

CITIES OF THE FUTURE: SCIENCE INNOVATION AND CITY MANAGEMENT

Speech by Steve Quartermain, Chief Planner, Department for Communities and Local Government presented at a debate hosted by The Foundation for Science and Technology on 19th June, 2013 at The Royal Society

My ambition this evening is to give some ideas for debate and discussion and I want to focus, as Chief Planner, on two specific aspects, commenting on the role of place, and the role of local leadership.

I do not think that I need to convince this audience of the importance of cities. Cities account for 74% of the population in the UK and 78% of all UK jobs. Our cities, and their hinterlands are drivers of growth and motors for the economy. It has been argued, by the Harvard economist Ed Glaeser, that “cities are our greatest invention”; they lower transport costs, help us share knowledge and spark innovation. Cities are the building blocks of the global economy and, as a planner, it is because urban form and function is so vital, that I consider planning to be so crucial to economic success. Because it is not just a case that bigger is better – our leading cities recognise that quality of life – whether that is excellent public transport, access to jobs, to culture, to visually stunning built environments are all vital to attracting people to live and thrive in cities and the task of managing this is a complex but essential one.

Governments can and must create the right conditions for growth and we can do this strategically, striving for a sound economy with low interest rates with the right microeconomic conditions – competitive taxes, flexible labour laws and a skilled workforce but it is also recognised that innovation and growth don’t happen in abstract – they happen in specific places. Cities exist as spatial places and we must plan for them accordingly.

But the new enterprise and employment that the country needs requires dynamic local leadership too, to drive economic growth on the ground. This will mean city leaders taking decisive action to attract private sector investment that is so critical to the future urban economy. It will require the capacity and authority to articulate and drive forward an ambitious economic vision, building strong effective public-private partnerships and responding innovatively to challenges to growth.

The Government’s ambition is to create powerful, innovative cities that are able to shape their economic future free from top down controls and this is why the Government believes there needs to be a fundamental shift in the relationship between national government and cities.

So the Government has recognised the importance of planning and managing cities which is why it has endorsed a plan-led approach to effective planning and has set this out for England in the National Planning Policy Framework (NPPF). Local Councils should be working hard with businesses to deliver on a vision of growth and sustainable development in which the role of the city is key. But we have also recognised that the importance of place can go beyond historic administrative boundaries and the Government has created local Enterprise Partnerships to bring businesses and local authorities together, to give a stronger voice over practical

economic areas – a clear strategy to give local partners a strong role in shaping and creating local environments. Our view is that this initiative is working well and showing sign of an effective local voice supporting and delivering growth.

To evidence this, you can look at the Science Vale UK Enterprise Zone in Oxfordshire. One of the largest science clusters in the UK and ideally located to support growing industries in both London and Oxford. Split into two sites Harwell South is just 20 minutes from Oxford and already has 150 organisations and 4,500 people as part of a vibrant community, and Miller Park which is home to 165 businesses employing 6,500 people strategically located next to the A34, close to Oxford, Newbury, Abingdon and Didcot and supporting development in them all.

The Minister for Cities, Greg Clark MP, has continued to build on this ethos working closely with individual cities and across all government departments to agree a series of tailored city deals. Each city deal provides a chance for cities to negotiate agreements to give them the power and tools they need to deliver growth, to unlock projects and initiatives to boost the economy and to strengthen their governance arrangements.

The first eight deals were concluded in July 2012 with the “core cities, that is Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle, Nottingham and Sheffield. These eight core cities and their surrounding areas are important hubs of economic activity. More than 6.5 million people work in this area, there are 37 universities and 680,000 students. The core city Local Enterprise Partnerships (LEPs) saw their populations rise by nearly 1 million people between 1999 and 2010 and 50 million people passed through their airports every year. The potential for further growth is clearly there and the deals that have been concluded will create 175,000 jobs over the next 20 years with 37,000 new apprenticeship. And the Government is now taking forward a second wave of deals which are now being negotiated with other cities and the approach aligns strongly with the recommendation of the Heseltine Review challenging the Whitehall knows best philosophy and breaking new ground regarding funding.

Many of the cities in waves 1 and 2 have made science and innovation a focus of their proposals.

Sheffield focussed on the Nuclear Advanced Manufacturing Centre and the opportunities for developing a UK based supply line for domestic and international nuclear power station investment.

Manchester has worked closely with Manchester University to establish the Graphene Institute and part of their deal was a joint project with UKTI to identify ways of attracting overseas investment to capitalise on the discoveries made by Nobel Prize winning scientists at Manchester.

And finally Cambridge are negotiating a city deal that recognises a networked and connected city region. Cambridge has over 1,500 technical companies, employing over 53,000 people with a combined turnover of over £11.8 bn. The spatial elements here are critical; a world class university drew talent from around the globe, fostering innovation and encouraging business spin-outs with strong hi-tech, bio-medical and

similar clusters: the areas scale and connectivity allowed overlapping networks to develop and facilitated a culture of co-operation and entrepreneurship and it is an attractive place which is a good place to live as well as a good place to do business.

The role of cities now and in the future and the opportunities that exist for them to create wealth, nurture innovation and act as technological drivers of growth is recognised. We know that planning can have a critical role to play in unleashing the potential and managing its consequences and that is why we are clear that we need a plan, a strategy, a means by which we can identify and deliver the right conditions and infrastructure but at the same time we need to ensure that within this context the spirit of entrepreneurship and innovation is allowed to blossom and is supported.

The Government can see that its approach to the city needs to create the opportunities for local leaders to plan ahead, to plan for growth and recognise the role of the market in this ambition and it is determined to ensure that this happens.