

‘NEW CHALLENGES FOR CITIES’

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Victorian Cities – Inspiration and Warning

1. Thank you for inviting me. I am delighted by the launch of the IPPR Centre for Cities. Today is a day for questions not for answers, and I want to give some reflections on the debate about cities and their place in national economic and social life. I am an optimist about our cities and I want to explain why. This Government believes that social inclusion and economic dynamism can go hand in hand and can be harnessed together. But I want to start with the past.
2. The story of the birth of modern Britain is the story of cities. Over the course of the industrial revolution and the Victorian period, the fortunes of our cities and our country moved in lockstep. As the wealth and prominence of Britain grew, so did the size, number and importance of her cities. In the 19th century, the number of cities increased from around 5 to over 20 and those living in cities doubled to make up around a third of the total population.

3. The marriage of industrialisation and urbanisation lay at the heart of this bond. Cities provided the motor that drove the nation's prosperity. For example Manchester made a fortune from cotton while Liverpool used its coastal location to become a major port. This led to a dramatic increase in prosperity which benefited the whole country. Real growth rates during the early 1800s were 3-4 times higher than for the pre-industrial period. Wages for artisans doubled between 1815 and 1851. By 1850 Britain had the highest income in the world and accounted for around a third of total world industrial production.
4. However, the cities were more than just economic power houses. They acted as the crucible in which the nation's culture and social life was forged, and its collective identity shaped. It was from the cities that many of the social movements that characterised modern Britain, from the Chartists to the Labour Party, sprang. Culturally, cities also led the rest of the country. Manchester – the archetypal industrial city - also created the first free public library in England. And cities were the first place to realise the benefits and face the challenges of immigration and diversity, whether in the Irish communities of Glasgow and Liverpool or the Jewish community in the East End.
5. The Victorian age should be seen as both an inspiration and a warning for cities; an inspiration because of the immense contribution made by cities to the national life, and a warning because of the social and economic pain and suffering associated with city life.

6. But just as our cities were the foundation of Victorian power and set the tone of national life, so they provided and reflected many of 19th century society's ills. Anyone who has read Dickens will know that the golden age of cities was not golden for everyone. Victorian cities harboured immense deprivation. The urban poor lived in far worse conditions than poor people elsewhere. For example, in Glasgow, the average life expectancy dropped by the 1840's to 27. By 1840 40% of all urban deaths were caused by the spread of infectious diseases. Between 1838 and 1844 over 100,000 people in London alone died because of the appalling environmental conditions. Children in particular were victims of atrocious living conditions and disease epidemics: of the 350,000 deaths in England Wales in 1842, nearly 80,000 were children aged under 1 and nearly 140,000 were children aged under 5.

Our cities are back

7. No-one would deny that the face of urban Britain has changed dramatically over the last 100 years. The number of cities has continued to grow so that there are now 55 cities with a population above 125,000. 58% of the UK's population now live in these 55 cities, with the dividing lines between city and suburb increasingly blurred. Few of these cities now rely on one large single industry as the Victorian city did. There is now greater diversity than ever before in the type of cities and the roles they play in our economy.
8. The conventional story of our cities according to the national media stops with a description of the problems faced by our cities. According to them, our cities are well past their sell-by date. But there is increasingly a

different story to tell, one which suggests that our cities are back.

Nationwide, it is clear that life in cities is beginning to improve in ways not seen since before the Second World War:

- Manchester has carefully nurtured a strong culture of partnership which has been the driving force behind its many recent successes. Partnerships have been behind the public/private regeneration of city areas such as Hulme, the acclaimed city centre renewal programme following the IRA bombing and the city's successive Olympic bids. The city centre renewal programme has been particularly impressive. This regeneration project, one of the largest in post war Britain, gave a central role to civic planning and managed to re-design, not just rebuild the city's centre. An undeniable success was Manchester's hosting of the 2002 Commonwealth Games where particularly sophisticated partnership working has left east Manchester with lasting sporting and cultural assets.
- Key to the recent economic success of Leeds has been its flexibility and willingness to adapt. Leeds has been quicker than most cities to meet the challenge of deindustrialisation head-on. The city was quick to take advantage of new opportunities offered by the growing service economy, with particular support from its local authority. As a result Leeds has developed a culture and a reputation built on positive commercial values of creativity, motivation, versatility, know-how and confidence. Leeds has also recognised that it needs to be an attractive place to live if it is to attract the highly skilled individuals that are crucial to a professional services economy. The city has paid particular attention to the quality of retail and leisure experiences it can offer, with its city centre now ranked as the 4th most important shopping centre in the country.

- Sheffield is undergoing fundamental transformation from neighbourhood renewal to education. Its leaders compare its reinvention to the Victorian renaissance of the city.
- In Newcastle the face of the city and its core have been transformed by the redevelopment of the river side. This renewal of the city and its physical space has gone hand-in-hand with economic revival. Long term unemployment has fallen by 90% since 1997. Similar stories emerge from many smaller cities.
- Worthing is a good example of a smaller city that has made itself a significant centre within its region. By developing itself as a shopping centre large enough to serve other areas, Worthing draws in people from surrounding towns and villages. Worthing is similarly able to draw in people from surrounding areas to work and has now established itself as a commercial centre home to multi-national companies such as Norwhich Union and GlaxoSmithKline. Worthing is now the largest city in West Sussex.

Our cities today – challenges they face

9. While the number and type of cities has grown, our biggest cities, those that powered economic growth in the Victorian age, were in decline for much of the 20th century. The UK's relatively poor economic performance and the decline of traditional manufacturing industries left these cities struggling to cope with the realities of a post industrial world. All these cities have experienced falling populations over the last 50 years, with Liverpool's, for instance, falling from 1.3 million in 1950 to 900,000 today. But despite the 20th century decline of our core cities, they are still important in our economic and cultural life. In England, these core cities – Birmingham, Bristol, Leeds, Liverpool, London, Manchester, Newcastle, Nottingham and Sheffield – each have a population of over 500,000 and are significant enough to be seen as 'city regions'.

10. However, while a lot has changed, many of the broad challenges our cities face at the beginning of the 21st century are similar to those at the close of the 19th:

- We still face the challenges created by the poorest and richest living in close proximity. Tower Hamlets has the highest average income and the greatest poverty of any borough in Britain. Although cities have grown fast economically over the last decade, not all inhabitants of our cities have shared in the fruits of this growth. While employment rates have grown faster in cities than elsewhere over the past few years urban areas still experience higher levels of worklessness than other areas. Our cities have an employment rate of only 71% as opposed to 79% in non-city areas. Life expectancy is below the national average in all of our major cities except London and Bristol. Our cities have a disproportionate share of deprived areas with urban than non-urban households dependent on benefits.
- Despite improvements in living conditions for all, we still face the challenge of poor local environments, particularly in the most deprived parts of today's cities. For example, urban residents are twice as likely to have been burgled as those living elsewhere and are twice as likely to face high levels of anti-social behaviour, such as vandalism.
- Education in our cities remains a key challenge. London now has higher educational achievement at GCSE than the national average, but In England's other major cities a smaller proportion of students attain A to C GCSE grades than nationally.
- And cities provide a stopping point to those who are displaced, whether within the UK or from abroad.

Looking to the future

11. This analysis of progress and challenge leads me to reflect on what we have learnt over the past 10 years of urban policy. I have picked out eight lessons, and eight resulting research questions that I hope the institute can grapple with:

- i. We have learnt that decline is not inevitable - that people can be tempted back in, that renewal is possible. Leeds has shown us that this can happen. 67 high quality residential developments have been completed in the city centre since 2000 and 20 more are under construction. There is now high demand to live in the centre of Leeds. But the research agenda is how we spread that renewal from the city centres to the toughest estates on the margins.
- ii. We have learnt that regeneration without public services is impossible; in fact public services drive regeneration; unless you get the basics right in public services you cannot get the people or the industry. But the research agenda is about how you can empower communities as well as deliver services to them. This is what Jeff Rooker is in part referring to when he talks about sustainability.

- iii. I would say this wouldn't I, but we have learnt that education is the number one priority. That is why the Government puts such emphasis on early years, on primary results, on secondary reform, on apprenticeships, on FE and on HE. Urban school education is now improving faster than the national average, with primary schools in the poorest urban areas improving at double the rate of schools in more affluent areas. In 2004 there have been considerable improvements at GCSE where EiC Action Zone schools are continuing to improve at almost double the rate of non EiC Action Zone schools for those achieving 5 or more A*-Cs. Colleges are reaching even more students from disadvantaged backgrounds – an increase from 27% in 2000/01 to 29% in 2002/03. By 2004, 839,000 adults had achieved at least one qualification in literacy, language or numeracy, and a total 1,273,000 literacy, language and numeracy qualifications have been awarded. And there are now over 255,000 young people on modern apprenticeship programmes, the highest ever. But the research agenda is about how we reach down into those affected by cycles of deprivation.
- iv. We have learnt that leadership matters - from politicians like Mick Henry in Gateshead and Ken Livingstone in London to officials like Bob Kerslake and David Henshaw. The challenge is for our political parties to make party politics come alive in cities. We should hope that aspiring young researchers want to work for mayors and not just MPs.

- v. We have learnt that strong cities are good for the rest of their region, not bad for them. The regeneration in Newcastle has spread to surrounding areas, for example, contributing to the cultural renaissance that has taken place in Gateshead; and the rebirth of Salford would be unthinkable without the immense progress that Manchester has made. But there is a research agenda about how we energise areas with falling population.

- vi. We have learnt that every city needs its Unique Selling Point - from night life, to higher education, to multiculturalism, to financial services to bohemian lifestyle. Leeds, for example, has very deliberately moved away from relying on its traditional heavy industries and made itself a centre for financial and legal services industry. But cities need to scan the next wave of change, and be ready for it.

- vii. City pride is a tangible resource - the basis for partnership, for public mobilisation and for confidence. Liverpool is a great example of this. Its strong identity and sense of community enabled it to build a shared vision which secured its City of Culture status. But we need cities to identify their own priorities and mobilise themselves around a vision for the future.

- viii. We have learnt that the global interface is becoming important - national, European and global networks are crucial. But cities need to play the global map of power, and get their say.

Conclusion

12. Our cities are poised, just like the rest of the country, to make gains unimaginable a generation ago. The challenges are great, but so is the prize. Our cities have the chance to once again take centre stage within our national life. For all the talk of the golden era, I firmly believe that their best years lie ahead.