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Dear Chancellor,

Autumn Statement

We are writing to set out a package of proposals to drive more inclusive, productive growth, which will – as you yourself have suggested - harness the economic power of our cities to establish a stronger economy across the whole of the UK.

More Productive Places

This is particularly important in light of Brexit. Cities drive growth for nations. Cities in the UK must now be given access to the same set of devolved tools to compete as those enjoyed other cities in Europe. Place-based approaches are fundamental to achieving a stronger economy, which requires a combination of efforts to: support business and create jobs; improve skills and bring more people into work; renew the most deprived areas in our cities and building aspiration. We set out Productivity Packages for each of these below.

A Renewed Social Contract and Empowered Citizenship

People across the UK want more local control over their future, more control over how their taxes are raised and spent, services delivered, decisions made. Building on a devolved system we can unleash our cities' full economic potential, changing the relationship between people and their state, renewing the social contract and building a sense of empowered citizenship and shared endeavour.

A Fair Deal for All

Living standards for large numbers of people across the Core Cities have consistently fallen for more than a decade. A national commitment, locally delivered, to a Fair Deal for All to tackle this is urgently required. The problem includes levels of low pay, but also the impact of poor quality work on people's physical and mental health, which then has knock on impacts on public spending through demand for NHS services. The solution should therefore include new measures to increase housing supply and affordability, increase skills levels and improve working terms and conditions and the quality of employment.

Four Top Priorities

Achieving these results relies on empowering cities to deliver more in areas where they have already demonstrated a strong track record, and therefore where there is minimal risk and a high degree of certainty that outcomes will improve. In our more detailed paper we set out three Productivity Packages that will achieve this, which include our Top Four Priorities where we can make an immediate difference and from which the nation will benefit.

- 1. Housing.** With a small number of specific freedoms, as set out in our attached submission to the Autumn Statement, we will increase the number of housing units by unlocking brownfield and greenfield sites, increasing the use of planning permissions and increasing access to housing across a range of tenures, including ownership. We will accelerate both the scale and pace of housing delivery.

Birmingham, Bristol, Cardiff, Glasgow, Liverpool, Leeds, Manchester, Newcastle, Nottingham, Sheffield

2. **Energy.** As we outline in our submission, investment in infrastructure can stimulate growth and increase employment across our cities, including transport, housing and energy. Energy investment has massive potential in this respect and by reviewing energy policy, related incentives and investment against our ability to compete globally, cities will deliver more secure, greener and cheaper energy to residents and businesses. Based on our notable success in this area so far, this will benefit the economy, raise living standards by reducing fuel poverty and support productivity.
3. **Skills.** Our current economic challenges create an even stronger rationale for the full devolution of adult skills to cities, with persistent low skill levels significantly impacting on the gap in productivity. This should be combined with a locally defined approach to Apprenticeships and employment support. In an increasingly knowledge based economy, a locally driven employer and demand-led skills system that genuinely supports the existing and future needs of the economy, has a far greater potential to get more people into work and reduce demand for some public services.
4. **Industrial Strategy.** National economies rely on international flows of trade, labour and commerce between cities. Cities must therefore be empowered to compete on an even playing field with their more devolved continental counterparts. This should include involvement in the preparation of the forthcoming Industrial Strategy, which itself should recognise the link between social and economic policy at the level of place in building long term relationships with industry, and delivering inclusive growth.

What Core Cities UK will deliver

- The best possible outcome from Brexit across 25% of the UK's economy and population.
- Inject a potential extra £66 billion into the economy per annum (the annual productivity gap between the Core Cities average and the national average) and close the gap between total tax-take and public spending.
- Generate the housing, skills, sustainable energy and associated digital infrastructure our cities need to compete globally.
- Raise productivity and include more people in the economy, increasing living standards and job creation.
- Restore a sense of citizenship, pride and 'liveability' to our most deprived places, making public services more sustainable.

We urge you and your Cabinet colleagues copied below to engage directly with us, to design, agree and deliver these policies that will have a transformational impact on the UK, its economy and the quality of life of millions of people.

Yours Sincerely,



Councillor Judith Blake

Leader, Leeds City Council, Chair, Core Cities UK



Councillor John Clancy

Leader, Birmingham City Council



Mayor Marvin Rees

Mayor, Bristol City Council



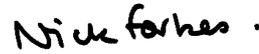
Mayor Joe Anderson
Mayor, Liverpool City Council



Councillor Phil Bale
Leader of Cardiff City Council



Councillor Sir Richard Leese
Leader, Manchester City Council



Councillor Nick Forbes
Leader, Newcastle City Council



Councillor Jon Collins
Leader, Nottingham City Council



Councillor Julie Dore
Leader, Sheffield City Council



Councillor Frank McAveety
Leader of Glasgow City Council

Copies sent to:

Secretary of State, Department of Work and Pensions
Secretary of State, Department for Communities and Local Government
Secretary of State, Department for Business, Energy and Industrial Strategy
Secretary of State, Exiting the European Union
Secretary of State, Department of Health
Secretary of State, Department of Education
Secretary of State, Department of Transport
Minister for Civil Society, Economic Inclusion Unit in DCMS