



ESPON perspectives on urban England

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Drivers

“The key drivers of territorial performance are: innovation, economic diversity, skills and human capital, connectivity, place quality and strategic governance capacity. City regions’ performance on those drivers shapes their trajectory”



So how important is connectivity?

Table 1. Correlation (R Pearson) between economic performances and connectivity*

	European Union				USA			
	GDP per inhabitant 2008	Growth of GDP, 2000-08	Growth of GDP per inhabitant 2001-08	N	GDP per inhabitant 2008	Growth of GDP, 2000-08	Growth of GDP per inhabitant 2001-08	N
Standardized Connectivity 2000	-	-0,021	-0,042	75	-	0.003	0.061	38
Standardized Connectivity 2008	0,534**	-	-	75	0,377*	-	-	38
Gross connectivity 2008	0,543**	-	-	81	0,488*	-	-	59

* Significant at 0.05

** significant at 0.01



You can't do much about global connectivity

A city's positioning in global networks is mainly shaped by legacy and specialisation.

Public policy makes little difference.

Focus on housing and congestion.



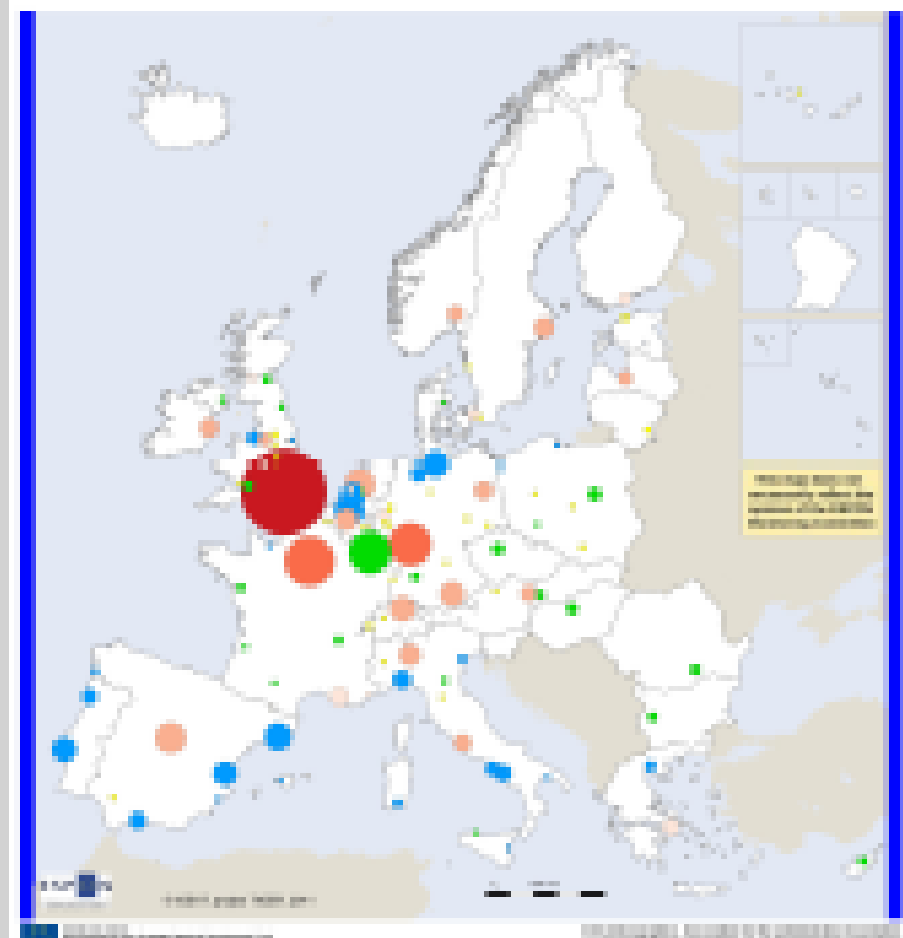
Air connections

Only air connections to non-European cities are found to significantly correlate with GDP per capita.

Competitiveness is not strongly related to participation in global networks, especially in advanced producer services. Other factors – e.g. education - seem more important.



Cities' links with non-European cities



Look after the local services

Gateway cities can be important for national economies but what works for London may not work for other English cities.

In a service economy cities are relatively closed economies.

Wider economy is shifting more and more towards local services that are not easy to shift offshore.

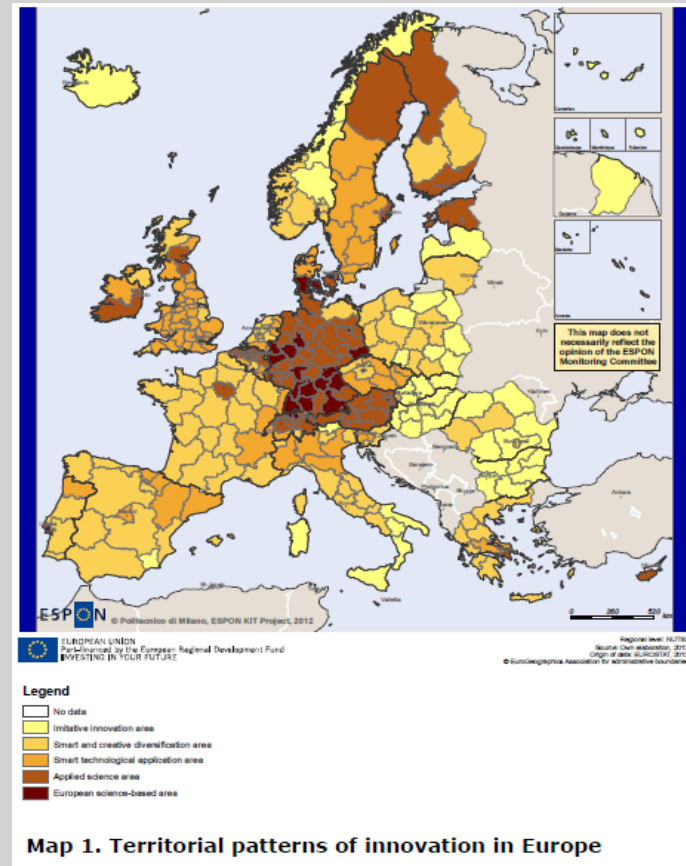


Innovation

Most of England is a “Smart technological application” area.

Co-inventing application – quick response to innovation elsewhere. E.g. Cardiff TV & digital media.

Nurture links with external partners in specialised sectors.



Links to universities in the region

AMCER study of East of England.

Norwich Research Park a collaboration between the University of East Anglia, the Norfolk and Norwich University Hospital, and four independent research centres.

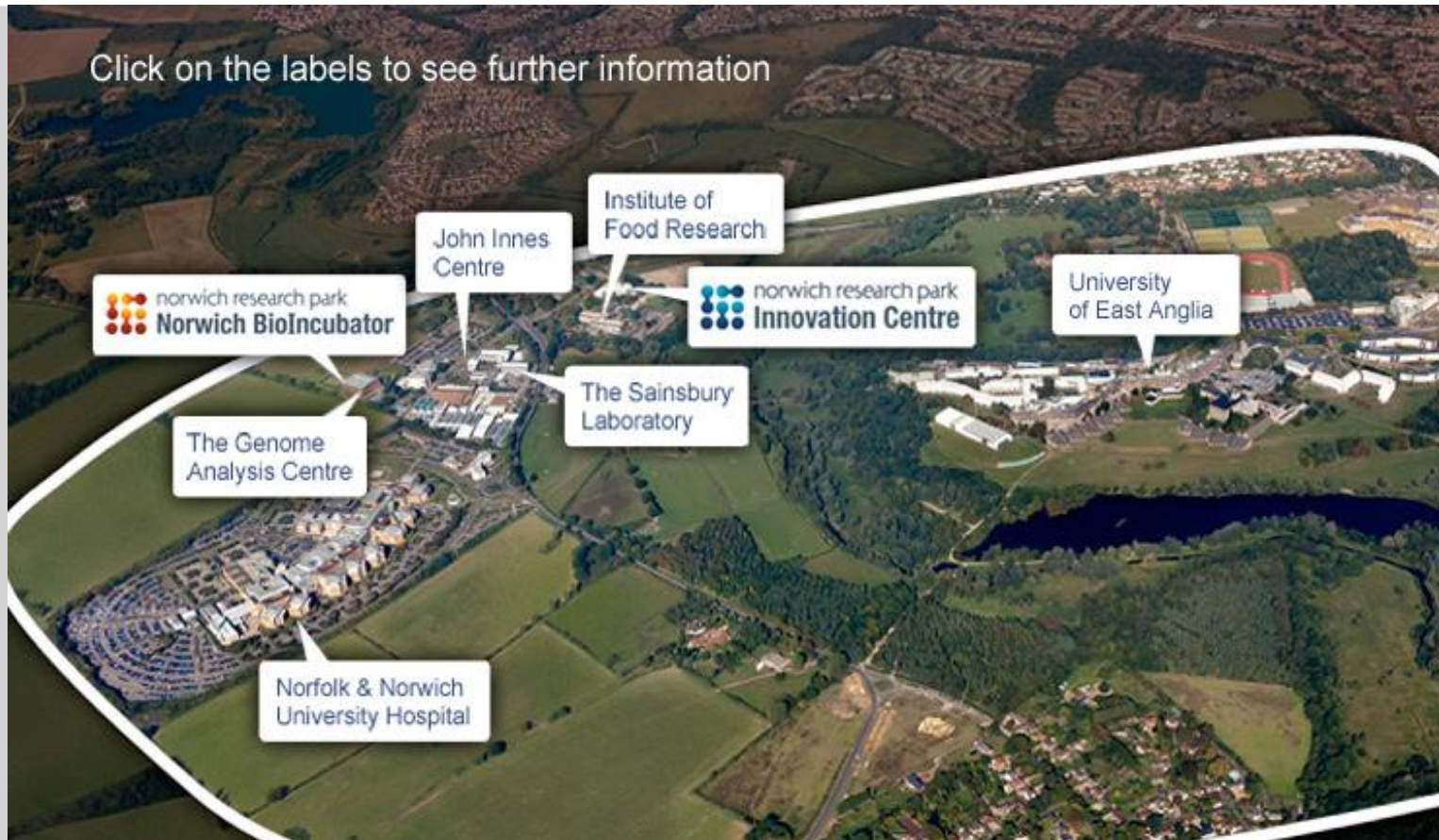
One of Europe's largest single-site concentrations of research in Health, Food and Environmental Sciences.

CUC – linking universities and colleges to foster business links and retain talented young people.



Norwich Research Park

Click on the labels to see further information



Oxford Trust

Charitable foundation

Leading role in developing incubators and innovation centres for high-tech' companies.

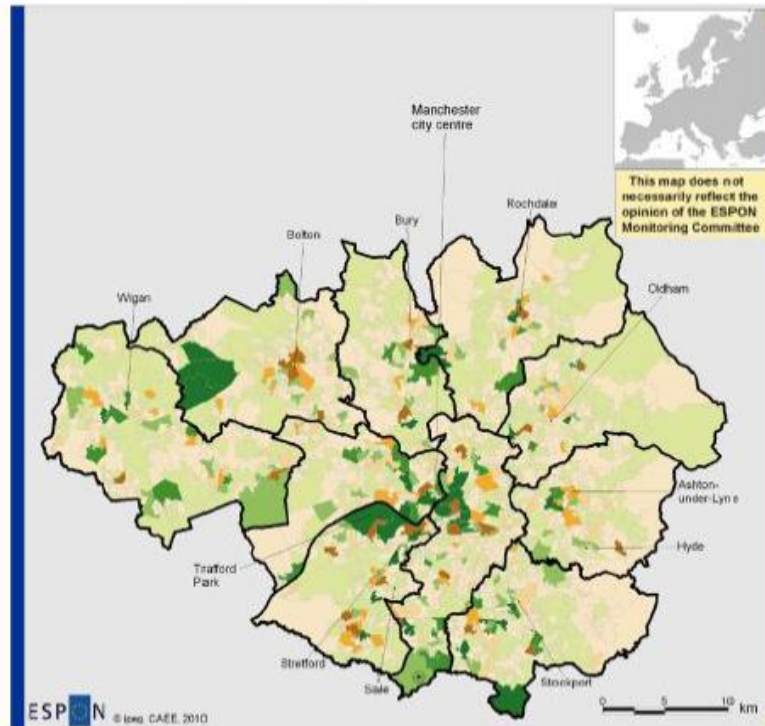
Business angel network, e.g. Oxford Innovation.

LAs can support through planning for research parks, infrastructure and education.

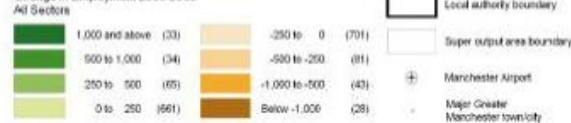


Clustering

Employment change 2003 to 2008 - all sectors



Change in Employment 2003-2008
All Sectors



Innovation

An innovation strategy has to work with the dynamics of the local business environment and trajectory, and it also needs a spatial element.

But spatial planning policies should also be alert to the needs of business and the potential for innovation – particularly innovation clusters.



Benchmarking

Table 1: Performance on Population, Employment and Total GDP, 2000-2007¹⁹.

Second tier city/ metro region	Population			Employment			Total GDP		
	Change 2000-07 (%)	Better than national	Better than capital	Change 2000-07 (%)	Better than national	Better than capital	Change 2000-07 (%)	Better than national	Better than capital
Barcelona	11.7	Yes	No	22.9	No	No	23.4	No	No
Cork	13.3	No	No	21.2	No	No	56.7	Yes	Yes
Katowice/ Katowice- Zory	-3.1	No	No	5.5	Yes	No	28.6	No	No
Leeds/ Bradford- Leeds	4.9	Yes	No	4.2	Yes	No	11.1	No	No
Lyon	5.4	Yes	Yes	7.0	Yes	Yes	14.1	Yes	Yes
Munich	7.3	Yes	Yes	5.5	Yes	Yes	10.8	Yes	Yes
Tampere	5.6	Yes	No	15.1	Yes	No	34.4	Yes	Yes
Timosoara	-2.9	Yes	No	-9.2	Yes	No	86.6	Yes	Yes
Turin	4.2	No	No	4.1	No	No	2.1	No	No



Munich



Munich

1.3M (NUTS 3), 2.6M (NUTS 2)

Capital of Bayern

Manufacturing employs 20%: strong environmental technology sector – solar panels, wind turbines and green energy.

7th largest airport in Europe (in passenger volume).

Highly qualified labour force / strong presence of research institutes / strong record on patents / high level (c.4%) of regional GDP investment in research and development.

70% of housing is rented, but it is expensive and blue collar workers commute.

Good public transport, combined heat + power, district heating, but air pollution.



Planning in Munich

Bavarian Government Territorial Development Plan

Voluntary body Regional Planning Association does a Regional Plan for the city + 185 municipalities:

“Land and transportation planning, policymaking and implementation is very patchy and uneven as responsibility is so fragmented. Local autonomy of decision making in respect of land use planning and competition for jobs and housing in view of the fiscal benefits such development brings means that development (e.g. retail stores, housing) often takes place in locations poorly served by public transport. This adds to already considerable congestion problems.”



Economic development in Munich

Series of Bavarian government initiatives have supported innovation and clusters, e.g. supporting technology transfer, business start-ups (especially in risky sectors) through venture capital, provision of patent advice; Business Angel network; investment in university research etc.

City of Munich ED policies mesh with these but also emphasise social inclusion and environmentally sustainable development.

City holds shares (sometimes a majority) in the airport, public utilities, Technology Centre, Olympic park etc. It has an extensive land portfolio and uses planning gain to fund infrastructure and social facilities.



Prescription

A long term integrated place-based strategy that has been developed on the basis of a systematic analysis of the area's strengths and weaknesses and relationship with investment and population flows.



Discussion

How can urban planners support innovation?

How can cities grow their local service economy?

What can be learned from the Munich example?



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