from bids to other Government Departments and by leveraging private sector funding.
- Along with the LEPS, there is also the creation of Enterprise Zones as a means of targeting growth in certain locations through subsidies and tax breaks.



The second policy innovation is the Regional Growth Fund (RGF) and Growing Places Fund (GPF)

- RGF provides approximately £2.4 billion over four years for private sector job creation, with a preference for those areas which are heavily reliant on public sector employment.
- The justification being that certain areas with high public sector employment will need to be temporarily compensated for the impact public sector cuts will have on their local economy.
- GPF designed to enable the development of local funds to address infrastructure constraints, and promote economic growth and the delivery of jobs and houses

The second policy innovation is the Regional Growth Fund (RGF) and Growing Places Fund (GPF)

- Map4England found that certain local authorities received high levels of Regional Growth Funds and Growing Places Funds but were not economically struggling, such as Bristol
- Most recent round of Growing Places Fund has been criticised for providing 1/3 of funding to London and the south-east, with £255m – 35% of the total – being delivered to London and the south-east whereas the north-east of England received just under £34m – 4.5%.

The third innovation is a series of new financial mechanisms.

- One includes allowing local authorities to retain a portion of the locally raised business rate revenue.
- Another mechanism follows on from the Labour Government called Tax Increment Financing.
- A further mechanism includes the New Homes Bonus, which is a grant paid by central government to local councils for increasing the number of homes in a local authority.
- Finally, the Coalition Government has introduced a series of City Deals. These deals were first introduced in eight core cities and have now been followed by 20 additional cities outside of London.

Yet despite these new policy approaches, they are actually more comparable, rather than dissimilar, to past local and urban policy approaches

- LEPs and Enterprise Zones arguably follow a tradition of spatially targeted policy development and they continue to be beholden to central government in terms of approval and oversight.
- Regional Growth Funds meanwhile follow a similar approach taken in the 1990s through the competitively allocated challenge fund scheme and again Whitehall maintains approval powers despite the localism rhetoric.

Yet despite these new policy approaches, they are actually more comparable, rather than dissimilar, to past local and urban policy approaches

- Local finance mechanisms also represent more of the same in terms of providing relatively small funding resources and powers albeit without the requirements for measuring results and performance that was insisted on under the previous Government. The key difference with the localism agenda:

“is its emphasis on actively dismantling (rather than reforming) parts of the state, eroding its preeminence, and creating more space for non-state actors” (Deas, 2013, 73)

A key concern remains however in terms of social equity.

- Past programmes have had this element at their core, however the current round of initiatives is far more concerned about economic-growth.
- While certain local authorities may be well placed to take advantage of a more locally orientated approach and environment of policy liberation, others may not have the resources or institutional capacity to organise and benefit from these new policy initiatives.
- Already we are seeing clear winners and losers coming out of the recession.

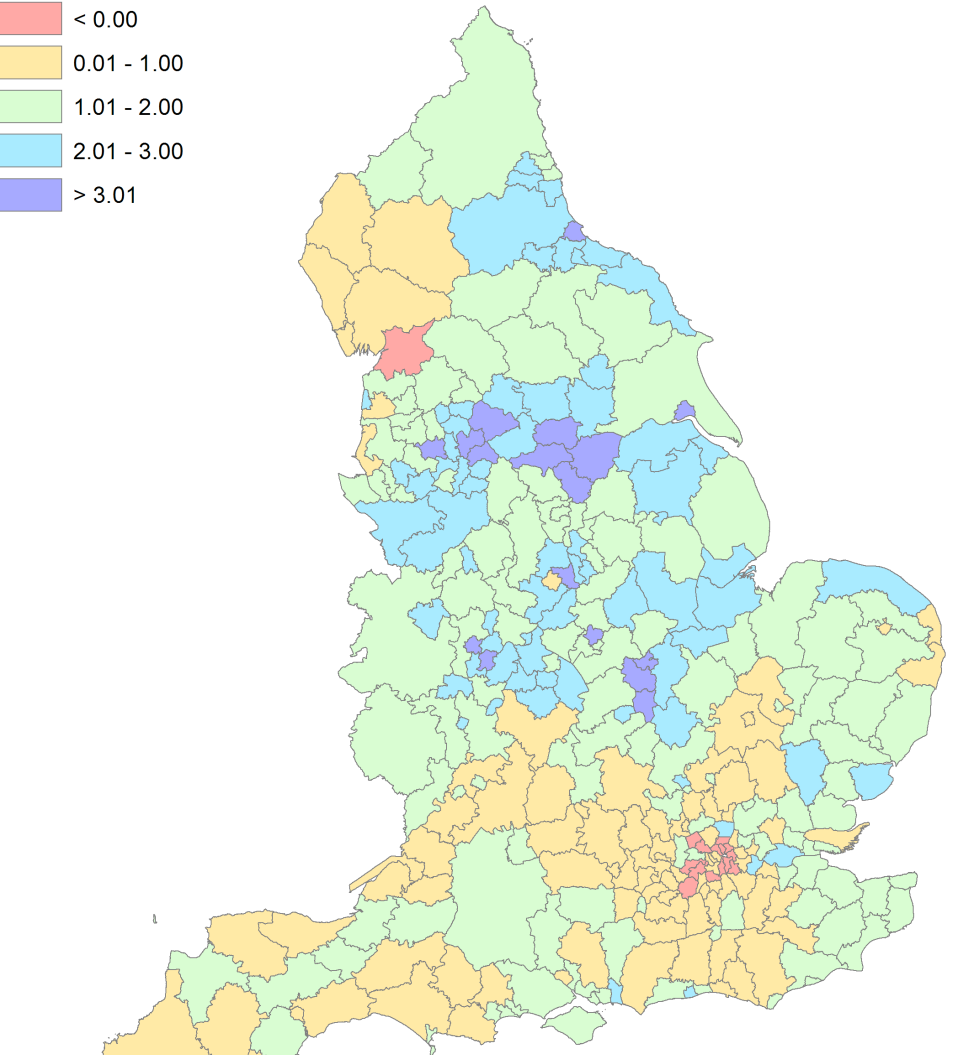
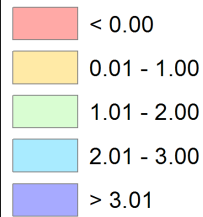
In order to understand local economic performance, a series of economic and labour market indicators were selected and measured for three general time periods (2005-09, 2009-13, and 2005-2013).

Five indicators were selected for study:

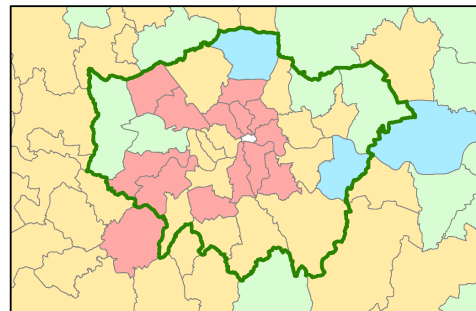
1. Population
2. Unemployment Rate
3. Employment Rate
4. Economic Inactivity
5. Median Weekly Earnings

These indicators were also combined into an index and measured over each of the time periods, with LAs ranked according to how they performed.

### Unemployment Rate Percentage Point Change (2004/05-2008/09)



Greater London

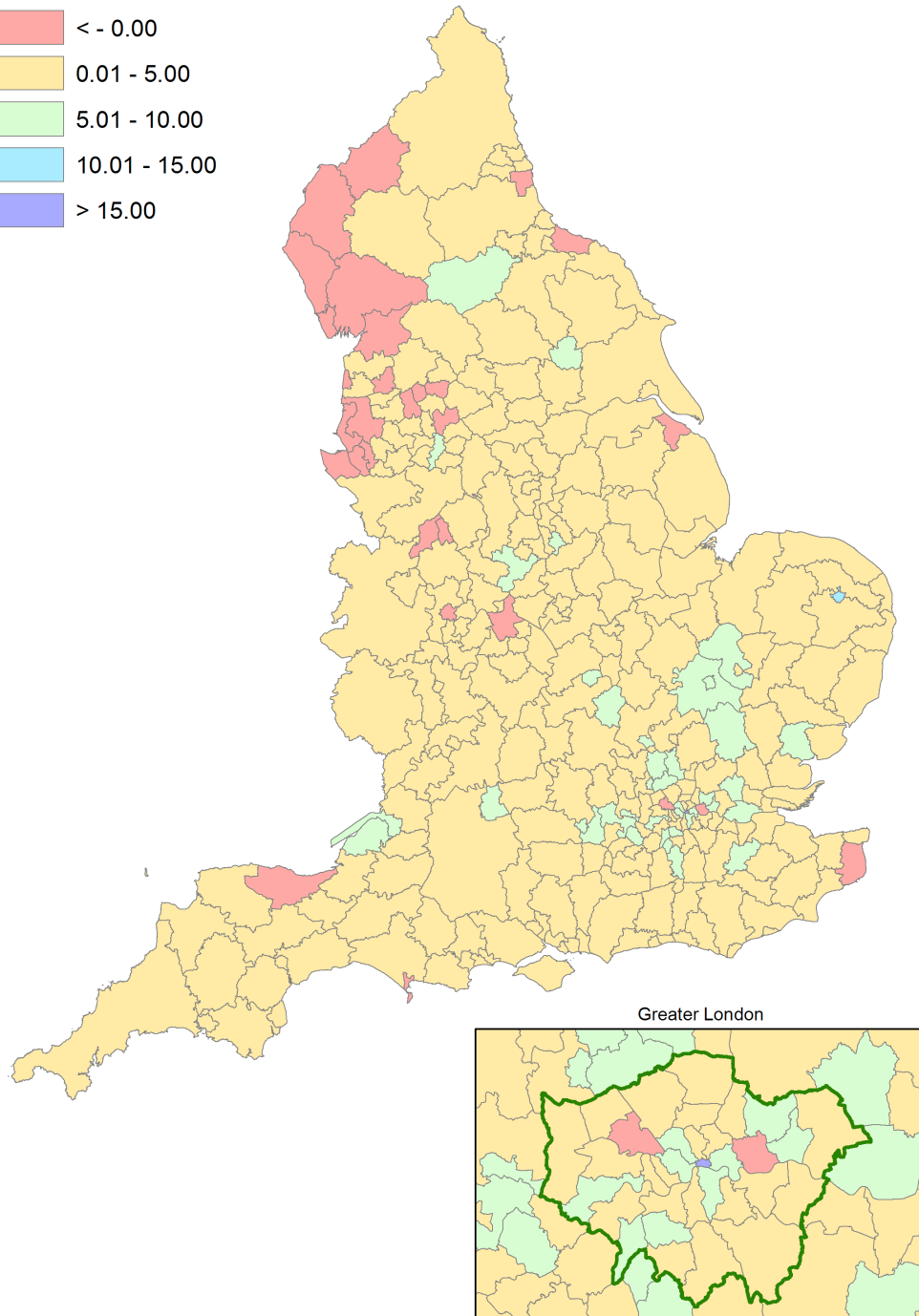


### Decline (2005-09)

- Between 2004 and 2008 the unemployment rate in the UK varied between 4.7% and 6.5%.
- The lead up to the recession generally hit the North the hardest.
- Unemployment rapidly increased in the North while Greater London saw very little change.
- Population decline or stagnation was seen in 19 local authorities (13.4%) in the North compared to 5 in the South (2.7%).
- The South performed relatively better leading up to the height of the recession in 2009
- Outside of Greater London the rural areas of the South generally performed better than the urban areas.



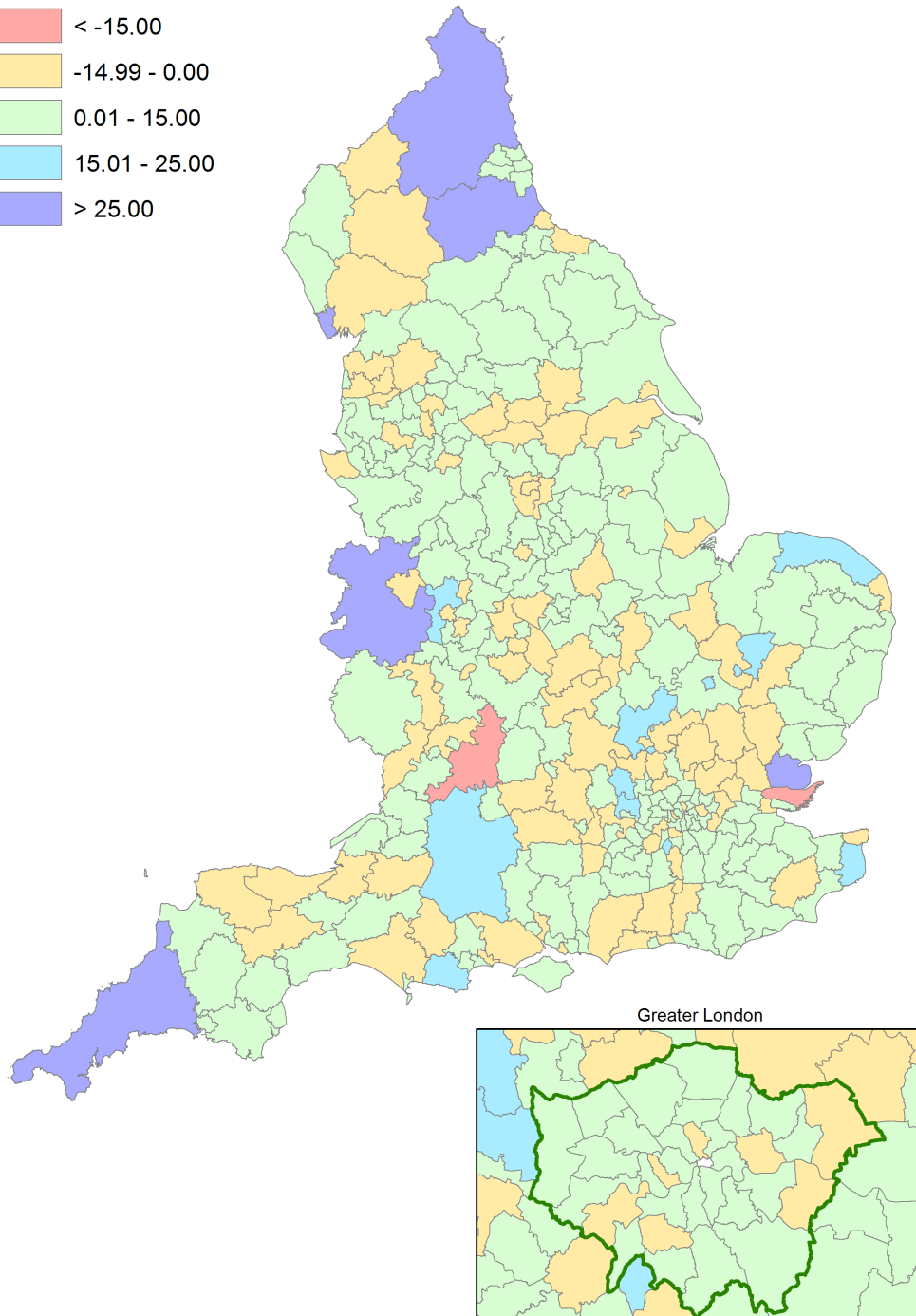
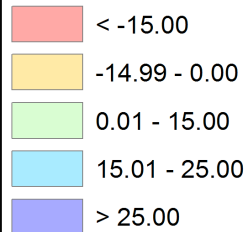
## Population Percentage Change (2005-2009)



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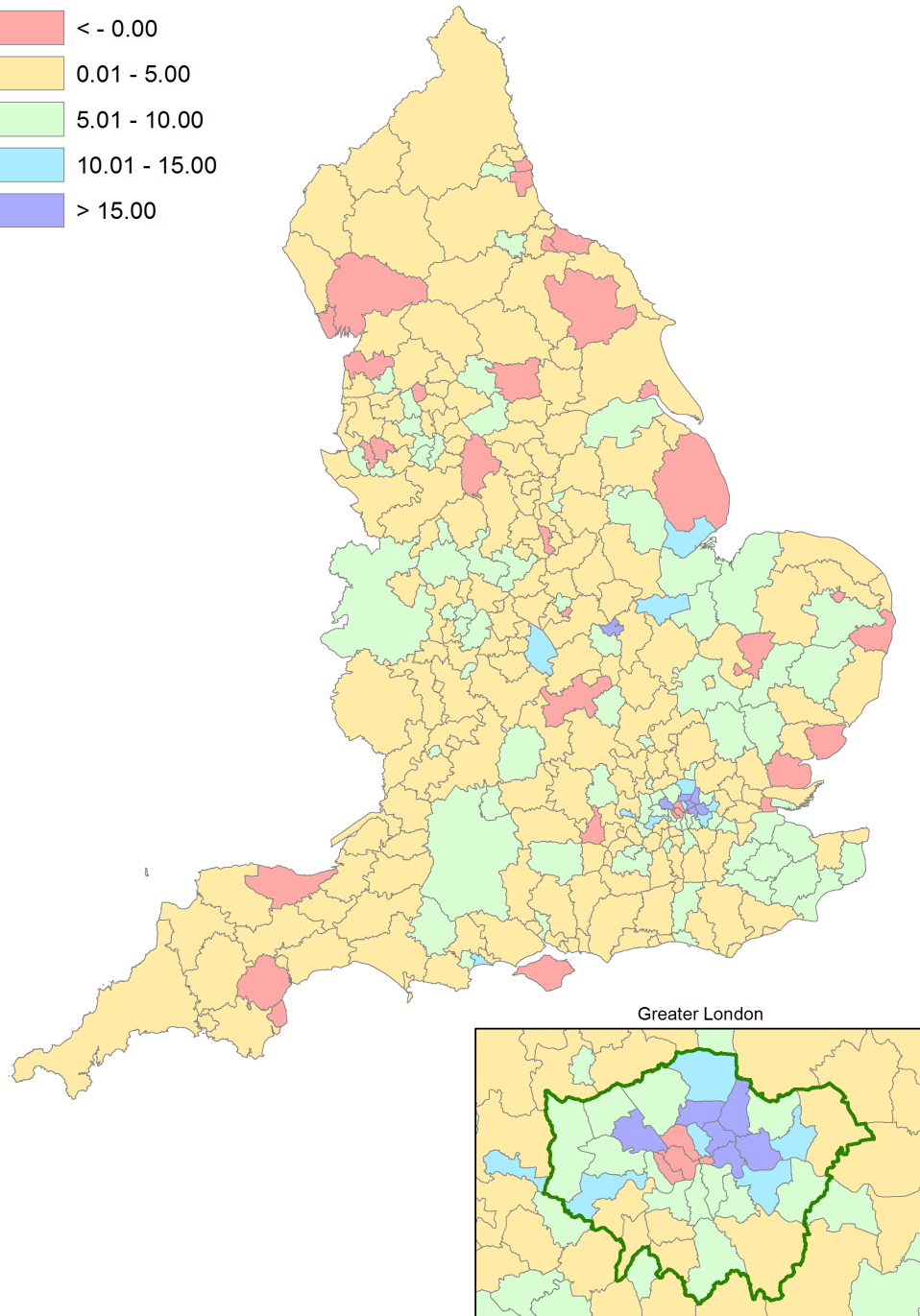
## Median Weekly Earnings Percentage Change (2005-2009)



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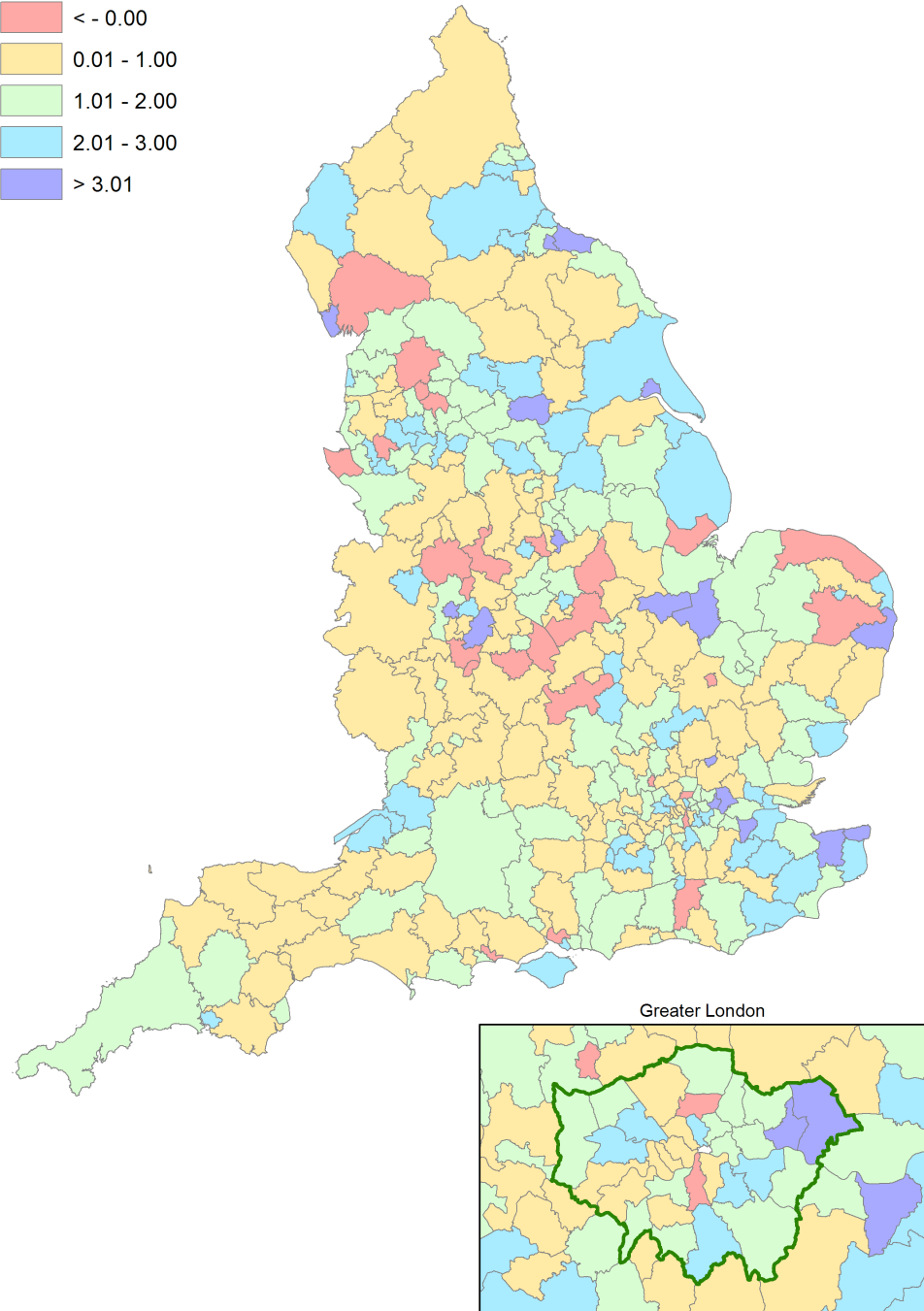
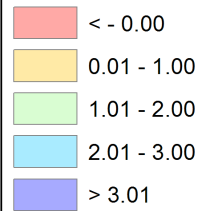
## Population Percentage Change (2009-2013)



## Recovery (2009-13)

- Average local authority population growth between 2009 and 2013 was higher (+3.89%) than population growth between 2005 and 2009 (+2.67%).
- The percentage point change in the unemployment rate between 2008/09 and 2012/13 rose in almost all local authorities in England
- The greatest impact for all local authorities between 2009 and 2012 was in terms of real median weekly earnings, with an average decline of 8.12%.
- Only 15 local authorities saw median weekly earnings increase
- Overall, 70% of all local authorities in England that were studied saw a decline in median weekly earnings of between 15% and 5% between 2009 and 2012 while just under 18% saw declines of between 5% and 0%.

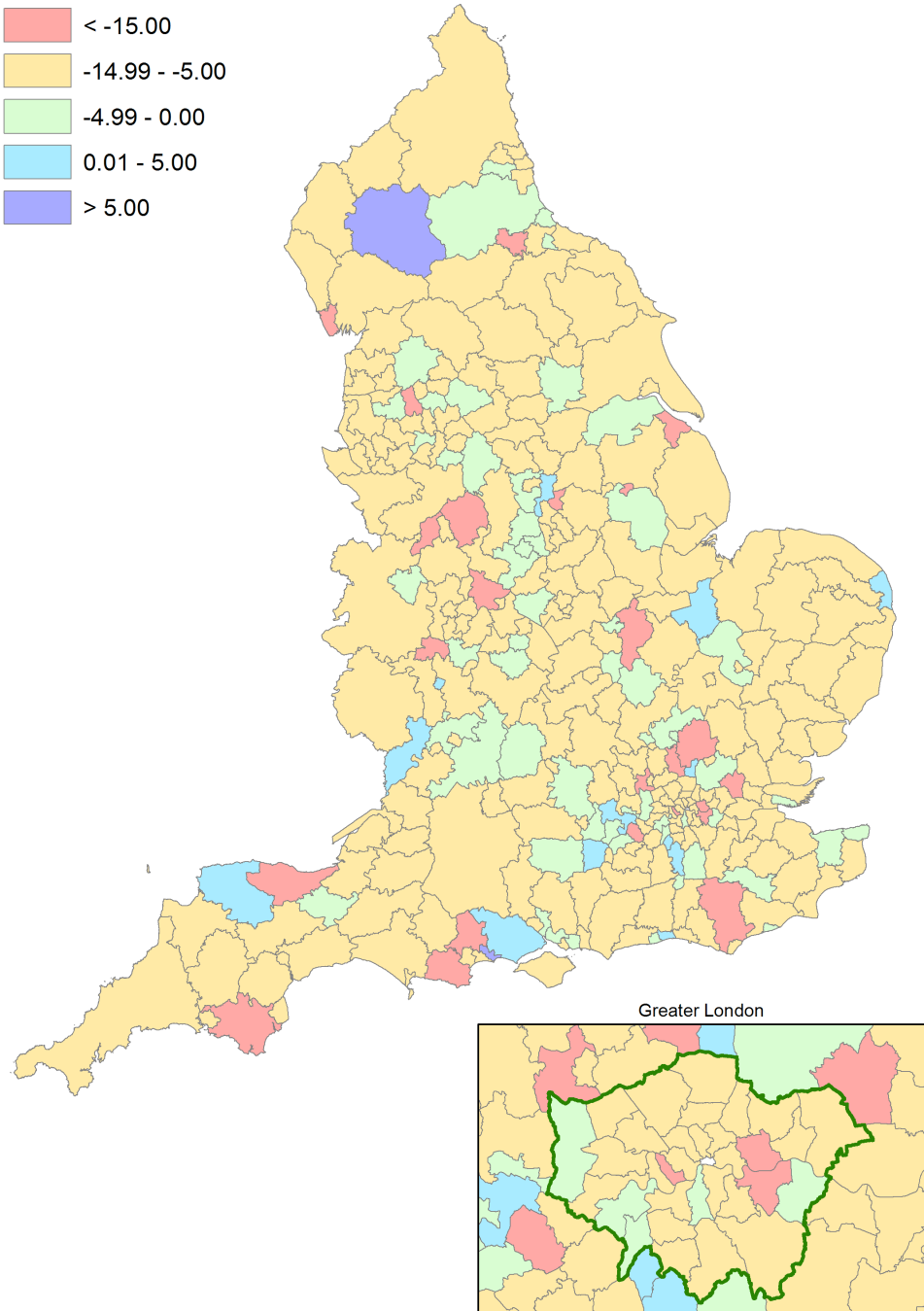
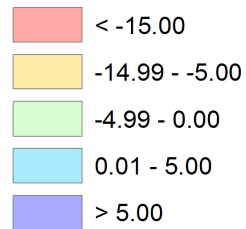
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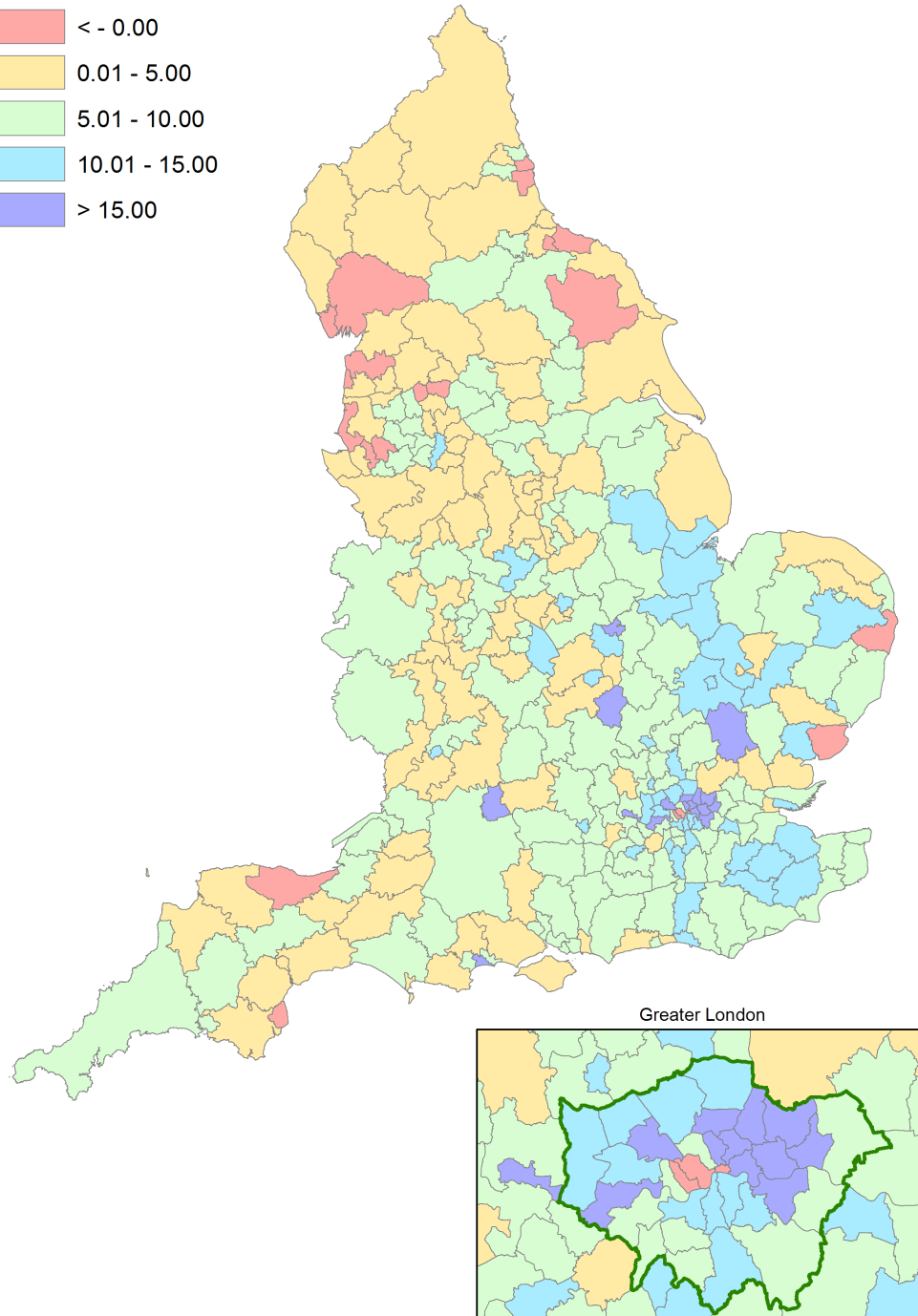
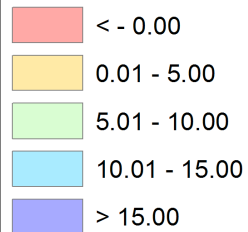
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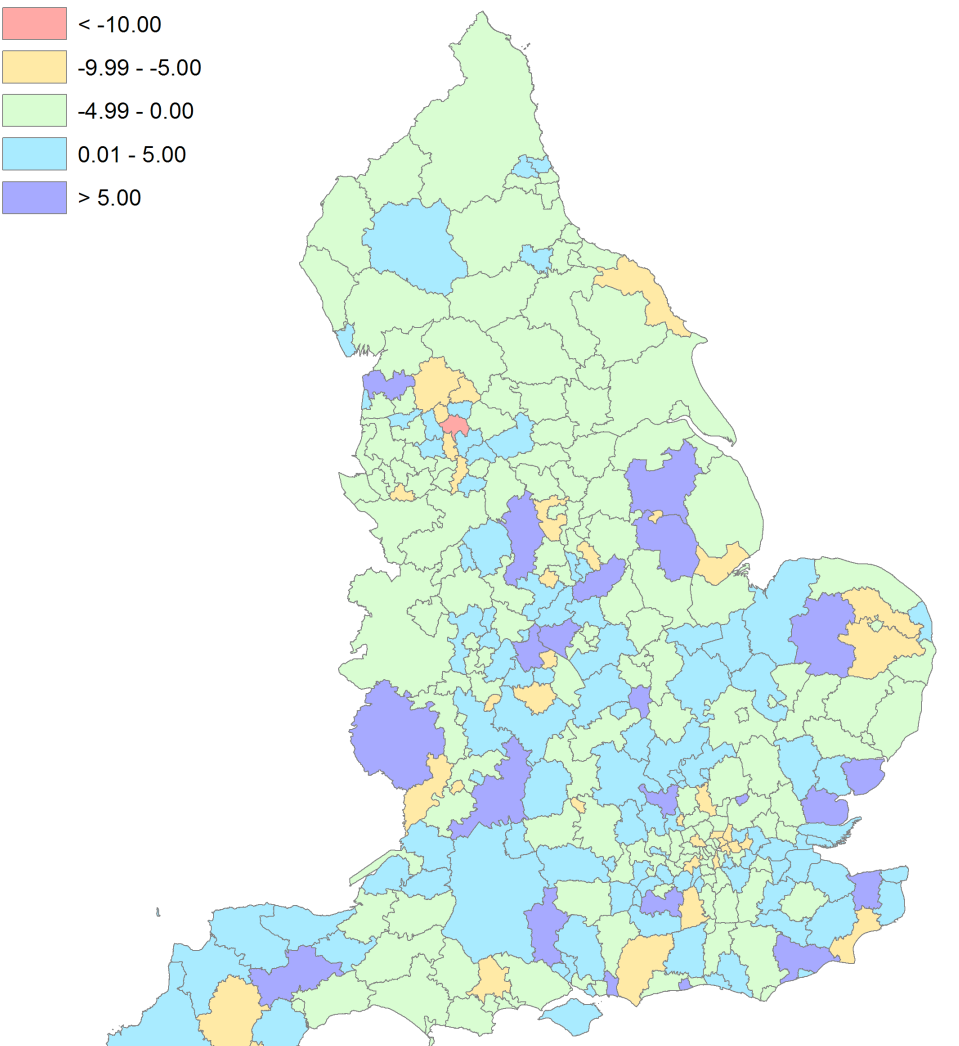
## Population Percentage Change (2005-2013)



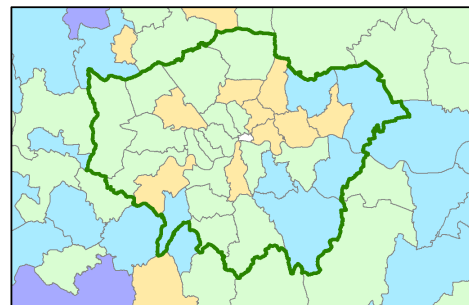
## Decline & Recovery (2005-13)

- During the period of economic decline and recovery population growth has markedly increased in Greater London, the South East and the East of England compared to other parts of England.
- Between 2004/05 and 2012/13 there was an average 0.79 percentage point decline in economic inactivity in local authorities in England.
- There was an average local authority decline of 5.49% in median weekly earnings between 2005 and 2012 in England.
- Few local authorities saw their unemployment rate decline between 2004/05 and 2012/13.
- Those that have are almost entirely concentrated in Greater London apart from Cambridge.

### Economic Inactivity Percentage Point Change (2004/05-2012/13)



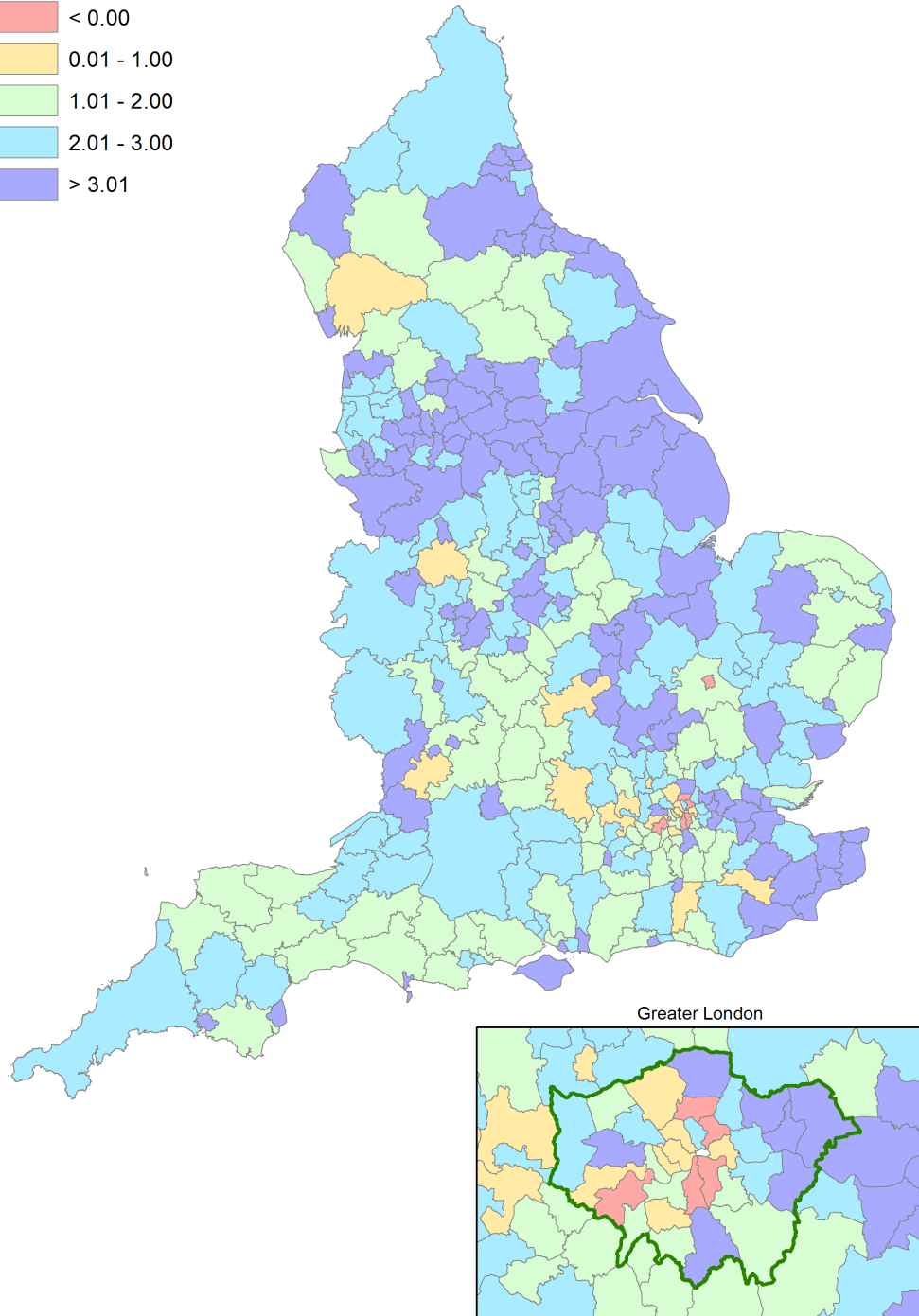
Greater London



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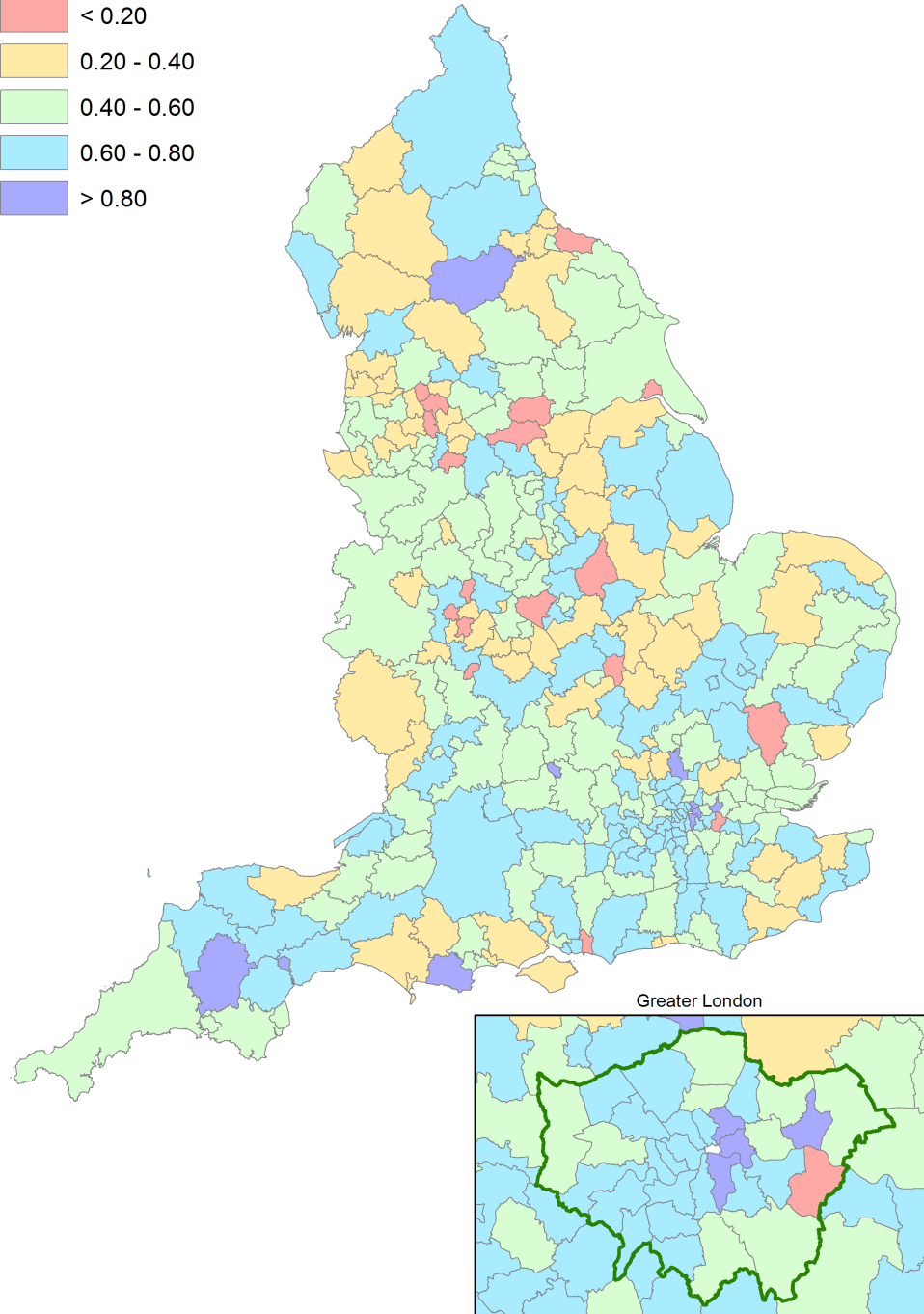


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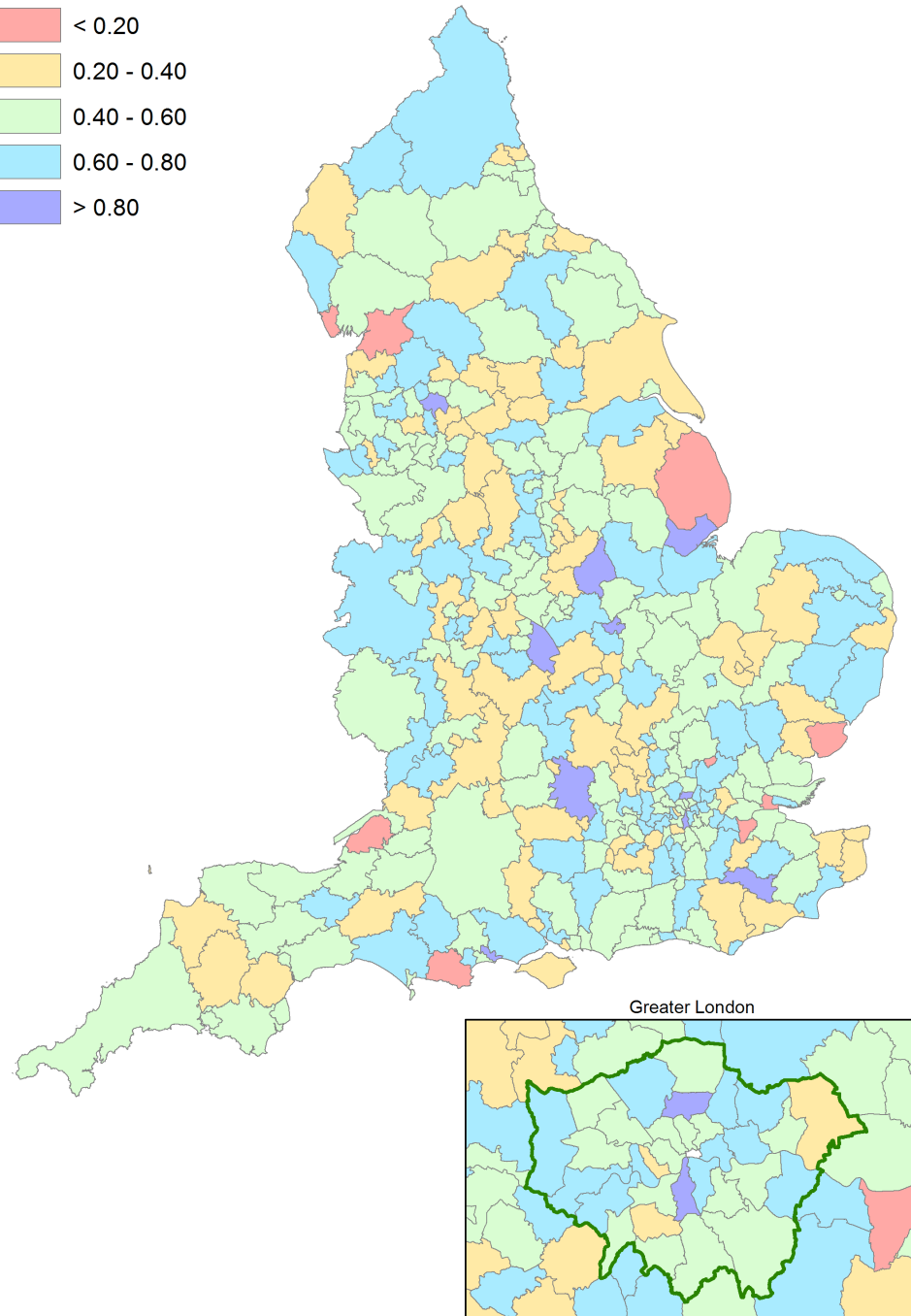
## Index of Local Economic Performance (2004/05-2008/09)



## Index of Local Economic Performance (2005-09)

- The local economic performance of local authorities in England between 2004/05 and 2008/09 varied considerably.
- The best performing local authorities were largely concentrated in and around Greater London.
- The poorest performing local authorities were in the North of England.
- Redcar and Cleveland in the North East was the worst performing local authority.

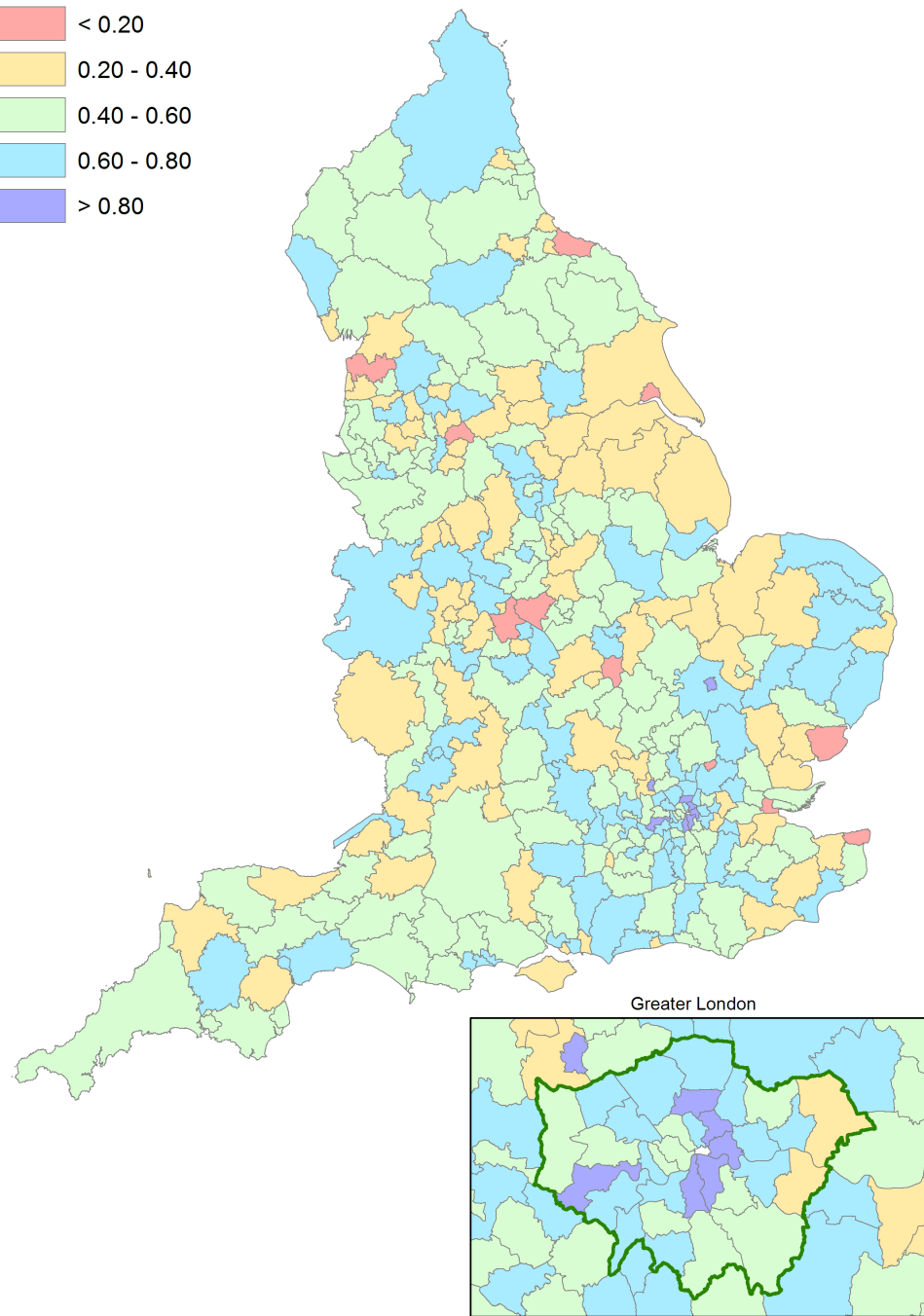
## Index of Local Economic Performance (2008/09-2012/13)



## Index of Local Economic Performance (2009-13)

- The index showed considerable change between 2008/09 and 2012/13 as certain local authorities recovered from the recession better than others.
- The ten lowest ranking local authorities are more dispersed than in the 2004/05 to 2008/09 period.
- 4 local authorities surrounding Greater London are in the bottom 10 however the two worst performing local authorities during this time period were both in the North West.
- Only 2 local authorities from Greater London were in the top 10.

### Index of Local Economic Performance (2004/05-2012/13)



### Index of Local Economic Performance (2005-13)

- When performance is tracked between the decline and recovery period of 2004/05 to 2012/13, Greater London shows considerable dominance.
- 6 of the top ten performing local authorities are in Greater London. The remaining 4 local authorities were largely concentrated in and around Greater London.
- The poorest performing local authorities during this period were largely located in the North, although not in any particularly strong geographic concentration.
- The southern portion of Yorkshire and Humber and the northern portion of the East Midlands, concentrated around Kingston upon Hull performed relatively poorly overall.

Struggling sub-regions in each time period include:

- The eastern part of Greater London, the eastern side and north-western portion of the South East, and the north-western and south-eastern portions of the East of England.
- Further north, the central border between the East and West Midlands in towards Birmingham is also struggling along with the southern portions of Cumbria and the northern parts of Lancashire in the North West, as well as the Leeds city region and the eastern side of Yorkshire and Humber, and the southern part of the North East around Middlesbrough.

Those sub-regions that saw generally strong improvement throughout the periods discussed include:

- Most of Greater London as well as the south and south-western parts of the South East. Also included are the south-western portions of the East of England and Cambridge, as well as most of the north-eastern and central-eastern part of the region.
- The north-western border of the East Midlands and the south-western border of Yorkshire and Humber collectively show strong performance from Sheffield down to Derby.
- Of particular note is the relatively strong performance of many rural areas, such as around Norfolk and Suffolk, Northumberland, Devon, Shropshire, and areas around the Yorkshire Dales. This may be the result of increased migration to these areas, particularly by high-income retirees and those seeking a country lifestyle.

The varied performance of local authorities lends credence to the existence of an 'archipelago' landscape across England.

- There is a general lack of spatial concentration of strong performing local authorities versus poor performers throughout the recession period, rather individual local authorities often excel in isolation from those surrounding them.

In terms of current government policy, questions remain as to whether current policy approaches are capable of dealing with the varied economic performance of local authorities noted.

- LEPs might be seen as a useful scale for equalising poorly performing local authorities and those that are exceling. Yet this is not the aim of LEPs, with their emphasis on economic growth, the question of equality appears to be less present in their mandate.

- There is also concern that the devolved policy instruments provided to local authorities by central government may favour certain local authorities over others. Tax Increment Financing for example favours those locations with strong business markets that can take advantage of the increases in business tax rates to fund infrastructure projects.
- The Core Cities Deals, though praised for their flexibility and emphasis on innovation, are focused on a particular set of urban areas, leaving other local authorities lacking in institutional powers and resources.
- Ultimately, given the current Government's policy approach the contemporary policy debate in England will continue to shift towards the local level and the advantages and disadvantages of providing individualised flexibility as opposed to territorial equality in terms of policy and funding practices.

- The complete report on ‘Local Decline & Recovery: Divergent economic performance in England’ includes detailed discussions on the information presented here as well as the methodology, data sets, a 10% best and worst local authority performers list for each time period, and references.
- The full working paper is available for download at:  
[www.sed.manchester.ac.uk/research/cups](http://www.sed.manchester.ac.uk/research/cups)

## ACKNOWLEDGEMENTS

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