

# Academia and air travel are secrets of urban success

Most English cities are recovering after years of decline, Jill Sherman writes

THE key to economic success for the top-performing cities of England is to have a university and an airport, according to a report on urban revival published yesterday.

The report, commissioned by John Prescott, the Deputy Prime Minister, says that most English cities in the South and the North are recovering after years of decline. Racial segregation is also on the wane, according to the biggest study carried out into the quality of urban life in England.

But the research, based on 56 towns and cities, says that most cities still lag well behind their European counterparts, with London only 23rd out of 61 in the European league table.

It also suggests that the gap between the North and the South has not narrowed and may even have widened.

Michael Parkinson, the author of the report, said that educational qualifications and transport links marked out top performers. He said that centralisation, which is more marked in England than on the Continent, had stifled innovation and economic growth.

His study, *State of the English Cities*, indicates that areas with no universities, such as Cumbria and Cornwall, are struggling economically and suffering from population declines.

Professor Parkinson, from John Moores University in Liverpool, said that towns and cities with more graduates did much better economically. The

percentage of the working-age population with degree-level qualifications had jumped in

many of the most successful university cities, including London, Oxford, Reading, Bristol, Manchester and Derby.

The towns and cities that had made the biggest economic strides since 1995 included Reading, Manchester and Bristol, which all had universities and airports in or near them. Cities with new universities and an airport, such as Bournemouth, were also thriving.

Cambridge was also a top economic performer, although it started from a higher base.

The worst performers had a slower increase in the proportion of graduates in their workforce. "Attracting and retaining graduates matters," said Professor Parkinson. "Connectivity — good transport links — is also vital and an airport can be equally important for economic success."

London ranks 23rd on GDP in a list of Europe's top 61 cities. Bristol and Leeds are ranked 34th and 43rd respectively. Newcastle upon Tyne is at 58th place and Liverpool is at the bottom of the league table ranked by GDP per capita. The top-performing European cities are Frankfurt, Munich, Stuttgart and Copenhagen.

Professor Parkinson said that the broad trend in continental Europe was to decentralise decision-making and devolve power to the lowest level.

where cities have been given more freedom and resources there is evidence they have responded by being more proactive, entrepreneurial and successful," the report says.

The report also suggests that cities in the South and East have fared better than those in the North and West.

Manchester, York and Leeds are in the top quartile of economic performance in the North. But there are many across the North and down the eastern coast that are in the bottom quartile.

"Bringing their real performance up to the average for England as a whole, even in the long term, will require some dramatic policy initiatives, combined with favourable external conditions," the report said.

The study indicates that the 56 cities combined accounted for 63 per cent of England's jobs in 2003 and that 42 per cent of England's population growth during 1997 to 2003 was in these areas. Residential segregation between white and non-whites fell in 48 out of the 56 towns and cities studied. It increased in only eight cities between 1991 and 2001.

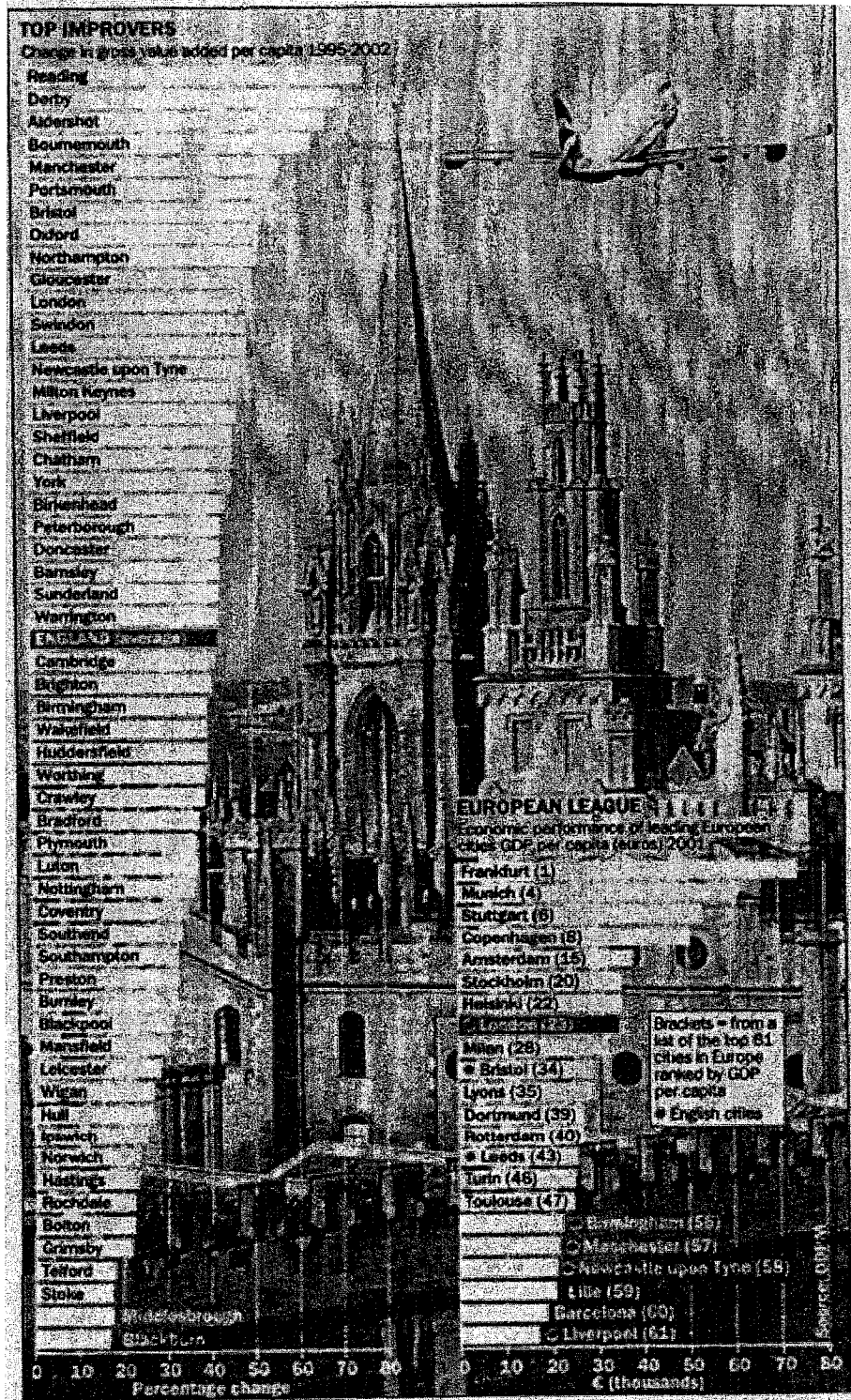
Mr Prescott said: "People are returning to our towns and cities, which have more jobs, rising prosperity, better public services and a cleaner, safer, greener environment."

Mr Miliband said the report showed that cities had made a successful recovery, adding: "We have never had a better op-

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portunity since the late 19th century to put English cities in the Champions' League of European performance."



# Universities and local power vital to recovery of leading cities, says study

By Miranda Green,  
Political Correspondent

Universities are crucial to continuing urban recovery and regeneration but centralisation and over-complicated initiatives are still holding back progress, a government-commissioned study has found.

Experts investigating the state of English cities for the Office of the Deputy Prime Minister told the government it needed to devolve more powers to reinforce a welcome turnaround in the fortunes of urban areas.

They found the main metropolitan areas had managed to reverse population decline and were emulating the success of London, largely because an increase in university education was improving the calibre of the workforce and changing the profile of the inhabitants.

Manchester in particular was found to have transformed its fortunes as an influx of students coming to

the city's four universities and stayed on as graduates.

They then provided a market for housing regeneration and fuelled the growth of the local knowledge-based economy. But other cities in the north-west still needed more help to catch up, the academics said.

In the report, delivered yesterday to John Prescott, the deputy prime minister, Professor Michael Parkinson warned ministers not to focus on structural changes such as creating new tiers of regional government, but to encourage informal, local and regional partnerships between councils, regional development agencies and other bodies.

"Government should do fewer but bigger, more strategic things in future. Less means more," the report said. "The message from Europe is that structural change will not be worth the political time and effort."

Prof Parkinson said a recent thawing of histori-

cally hostile relations between central government and local councils was bringing improvements. Moves to give away more powers to regional development agencies, elected mayors and local government had also helped.

"I think peace has broken out," he said. But he warned that successive governments had set up a confusing plethora of initiatives that were hard to co-ordinate locally, which needed to be replaced by simple agreements to act on shared priorities. Transport, especially links to London, was also "critical".

David Miliband, minister for communities, welcomed the "monumental" piece of research and said the government was already moving in the direction Prof Parkinson's team had recommended.

For example, it was devolving more power to councils and directly elected mayors, and locating new universities in areas such as

the Thames Gateway, which is marked out for large-scale population growth.

The Conservatives said the report showed that such Labour policies as the creation of the RDAs had been a mistake.

The British Chambers of Commerce expressed concern about too much devolution of financial powers, in case it resulted in a return to high local business rates.

But David Frost, the BCC's director-general, welcomed the broad thrust of policy towards local decision-making provided businesses had a central role.

"We do not want to see a centrally-driven, prescriptive package of measures to support our cities' economic growth," he said. "Birmingham is not Bristol; each city is different and each should be able to decide how best to tackle their economic development, regeneration, transport and skills needs."

## GROWTH IN THE CITIES

- Of the 56 cities in England, 26 have grown their output per head faster than the national average
- London accounted for 20 per cent of England's jobs growth in 2003. Together the 56 cities contributed 62.6 per cent. London's output per head is 40 per cent above the national average
- In 2003 58 per cent of England's population lived in cities which accounted for 42 per cent of population growth between 1997 and 2003, reversing a decline begun in the 1980s
- Segregation by ethnic group has declined in 48 of the 56 cities, increasing only slightly in eight and significantly increasing only in Blackburn and Norwich
- London ranks 23rd in Europe for output per head. Only Bristol (34th) and Leeds (43rd) are also in the top 50