

Core Cities Group A Pledge for Cities



Introduction



England's Core Cities underpin the national economy. With 16 million people and over 25% of England's wealth, Core City-regions are the country's economic hubs and will play a decisive role in driving the UK economy out of recession.

They are also centres of empowerment, acting as an intermediary between local communities and national government, where large numbers of people can be engaged positively in the futures of their selves and their places.

Core Cities contain many of the assets, infrastructure, high-level skills and employment opportunities the wider area needs to thrive. City-region performance is closely related to that of the Core City. But that performance is restricted due to a lack of tools, flexibilities and freedoms needed to harness their full potential.

To compete globally, our cities need greater independence to act in the interests of their people and economies, like that enjoyed by cities in continental Europe, North America and elsewhere. But each Core City-region needs local governance solutions for local needs, with powers and duties fit for place, and fit for purpose.

These cities are the greatest instruments of economic growth available to the country, but they can't deliver alone. To create new jobs, improve infrastructure, and develop economic opportunities for local residents, England's biggest cities outside London need a renewed relationship with Government, with both sides committing to changes that will put cities on track for strong future growth: a 'Pledge for Cities'.

Fundamentally, this is a call for speedier devolution and economic resilience, to build on the 2009 budget commitments for formal city regions and to explore innovative financing, placing more control in the hands of large, capable authorities collaborating across administrative boundaries in a transparent and accountable fashion.

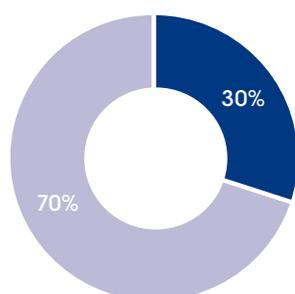
However the Core Cities will not go 'cap in hand' to Government. We are prepared to share both risk and responsibility – and are ready to detail not just our asks to Government, but what we will pledge to deliver.

The Core Cities have built strong partnerships with Government, its agencies and the private sector, setting the foundations for devolution. But there must be no delays. Our Pledge details three parallel commitments.

- 1 We have to act together **now** to safeguard employment, diversify and drive up skills levels.
- 2 Further planning should take place immediately for **medium term** recovery, to promote major investment.
- 3 And we must have more regard to the **longer term** in our plans to ensure sustainable recovery and growth.

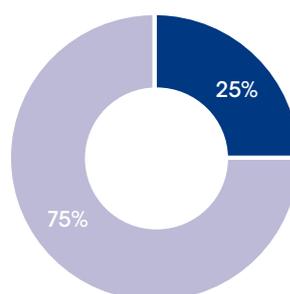
In the build up to our 2009 Summit in Liverpool, 3 and 4 November, we aim to work with government and its agencies to progress these commitments, collect best practice and further develop evidence-based policy in each of these three areas, to be detailed at this event

England's population



■ Core Cities urban areas*
■ Rest of England

England's Economy†



■ Core Cities urban areas*
■ Rest of England
† Measured as GVA



1. Safeguarding employment

Ask to government:

The Core Cities and their city-region partners do not have sufficient local control over those public services key to tackling worklessness and low skills levels. To ensure that they are the first areas to lead economic recovery, Government should act to give Core Cities concrete powers to target adult training budgets and welfare-to-work programmes to meet local economic needs, building on the Houghton Review.

Specific measures:

Build on current informal arrangements to establish formal Employment and Skills Boards, or other locally empowered commissioning arrangements with the authority to direct investment, through Economic Prosperity Boards, but also other appropriate structures in all Core City regions, responsible for the preparation of statutory skills strategies that articulate local labour market needs to:

- target adult training budgets, alongside employers, based on an understanding of local labour market potential, working together with the new national Skills Funding Agency; and

- jointly commission back-to-work employment services across Core City-regions, together with the Department for Work and Pensions.
- Establish a time limited task group of Core Cities, DWP, HMT and Institute of Fiscal Studies to identify new approaches to sharing risk and reinvesting locally in successful employment initiatives.

In return, the Core Cities will deliver:

- Leadership in working more effectively between local employers, Business Link, JobCentre Plus and skills agencies, around a set of local targets that ensure employment and skills resources match business and local labour market needs.
- Deliver improved results in moving people off incapacity benefit and into work, by relating back-to-work programmes more closely to local barriers to employment and labour markets.
- Local Employment Partnerships with major local employers to help those furthest from the labour market to get into entry-level jobs, and to progress over time.

Employed people in the Core Cities urban areas*



People with no formal qualifications in the Core Cities urban areas*

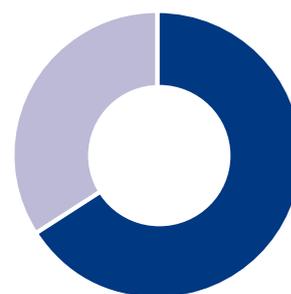


Key

 = 1million

 = .5million

People claiming Jobseekers Allowance



 Core Cities urban areas*
 London

2. Promoting investment



Ask to government:

Greater investment in our cities' infrastructure would help to deliver short-term jobs and long-term growth. But the Core Cities are not interested in simply asking the government for additional grants. Instead, Core Cities need greater flexibility to invest in local infrastructure – the transport, utilities and capital projects that will improve the competitiveness of cities and their regions, and also in quality of life programmes at a time when public finances are stretched.

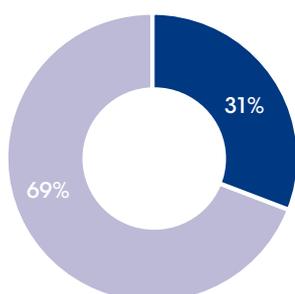
Specific measures:

- Legislate for a Core Cities Accelerated Development Zones programme, which will enable the Core Cities to invest in critical infrastructure. Under the programme, cities would be able to borrow against future revenues now – without placing any additional tax burdens on local residents or businesses during the recession.
- Make Congestion Transport Innovation Funds more flexible, by allowing Core Cities to bid for resources to tackle congestion without road pricing
- A 'single plan – single cheque' approach to investment in Core Cities – pooling economic development and regeneration funding streams.
- Establish a joint Core Cities, HMT, BERR and CLG working group to examine how major economic development projects can be fast-tracked.
- Jointly launch a Core Cities Cultural Investment Challenge Programme, to stimulate innovative financing solutions for cultural institutions, exploring models from the US and elsewhere, including cultural bonds.

In return, the Core Cities will deliver:

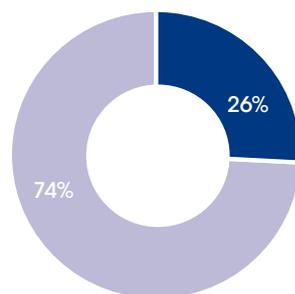
- More Infrastructure and construction jobs – with Accelerated Development Zone or Congestion Transport Innovation Fund-assisted projects on-site within a year of approval.
- A new approach to risk, with up-front investment of Core Cities' own funds to ensure that marginal economic development projects move ahead in the short-to-medium term.
- Realistic, detailed long-range and sustainable economic development, regeneration and infrastructure plans, based on wide-ranging economic assessments of their cities and city regions and conforming with governments strict economic tests.
 - Plans will not simply be updated from before the economic crisis – they will be reworked completely to reflect the structural changes underway in our economy.
- Faster, better-resourced local planning processes for critical city infrastructure projects – ensuring that cities are ready for the upturn to come
- Further investment for local quality of life and the cultural sector, through innovative financing.

At-risk sector – Distribution



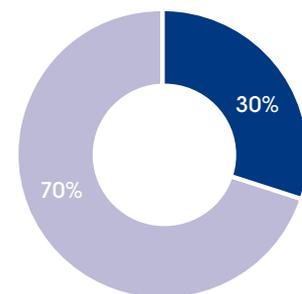
■ Core Cities urban areas*
■ Rest of England

At-risk sector – Banking and Finance



■ Core Cities urban areas*
■ Rest of England

At-risk sector – Construction



■ Core Cities urban areas*
■ Rest of England



3. Long term sustainable growth

Ask to government:

Core Cities can lead the UK out of recession and lay the groundwork for a new phase of economically and environmentally sustainable long-term growth, seeing increased levels of skills and social cohesion. However, some further changes and flexibilities will be required to secure these essential long term prizes, which are the bedrock of future prosperity.

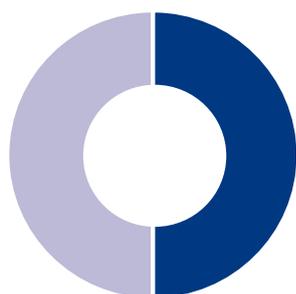
Specific measures:

- A cross-departmental 'Minister for Cities', ensuring a proper focus in policy on prioritising sustainability, economic growth and increasing cohesion, employment and skills in these vital urban hubs.
- Further, faster devolution through Economic Prosperity Boards, Multi-Area Agreements and other city-region working arrangements, jointly setting the destination and outcomes of strategies, but allowing greater freedom and reduced targets in how these are achieved.
- Prioritise our cities as centres of sustainable growth in relevant strategies, for example location of facilities, investments or pilot programmes.
- Create a 'Cities Innovation Fund', jointly with the RDAs and our Universities, to catalyse, sustain and capture more innovation in our cities.
- Better recognition of the sustainability 'value-added' of cities, through density and efficiency of resource consumption, including a commitment to:
 - planning for urban consolidation;
 - decentralised energy;
 - better sharing of centrally-held information; and
 - duties to cooperate on integrated city region transport systems.

In return, the Core Cities will deliver:

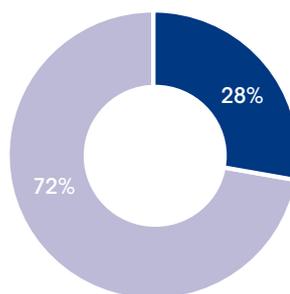
- Planning and delivering shared objectives and specific stretch-targets with government for increased social cohesion, skills levels, employment, economic output and carbon reduction.
- Fit for purpose governance arrangements for the management of devolved powers and resources.
- More sustainable urban development and communities that demonstrate resource efficiency through density and integrated planning.
- Increased innovation and graduate retention, including in the creative economy.
- Transition to a low carbon economy in these critical areas including:
 - continued urban consolidation of infrastructure and assets;
 - delivering The Green New Deal;
 - decentralised energy pilots; and
 - adaptation and mitigation strategies based on our 'shared commitment' on climate change with government.

Research universities in England



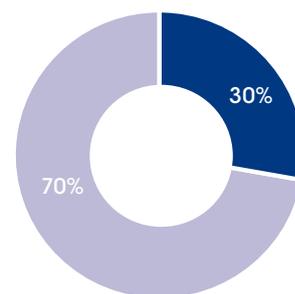
■ Core Cities urban areas*
■ Rest of England

People with degree-levels skills in England



■ Core Cities urban areas*
■ Rest of England

Carbon emissions



■ Core Cities urban areas*
■ Rest of England

*The urban area constitutes the Core Cities economic footprint. This relates to the way people live their lives and the economic relationship between the cities and their surrounding areas

