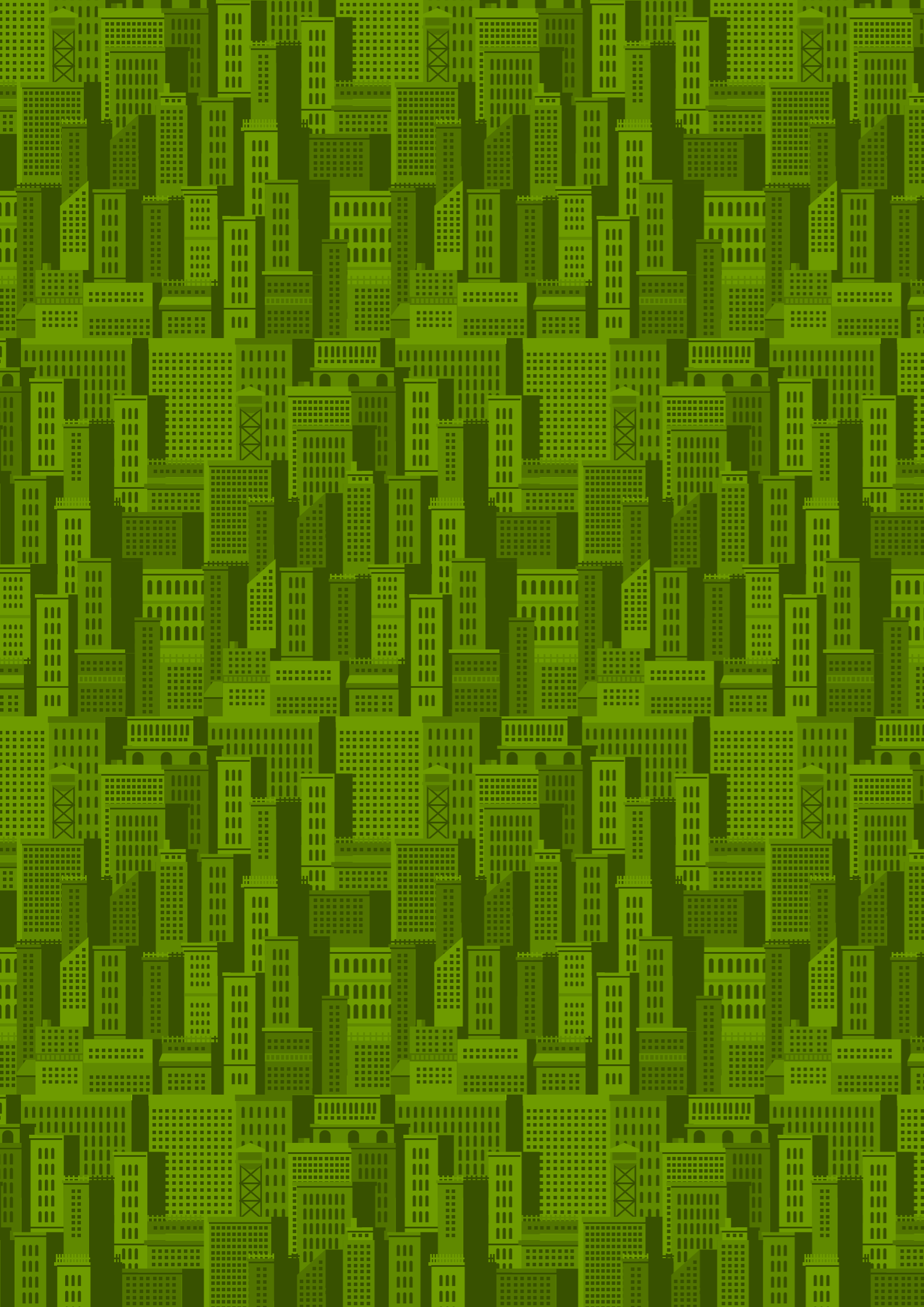


# Cities Outlook 2024





## About Centre for Cities

The UK's economy is driven by the success of its largest cities and towns, which generate opportunities and prosperity for people in all parts of the country.

Our mission is to help the UK's largest cities and towns realise their economic potential.

We produce rigorous, data-driven research and policy ideas to help cities, large towns and Government address the challenges and opportunities they face – from boosting productivity and wages to preparing for the changing world of work.

We also work closely with urban leaders, Whitehall and business to ensure our work is relevant, accessible and of practical use to cities, large towns and policy makers.

For more information, please visit [www.centreforcities.org/about](http://www.centreforcities.org/about)

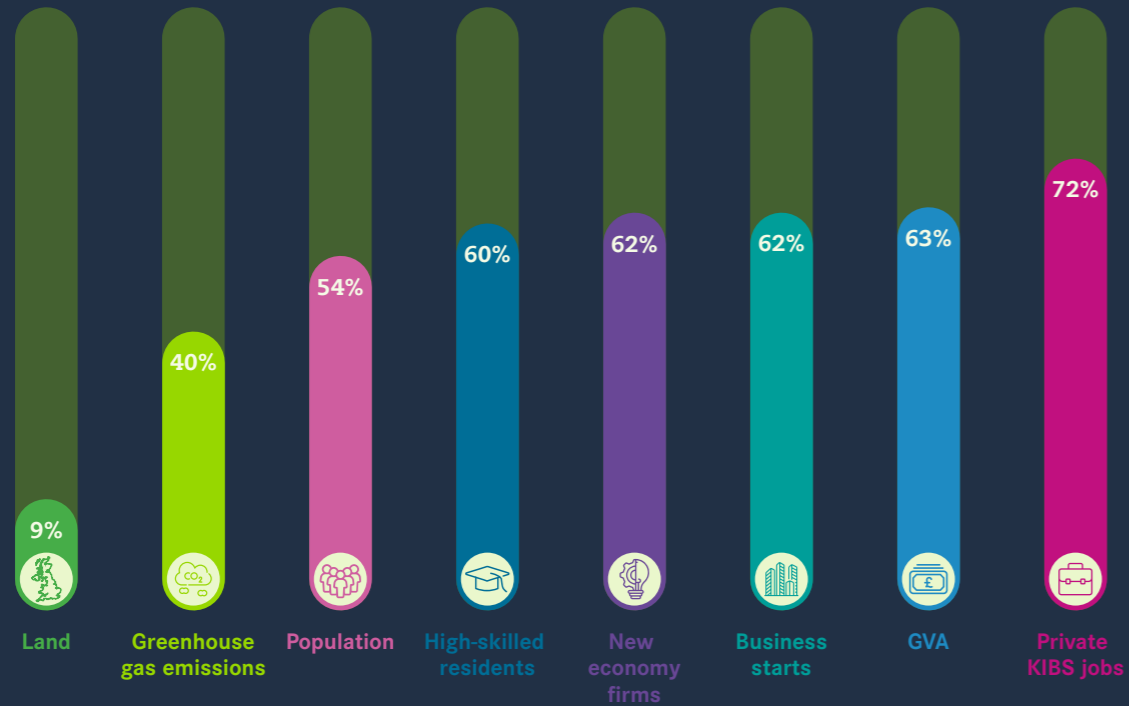
## Partnerships

Centre for Cities is always keen to work in partnership with like-minded organisations who share our commitment to helping cities to thrive, and supporting policy makers to achieve that aim.

As a registered charity (no. 1119841) we rely on external support to deliver our programme of quality research and events.

To find out more please visit: [www.centreforcities.org/about/partnerships](http://www.centreforcities.org/about/partnerships)

# 1. Cities are important to the national economy

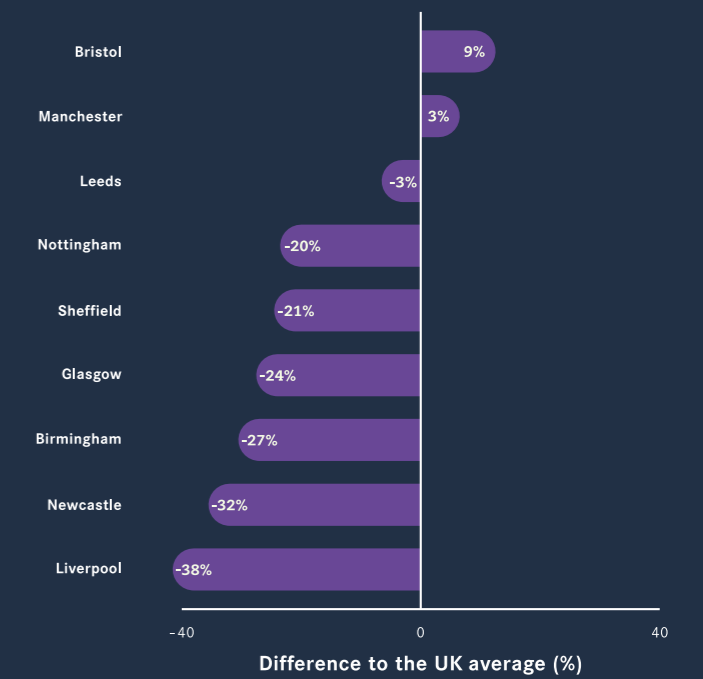


# 3. Large cities underperform

Productivity



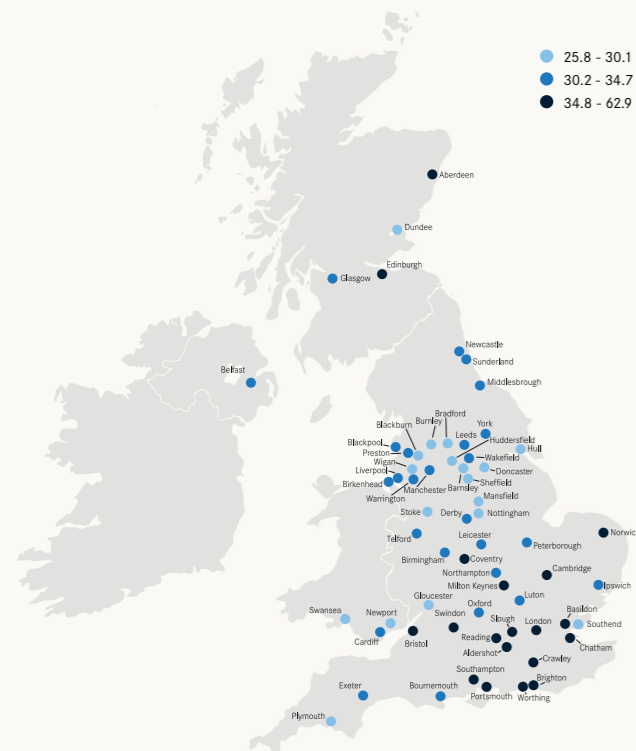
New economy firms



# 2. Economic performance varies across the country

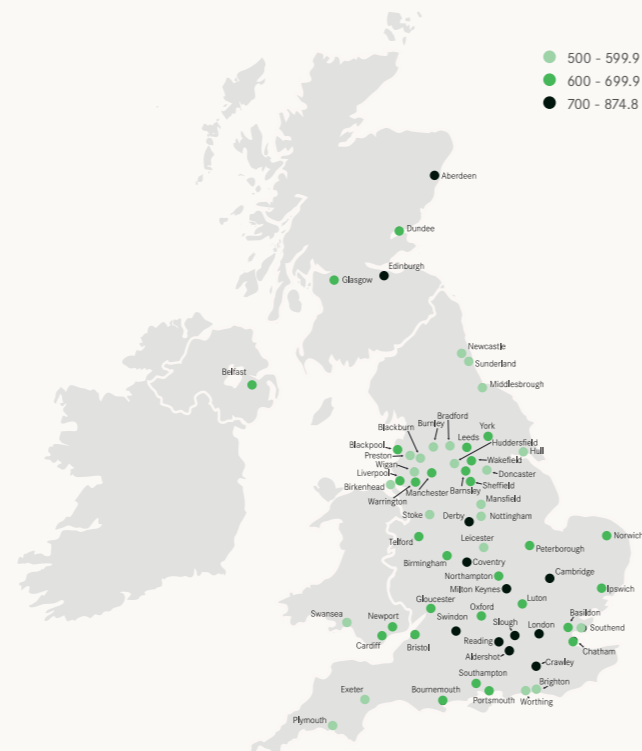
There are big differences in productivity

GVA per hour, 2021 (£)



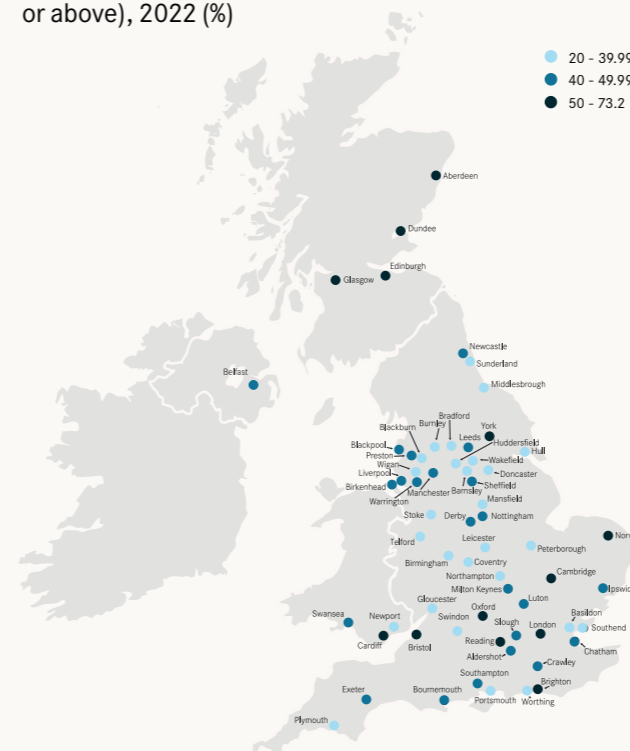
Wages are also affected

Average weekly workplace earnings by region, 2023 (£)



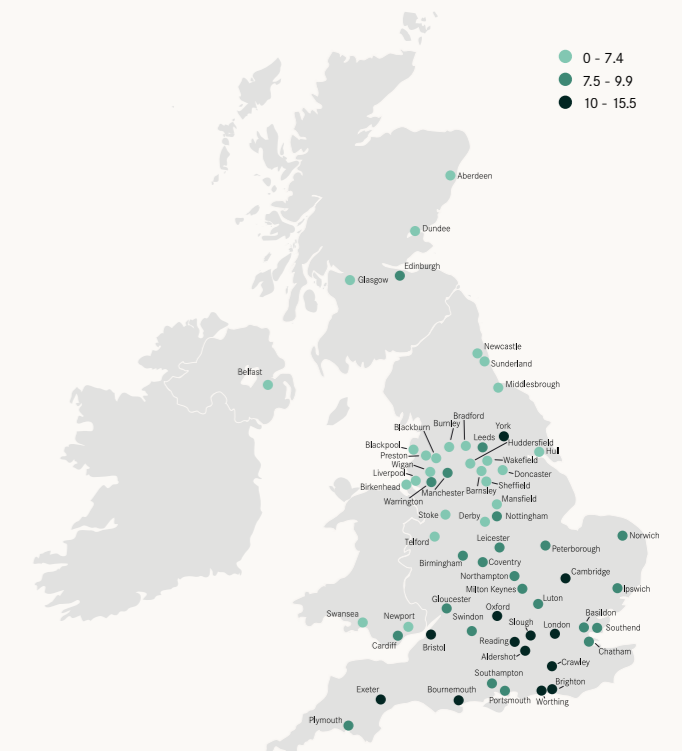
Skills is a major determinant

Working-age population with a high-level qualification (RFQ4 or above), 2022 (%)



High housing costs threaten the success of cities

Housing affordability ratio, 2023



## 4. What needs to change



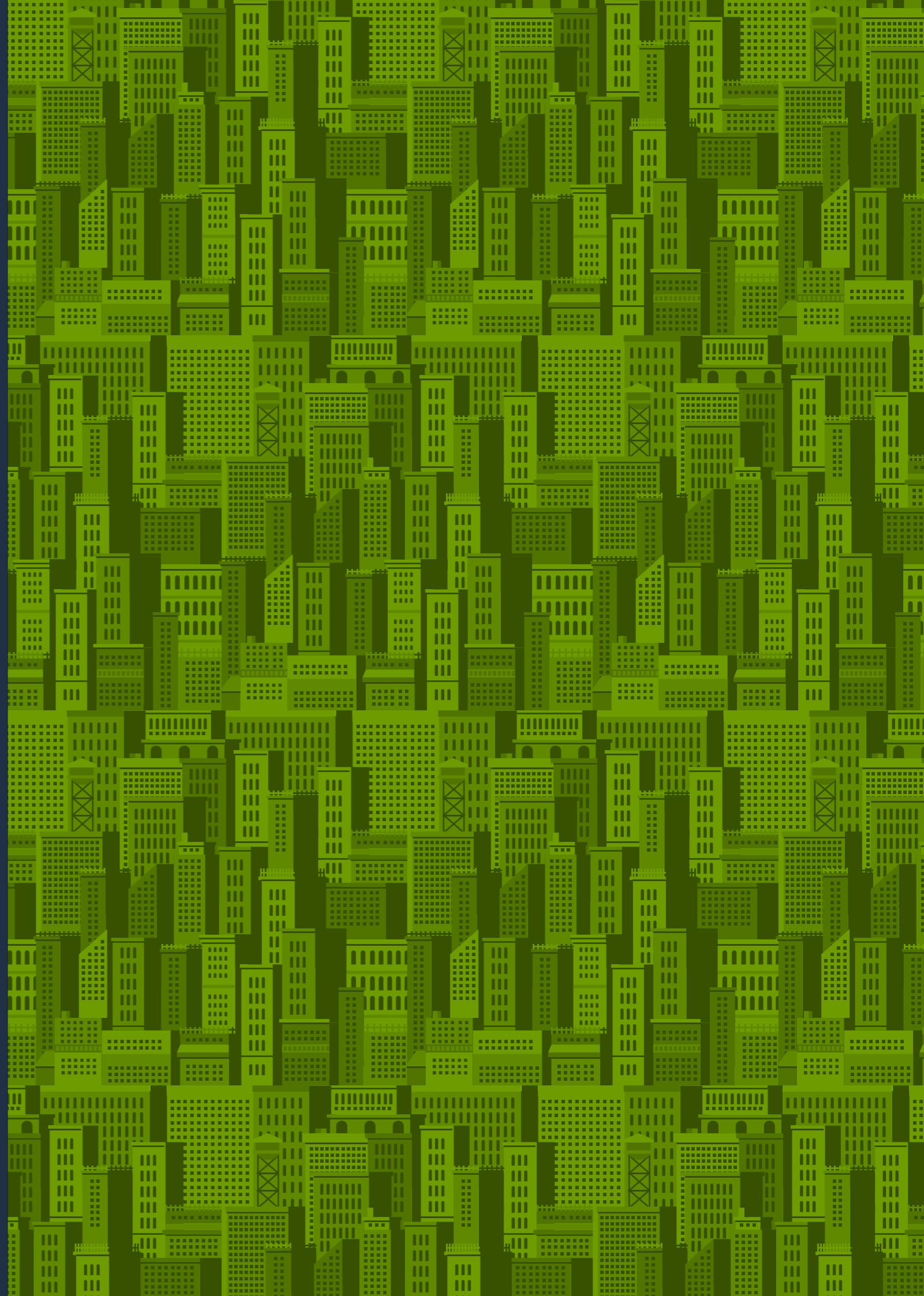
**Stick with the levelling up agenda and its focus on improving the performance of the largest cities outside London.** This focus needs to be backed with a multi-decade programme of policies, as has been seen in Germany. Strategies without action don't bring about change.



**Introduce the next phase of devolution,** building on the Trailblazer devolution deals by passing fiscal powers to London, Greater Manchester and the West Midlands, to give places a greater ability to deal with economic underperformance and change, while addressing funding challenges faced by local government.



**Reform the planning system,** building on steps taken in the 2023 Levelling Up and Regeneration Bill. Move planning to a rules-based approach, replacing the existing discretionary, case-by-case system that has produced a backlog of 4.3 million homes.





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Testimonials



# Testimonials

“

Centre for Cities plays an important role in helping local leaders understand and address the challenges facing cities and towns. The data and insights in this year’s report show the economic disparity between the North and South is widening, not closing. Despite over a decade of focus on the Northern Powerhouse and Levelling Up, the Greater South East has a higher proportion of the UK’s jobs than it had in 2010. This is having a significant impact on the people of Greater Manchester and beyond.

We welcome the report’s call for further progress on devolution. Greater Manchester’s trailblazer deal is providing more local control over areas like skills, transport and housing, strengthening our ability to improve the lives of people who live and work here. But there is more to be done.

At the start of what promises to be a pivotal year, Cities Outlook 2024 clearly sets out what the next government – of any colour – needs to consider to renew the levelling up agenda and give cities and towns the tools we need to unlock the growth we know we are capable of.

**Mayor Andy Burnham**  
Mayor of Greater Manchester



”

“

We know devolution is working and more powers and funding should be handed down from Westminster to local leaders who know their areas best.

Cities Outlook 2024 brings home the urgency of the need for growth in the UK, while making a compelling case for why devolution is the way forward in achieving that.

It is only by expanding devolution and the financial and policy making powers for our regions, that local leaders will be able to respond effectively to tackle the issues facing their areas, meaning better outcomes for everyone.”

**Mayor Tracy Brabin**  
Mayor of West Yorkshire



”

“

Cities Outlook continues to be an indispensable tool for urban leaders, offering valuable insights that will help to unlock our cities' potential right across the UK.

I rely hugely on reading about other cities and their performance to be able to make progress here in Bradford. Learning from others is vital. The comprehensive data and analysis set out in the report not only allows individual cities to assess their performance in relation to others but also enables them to identify and capitalise on their unique strengths. It should be a cornerstone for informed decision-making at all levels of government – and it’s particularly vital during an election year



**Cllr Susan Hinchliffe**  
Leader, City of Bradford Council

”

“

Cities Outlook 2024 provides another vital overview of the contribution that cities of all sizes make to driving economic growth across the UK – providing tens of millions of people with jobs and homes.

And the potential further contribution of cities is immense: Core Cities UK and the RSA have found that increasing the productivity of UK cities to the levels of their European peers would add an extra £100 billion a year to our national economy.

As this report from Centre for Cities shows, UK plc has stagnated since 2010. My home city of Bristol is the only Core City ahead of the national average for productivity. We are one of very few places where gross disposable household income per head is up, however negligibly, since 2010, compared to what would have been if 1998-2010 growth rates had been sustained.

The solution is simple. Cities must be empowered to help unlock and unleash the full potential of our country.

I have no doubt that this data from Centre for Cities will contribute significantly to the broader policy debate surrounding the future of the UK.

**Mayor Marvin Rees**  
Mayor of Bristol

”

“

Tackling the productivity challenge will be one of the big asks of the next government – and it’s an opportunity that we simply cannot afford to miss. For example, we know that if Liverpool’s productivity increased to the national average, it would generate an additional £4.5bn for our area.

If we are serious about getting our economy firing on all cylinders, then we need to see more action at a national level to break down regional imbalances. As Cities Outlook 2024 shows, devolution is already proving itself to be a catalyst for growth. The more powers we hand to local leaders, who understand the needs and priorities of their areas better than anyone else, the faster we can start to address the barriers that are holding our regions back from fulfilling their true potential.

**Mayor Steve Rotheram**  
Mayor of Liverpool City Region

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# 01

## Cities Outlook 2024

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The clash of politics and  
economics in a general  
election year



# The clash of politics and economics in a general election year

Cities Outlook 2024 provides a comprehensive overview of urban Britain in what is set to be the year of a general election. It shows that serious choices and decisions need to be taken around domestic economic policy if the next government is to make inroads into the longstanding challenges that shape the geography of the UK economy.

The last election was one where domestic economic policy, and particularly levelling up, was central to the debate. But for all the heat that surrounded it, the actual policy action, while not absent, has fallen short of what was promised.

There are mitigating factors. Covid, Russia's invasion of Ukraine and the surge in inflation have all been crises demanding immediate attention, and any government would have struggled. But despite this, it should still be possible for a government to show more progress on its flagship domestic policy than it has, come the end of a parliament.

Some progress has been made. The Government published the Levelling Up White Paper in early 2022 and allocated pots of funding via competitive bidding. And it has made progress on devolution, both through its extension to areas such as Hull and East Riding and the East Midlands, and by deepening it with trailblazer deals for Greater Manchester and the West Midlands.

But in terms of making progress towards its ambitious (and laudable) 12 targets by 2030, set out in the White Paper, it has left a lot of work to be done for whoever wins the next election.

In the context of a general election this lack of progress will create a challenge for the Conservatives to demonstrate to voters in the Red Wall how they are better off five years on. It will also require Labour to show the same voters how its approach would be better.

To govern effectively is to choose. For the next government there will be serious choices and decisions to make for domestic economic policy, as in other areas of policy, if it is to make

inroads into the longstanding challenges that shape the UK's economic geography.

Inevitably, the politics of an election will drag politicians in directions that distort these choices and decisions. There are three areas where this is likely to be a problem in the coming months – the differing role of cities and towns in the national economy, planning reform and the stuttering of London.

## The differing roles of cities and towns

This has already become apparent in the very unhelpful cities versus towns debate, which politicians had seemingly moved on from. But it reared its head once again at Conservative Party Conference in October, where Rishi Sunak claimed the economy had been too focused on cities and his plan would be to shift the economic geography away from them towards towns.<sup>1</sup>

Given ongoing narratives around the Red Wall, the political draw of this approach for both parties is obvious. There are, however, both economic and political reasons why this isn't a smart move.

There's no doubt that several towns outside the Greater South East are struggling, but the reasons for this are often found in their nearby cities. Big cities should be leading the regional and national economy, as is the case with comparable cities on the continent, creating wealth and opportunities for people who live in and next to them.<sup>2</sup> The fact that they don't is bad news for neighbouring towns and villages. While a region's prosperity is disproportionately generated in these large centres of production, it is spread much wider. Centre for Cities showed in September how 'trickle out' is a thing – large cities provide prosperity for the towns and villages around them. But because they aren't generating as much prosperity as they should be, there is less for residents in these towns and villages than there should be.<sup>3</sup> Politicians of all stripes need to recognise that while cities won't provide all the answers, it is hard to see a route to prosperity for struggling towns that doesn't involve an improvement in the performance of their larger neighbours. The affluent towns and villages around London and Bristol are testament to this.

This is now well understood, which made the Prime Minister's comments more jarring. The Government is to be applauded for making the choice of focusing on the underperformance of large cities in the Levelling Up White Paper, something influenced by the work of Centre for Cities.<sup>4</sup> If we are to help people and places across the country, whoever leads the next government will need to continue with this framework.

<sup>1</sup> Sunak's Harold Wilson Act is a recipe for economic disaster, Ben Ramanauskas, Evening Standard, 12 October 2023

<sup>2</sup> Swinney P (2021), So you want to level up? London: Centre for Cities

<sup>3</sup> Swinney P (2023), Does 'trickle out' work? How cities help their surrounding towns, London: Centre for Cities

<sup>4</sup> Work by Centre for Cities was cited 22 times in the Levelling Up White Paper

## Planning reform

This is an area where, for a long time, economics and politics have disagreed. The good news is that both parties know that changes need to be made. And the Government has made some progress with the changes set out in last year's Levelling Up and Regeneration Act.

The reason for this consensus is the size of the problem. Centre for Cities showed in February how the existing planning system, with its roots in the 1947 Town and Country Planning Act, has had a large role to play in the missing 4.3 million homes that the UK has built up, compared with other European countries since the end of the Second World War.<sup>5</sup>

The politics here though have long been the barrier to change, and history reminds us that rhetoric isn't always followed with action, especially in this policy area. How serious either party is will be revealed by the change they bring about after they are elected rather than the words they choose to use in the run up to the election.

## London and levelling up

A third political challenge will be putting policies in place that deal with London's stuttering economy alongside the levelling up agenda. Policy support for the Capital has become more difficult in recent years because of its much higher levels of prosperity than other parts of the country and the wrongly held perception that it has been favoured by successive governments for investment and support. But London's productivity slowdown since 2008 is a big factor in the wider national malaise, as Centre for Cities showed back in March.<sup>6</sup> To get the UK economy firing again the next government must overcome the reluctance to support London.

This isn't just something that has been seen in the Capital – the poor performance of the national economy since the financial crash has been felt across the country. The next chapter of the 17th edition of Cities Outlook sets this out in detail.

This underwhelming growth has been a hallmark of the economies of almost every UK city or large town. The chapter highlights the scale of the challenge for the next inhabitant of 10 Downing Street to overcome if the UK is to be markedly more prosperous by the end of the decade.

<sup>5</sup> Breach A and Watling S (2023), The housebuilding crisis: The UK's 4 million missing homes, London: Centre for Cities

<sup>6</sup> Rodrigues G and Bridgett S (2023), Capital losses: The role of London in the UK's productivity puzzle, London: Centre for Cities

### Box 1: Defining cities

Centre for Cities research focuses on the UK's 63 largest cities and towns, defined as primary urban areas (PUAs). Unless otherwise stated, Centre for Cities uses data for PUAs in its analysis – a measure of the 'built-up' area of a large city or town, rather than individual local authority areas. You can find the full definitions and a methodological note at [www.centreforcities.org/puas](http://www.centreforcities.org/puas).

# 02

## Cities Outlook 2024

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How places have fared  
since 2010



# How places have fared since 2010

The UK's economic stagnation has been felt in every part of the country. Addressing this presents a huge challenge for the next occupant of 10 Downing Street.

The requirement for economic growth will be a key part of the debate in the run up to the next general election. While the economy is usually central in any election campaign, the UK's poor performance since the global financial crisis makes the requirement for growth a particularly pressing one.<sup>7</sup> And so it is no surprise that Keir Starmer has said that raising productivity growth will be Labour's 'obsession',<sup>8</sup> while Jeremy Hunt made growth the core theme of the last Autumn Statement.

Cities are a key part of the UK economy – the 63 largest cities and towns are centres of production, accounting for nine per cent of land but 63 per cent of output and 72 per cent of high-skilled jobs. So their performance has been, and will be, an important factor in how well the UK economy fares through the rest of the 2020s and beyond.

This chapter looks at the economic performance of cities since 2010, showing how they have fared and what this means for the party that forms the next government. It does this by looking at job creation, productivity, income and housing affordability. Where data is available, it contrasts this performance to the 1998 to 2010 period to put this performance in context (see Box 2).

## Box 2: Selection of time periods

The time periods selected reflect political cycles with Labour in power between 1998 and 2010 (most of the data used in this section was not produced for 1997) and the Conservative-led government since 2010. It also broadly covers the UK's economic cycle – in 2010 the economy was recovering from the global financial crisis, while in 2021/22 it was bouncing back from the Covid-related recession. The 1998-2010 period is used as a broad benchmark to put performance since 2010 into context.

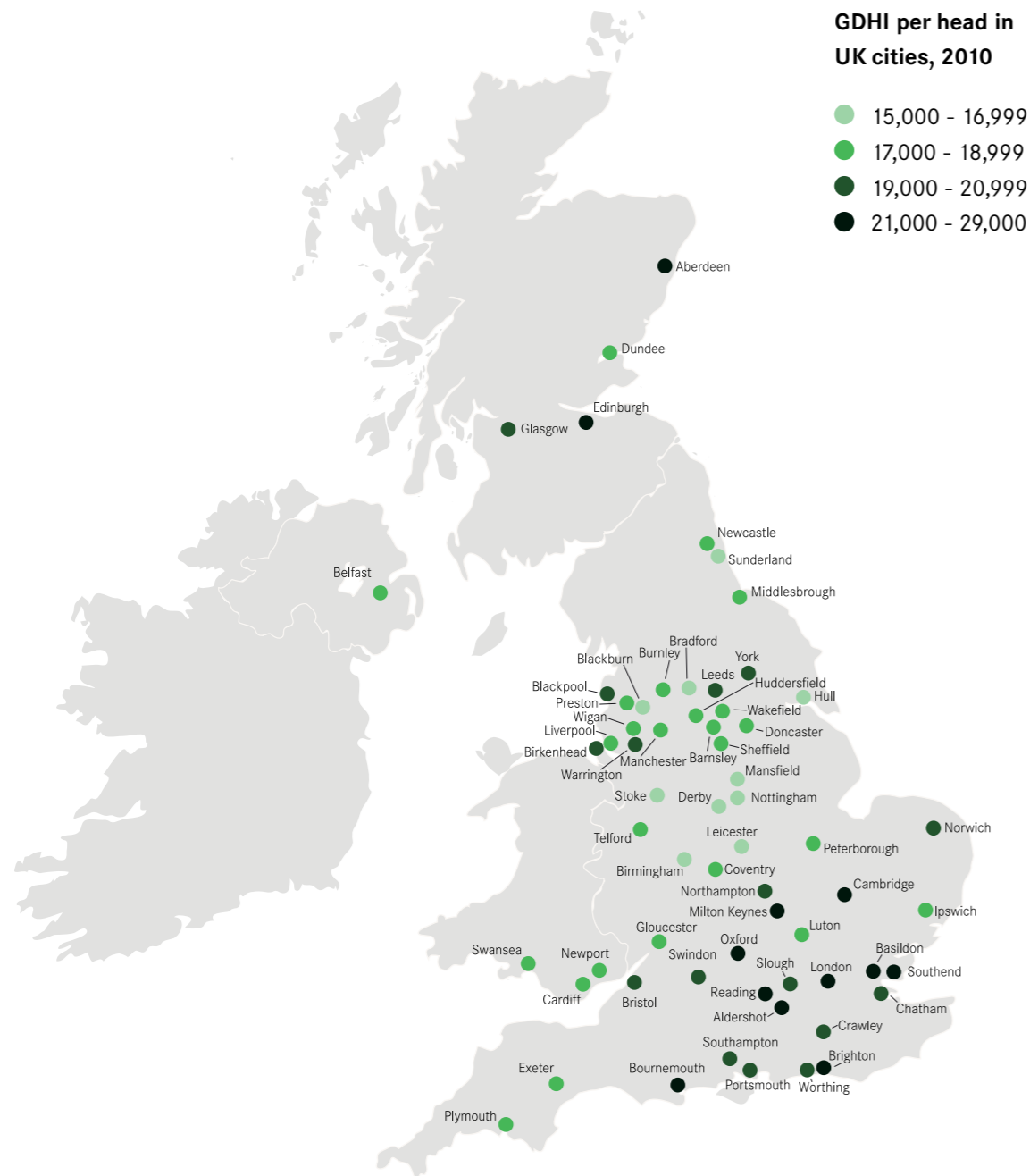
## The starting point: large differences in disposable incomes across the country

The coalition government came to power in 2010 with the aim of rebalancing the economy, both spatially and sectorally. The need to do this spatially was clear – as Figure 1 shows, disposable incomes in cities in the Greater South East in particular were much higher than they were further north. Disposable incomes in London were close to double what they were in Blackburn and Hull, for example. And all large cities lagged behind the national average, a particular issue given the number of people who lived in them.

<sup>7</sup> Resolution Foundation and Centre for Economic Performance (2023), Ending Stagnation, A New Economic Strategy for Britain, London: Resolution Foundation

<sup>8</sup> Starmer's full economy speech: "Labour will offer a new deal for the public", LabourList, 4 December 2023

**Figure 1: Gross disposable household income (GDHI) per head, 2010 (2022 prices)**



Source: ONS

Note: Data has been adjusted to 2022 prices using the consumer price index

**Most cities have experienced a jobs boom since 2010**

In 2010 the requirement to create jobs was clear. As the UK economy was recovering from the global financial crisis, the unemployment rate was at its highest point since the mid-1990s. Few would have predicted what was about to happen. The economy has gone through a jobs miracle since 2010, and most cities and large towns have benefited. By 2022, there were 4.6 million extra jobs in the UK than there were in 2010, considerably more than the 2.5 million created between 1998 and 2010.

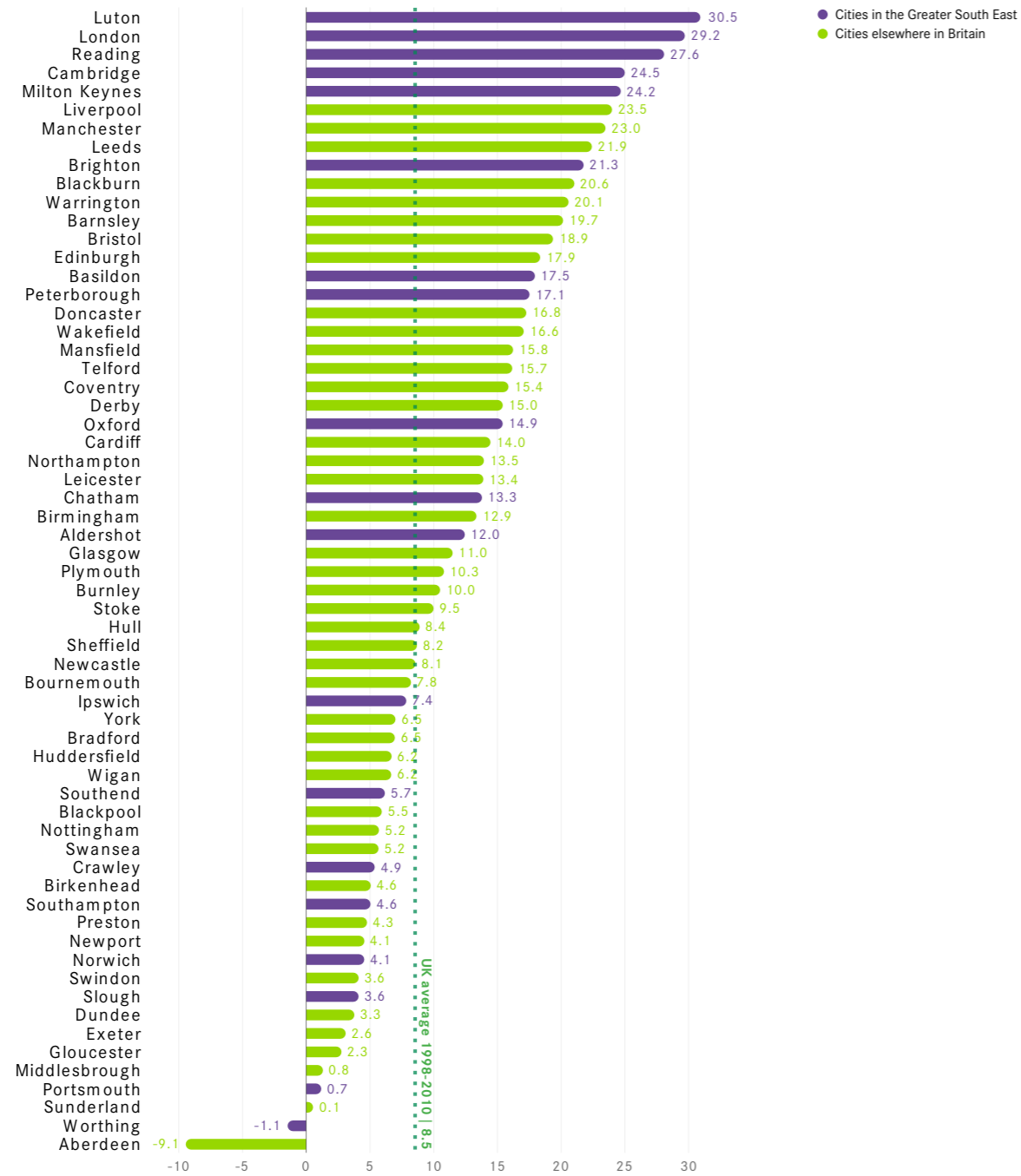
All but two of Britain’s 62 largest cities and towns had more jobs too. London led in relative terms. Its total number of jobs grew by almost 30 per cent, adding a further 1.4 million positions to the Capital’s economy – the equivalent of adding the whole of Wales to the UK jobs market. It was joined by Luton, Reading, Cambridge and Milton Keynes in the top five. And half of cities had jobs growth that was higher than the national average between 1998 and 2010. In contrast, Aberdeen and Worthing were the only two places that had fewer jobs – the fall of around 9 per cent in Aberdeen being in stark contrast to most other parts of the country.

While there is a reasonable geographic spread of the top performers, the sheer scale of London’s performance means that the total share of British jobs has continued to cluster in the Greater South East. In 2010, 38.8 per cent of all roles were located there; by 2022 it had risen to 40.8 per cent.<sup>9</sup> And for every one job created elsewhere in Britain, 1.2 were generated in the Greater South East. While rebalancing and levelling up have been themes in policy since 2010, the divides between south and north have continued to widen.

<sup>9</sup> The Greater South East’s share of gross value added over that time increased from 45.9 per cent to 47.5 per cent

**Figure 2: Most cities and large towns have seen strong jobs growth since 2010**

Net new job creation in British cities and large towns, 2010 - 2022

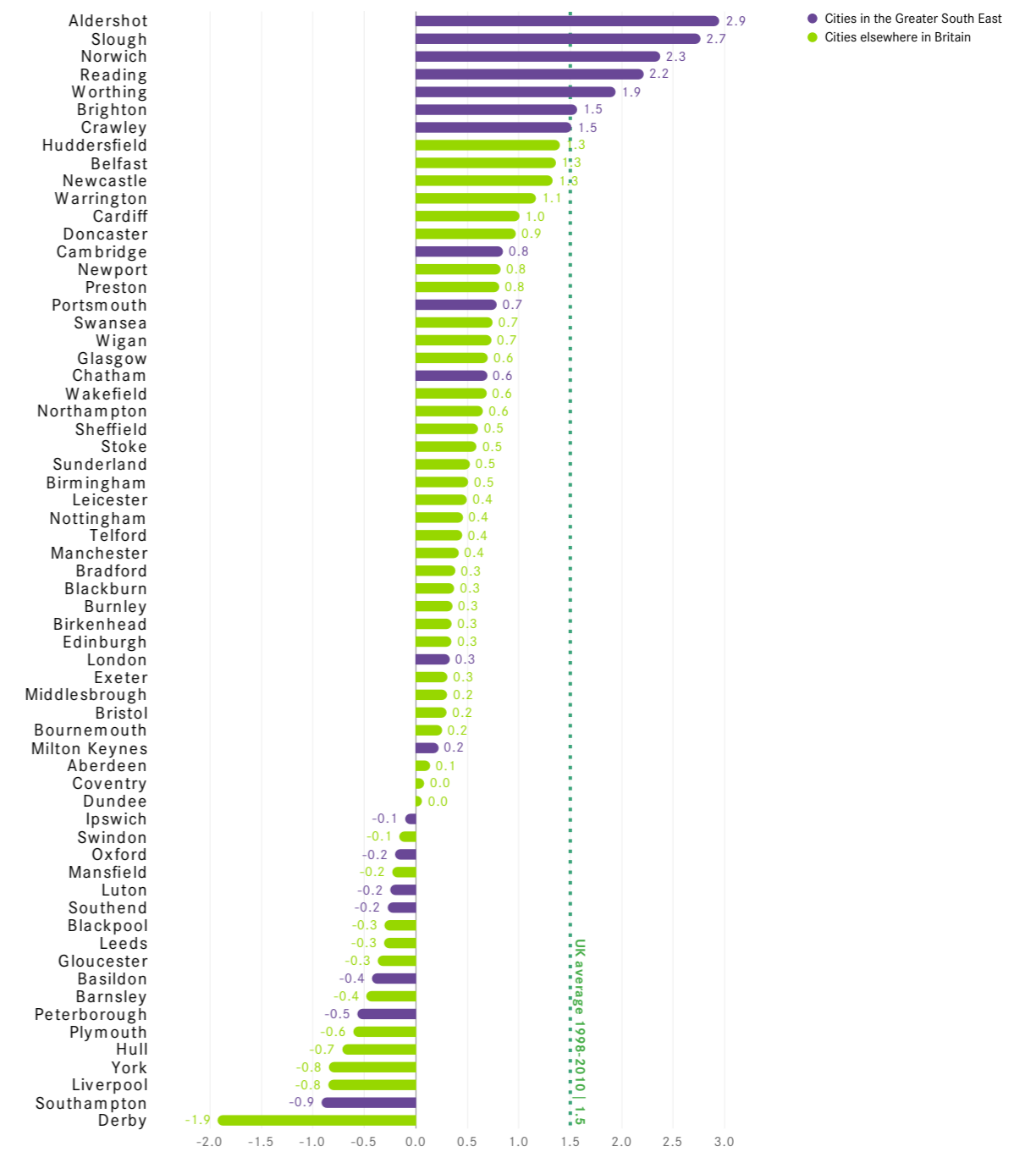


Source: ONS

Note: Data isn't available for Belfast. To account for the break in the data in 2015 a scaling factor has been applied to the 2010 data to make it comparable with 2022 data. This factor is the ratio of the 2015 data produced by the old and new methodology.

**Figure 3: Productivity growth was very low across most cities and large towns**

Real output per hour growth across cities and large towns, 2010 - 2021



Source: ONS

Note: Data has been deflated using the ONS' regional GVA deflators

## But productivity growth has been weak across the country

Things look decidedly less positive from a growth perspective when looking at productivity. At the national level, it increased by an annual average of 0.6 per cent in real terms between 2010 and 2021, much more sluggish than the average annual growth of 1.5 per cent between 1998 and 2010.

And this was seen across most of the country. Comparing city performance post-2010 to the national average between 1998 and 2010 underlines how poorly almost everywhere has performed. Just five cities had productivity growth rates that were higher than the national average between 1998 and 2010, all of which were in the Greater South East (see Figure 3). More alarmingly, 18 had become less productive according to ONS figures over the period, with Derby seeing the largest fall in output per hour of any city or large town.

Despite the seven fastest-growing cities all being in the Greater South East, there was little difference in productivity growth between this part of the country and the rest of the UK. This is because, conversely to the story for jobs, London's productivity slowdown more than countered the growth of places like Slough and Brighton. The Capital led UK productivity growth before the financial crisis,<sup>10</sup> but it has close to flatlined since, increasing by an average of just 0.3 per cent per year between 2010 and 2021. This ranked it 38<sup>th</sup> out of 63 cities and was a key cause of the wider UK slowdown seen over the period.

This combination of strong job growth but poor productivity growth suggests that many of the roles created were in lower productivity activities. At a national level, around two-thirds were taken by households in the bottom half of the income distribution between 2009/10 and 2019/20,<sup>11</sup> and while the data isn't available at the sub-national level, the analysis above suggests this played out across most cities. The UK hasn't struggled to create jobs, which is very welcome. It does, however, appear to have struggled to generate 'good jobs,' to use a phrase used by both Rishi Sunak and Keir Starmer.<sup>12</sup>

## Poor productivity improvements have squeezed disposable income growth

The result of this poor productivity growth meant that while more people were employed, this did not translate into strong income growth. At the national level, gross disposable household income grew in real terms by 0.7 per cent on an annual average basis, or £1,800 over the period. This compared with a yearly average growth rate of 1.4 per cent between 1998 and

2010, an increase of £3,300 (in 2022 prices).

Despite its poor productivity growth, London was the only city that saw its disposable income per head rise faster than the national increase between 1998 and 2010. On average, incomes of Londoners were almost £4,300 higher than in 2010 (in 2022 prices), and Box 3 discusses what drove this. It was followed by Brighton, Worthing and Aldershot. Meanwhile, Burnley and Aberdeen had lower incomes than in 2010 and, on average, people in Glasgow were just £34 better off (see Figure 5). And this is before housing costs are accounted for, which as Box 4 shows worsened in most places.

Once again, the scale of London combined with its performance had an impact on how incomes grew in different parts for the country. For every £1 increase per head outside of the Greater South East<sup>13</sup> between 2010 and 2022, they rose by £2.36 within the area.

### Box 3: Components of London's disposable income growth

London still saw the largest absolute growth in per capita disposable income despite its sharp productivity slowdown. Looking at the components of disposable income shows that this was mainly made up from increasing income from employment, rather than from income from housing or other assets, for example. And salary data shows that this wasn't the result of large wage gains – the growth was low for all wage earners. It is the rapid increase in jobs, with more people in employment (the Capital had an employment rate of 76 in 2022, up from 68 per cent in 2010).

<sup>10</sup> Rodrigues G and Bridgett S (2023), Capital Losses: The role of London in the UK's productivity puzzle, London: Centre for Cities

<sup>11</sup> Resolution Foundation and Centre for Economic Performance (2023), Ending Stagnation, A New Economic Strategy for Britain, London: Resolution Foundation

<sup>12</sup> See for example 'Keir Starmer speech unveiling Labour's mission to cut bills, create jobs and provide energy security for Britain', 19 June 2023 and 'Better Jobs and a Fair Deal at Work', Hansard 12 May 2021

<sup>13</sup> Including Northern Ireland



**Box 4: Housing has also become less affordable in most cities**

This disposable income growth slowdown has come at a time when housing affordability – already an issue in 2010 – has gotten worse. Housing has become less affordable in almost every city (see Figure 4). And cities in the Greater South East, where the affordability challenge was already most acute, have tended to see the greatest increases – eight of the 10 cities with the largest deterioration were in this part of the country (with London having the biggest change). Exeter and Bristol also made the top 10. Assuming that this has meant that rents have also increased means that the disposable incomes of renters in particular will have been squeezed still further.

Just five cities have seen an improvement. All three cities in the North East – Middlesbrough, Newcastle and Sunderland – along with Blackpool and Aberdeen, saw housing become slightly more affordable.

**Figure 4: Cities in the Greater South East have tended to see housing affordability deteriorate the most**

Change in housing affordability, 2010 – 2022



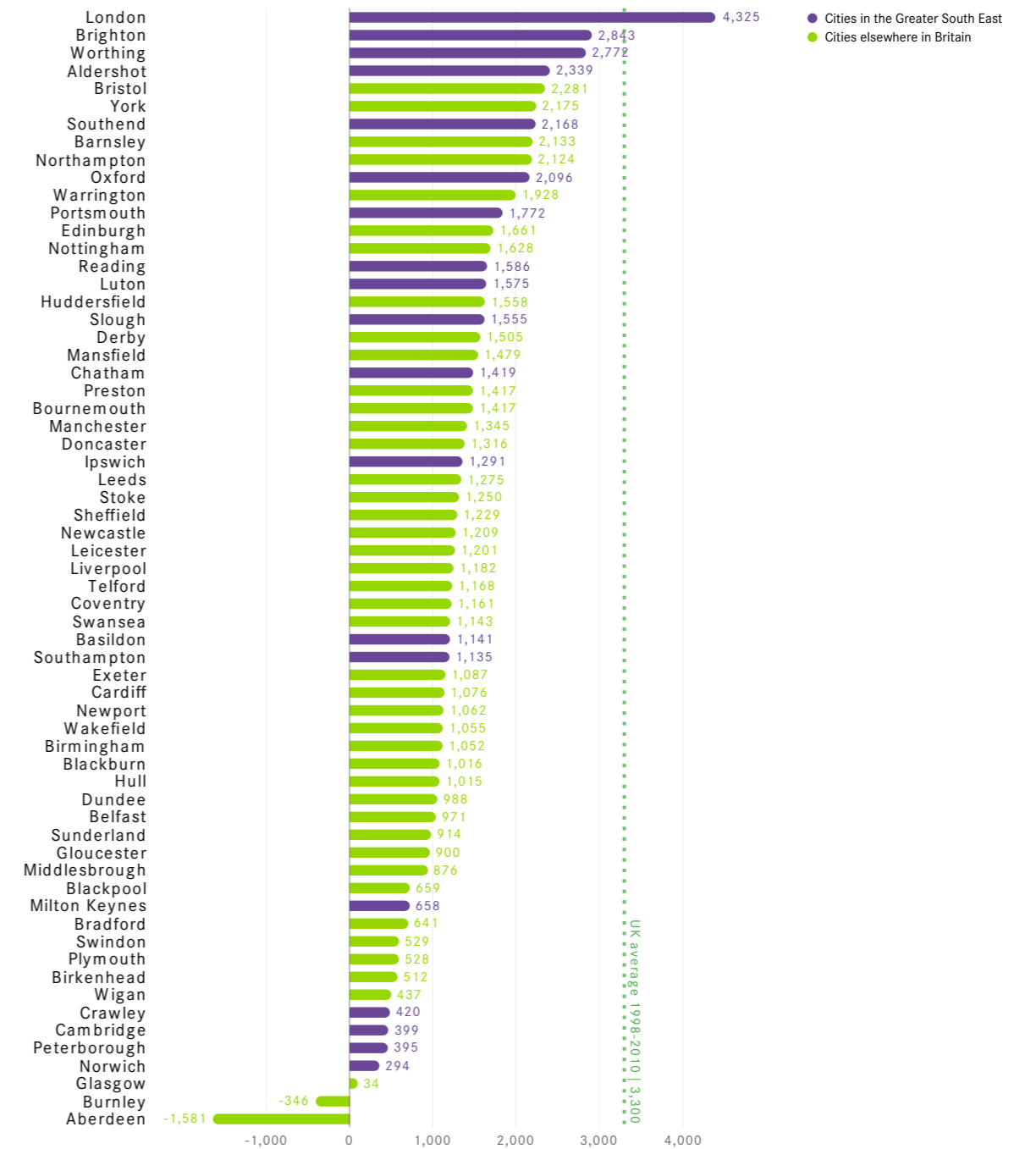
Source: ONS; Land Registry; Scottish Neighbourhood Statistics

Note: resident wages are taken from the Annual Survey of Hours and Earnings in this chapter because data from Pay as You Earn tax records, as is used in the Data Monitor section, begins in 2014.

Data isn't available for Belfast.

**Figure 5: Since 2010, only London saw disposable income growth outstrip that seen at the national level between 1998 and 2010**

Real change in gross domestic household income per head, 2010 – 2021 (2022 prices)



Source: ONS

Note: Data has been deflated using the consumer price index

### These combined trends have impacted on the level and nature of poverty in the UK

Despite their disproportionate benefit from the job creation that has happened since 2010, those at the bottom end of the income distribution appear to have been most affected by this poor disposable income growth. Using children in poverty as a proxy shows that relative poverty has become a bigger problem since 2014 (the earliest the data is available).

The good news is that absolute child poverty has decreased slightly overall between 2014 and 2021. This measure is based on a fixed baseline of 2010 median income, so this slight decline is consistent with the rise in incomes, however sluggish, over this period.

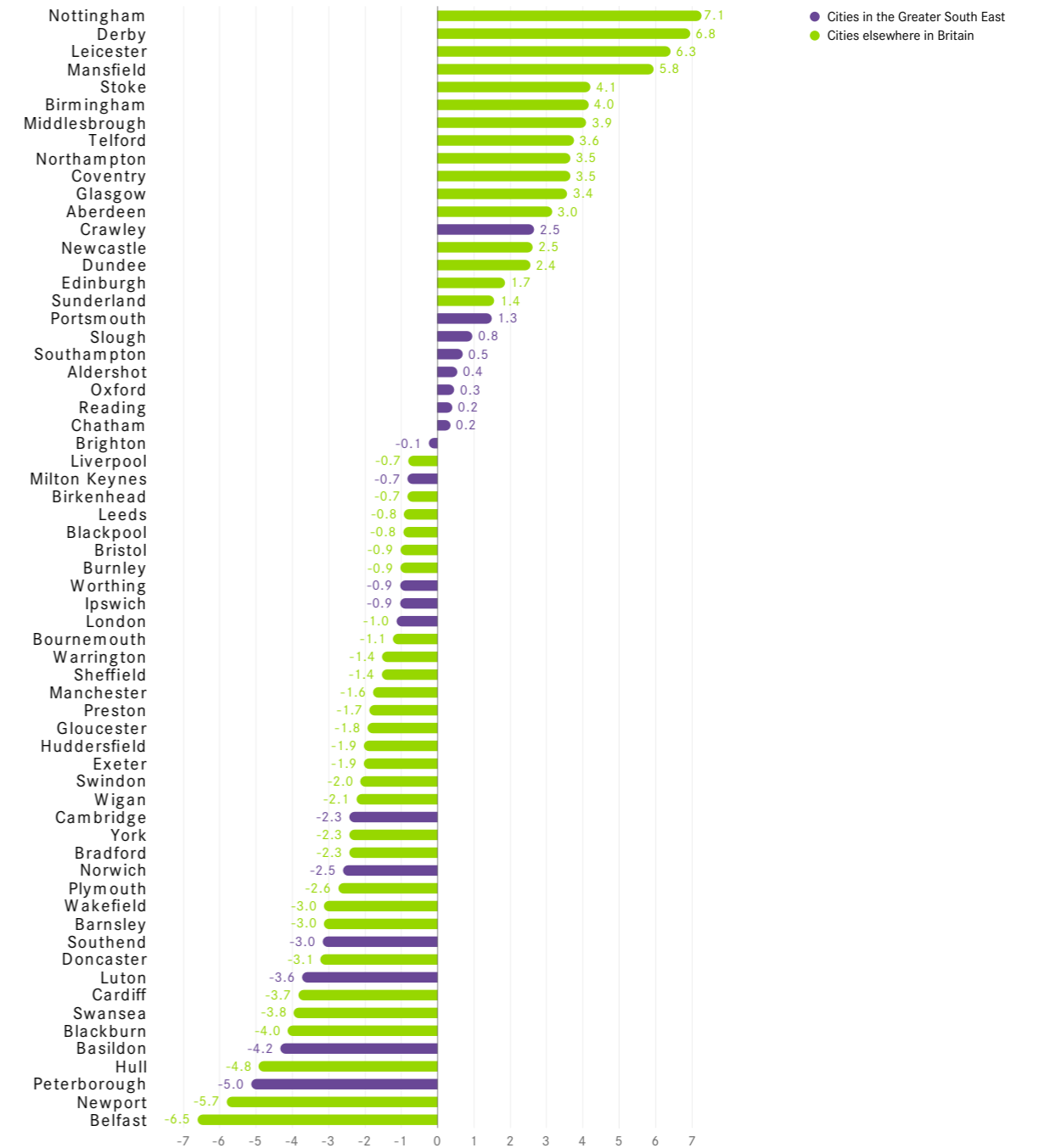
But this wasn't the case in many cities. While more than half saw declining absolute child poverty rates, those in the Midlands (led by Nottingham, Derby and Leicester) saw the largest increases (see Figure 6). In all Scottish cities absolute child poverty rates rose, while all Welsh cities saw significant decreases.

In contrast, the proportion of children in relative poverty has risen in every UK city except Belfast (see Figure 7). Relative poverty is measured as having less than 60 per cent of median income in the same year. This indicates that while incomes in most cities have grown among the poorest households, it has been at a slower rate than average earners, meaning their relative position has worsened. As a consequence, in 2021 there were six UK cities, all of which are in the Midlands and the North of England (Bradford, Blackburn, Birmingham, Burnley, Derby and Leicester) where over a third of children were in households in relative poverty. There were none in 2014.

Alongside this, there has been a change in the nature of poverty – in-work poverty has been increasing in almost all areas of the UK. Figure 8 shows that the share of children living in relative poverty who are from working families has risen in all cities except those in the East of England. The upshot is that while in-work poverty was primarily a Greater South East phenomenon in 2014, it is increasingly spreading across the rest of the country. In 2014, the Greater South East accounted for 17 of the 20 cities with the highest share of children in relative poverty. In 2021, it was 13 of the top 20 (noting the top 11 were all still in the Greater South East).

**Figure 6: Absolute child poverty has decreased in the majority of cities, particularly in Wales and some parts of the Greater South East, but many Midlands cities have seen increases**

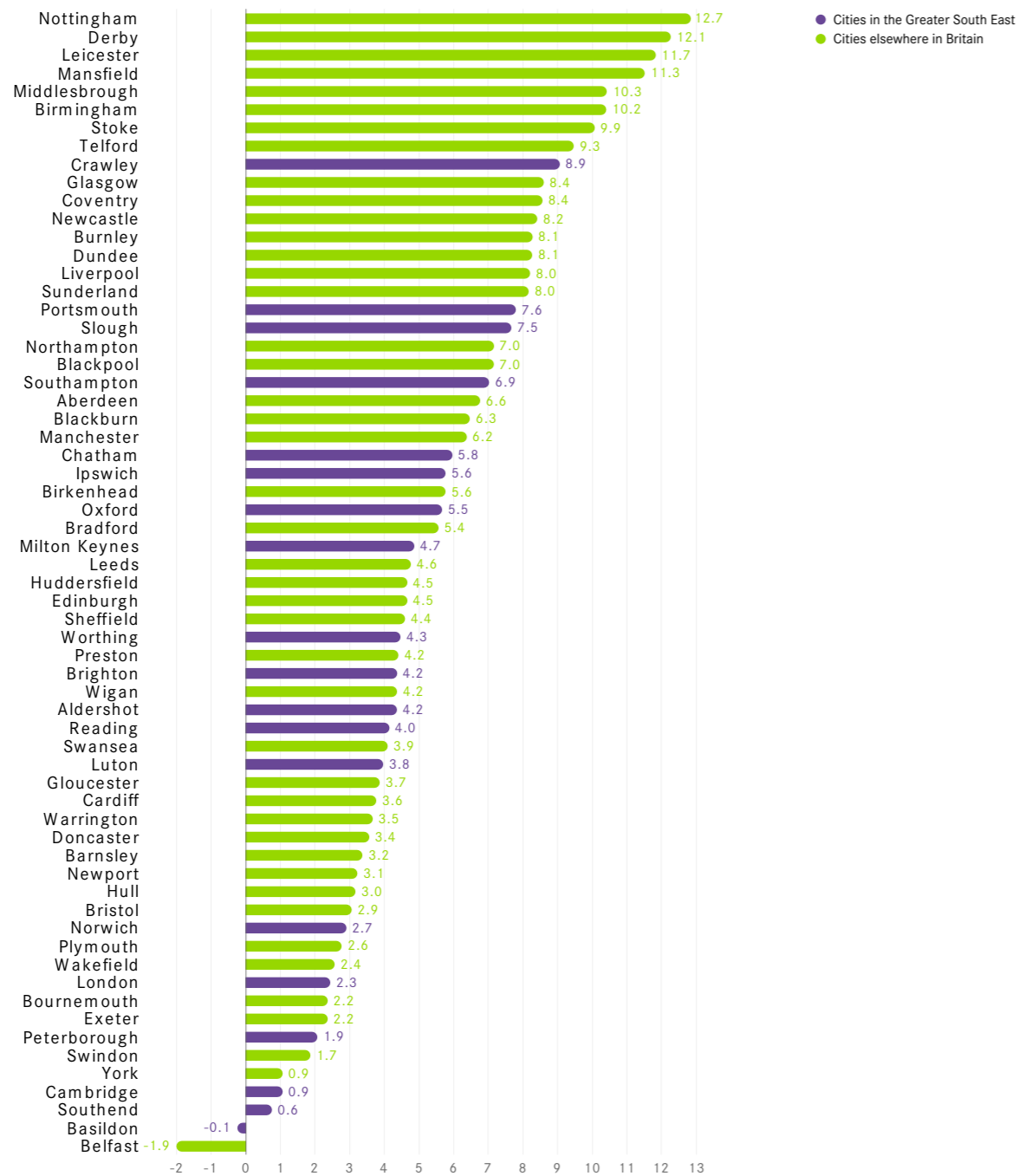
Proportion of children living in absolute poverty, percentage point change, 2014 - 2021



Source: ONS, CiLiF (DWP Stat Xplore)

**Figure 7: In contrast to absolute poverty, share of children in relative poverty has increased in all cities except Belfast**

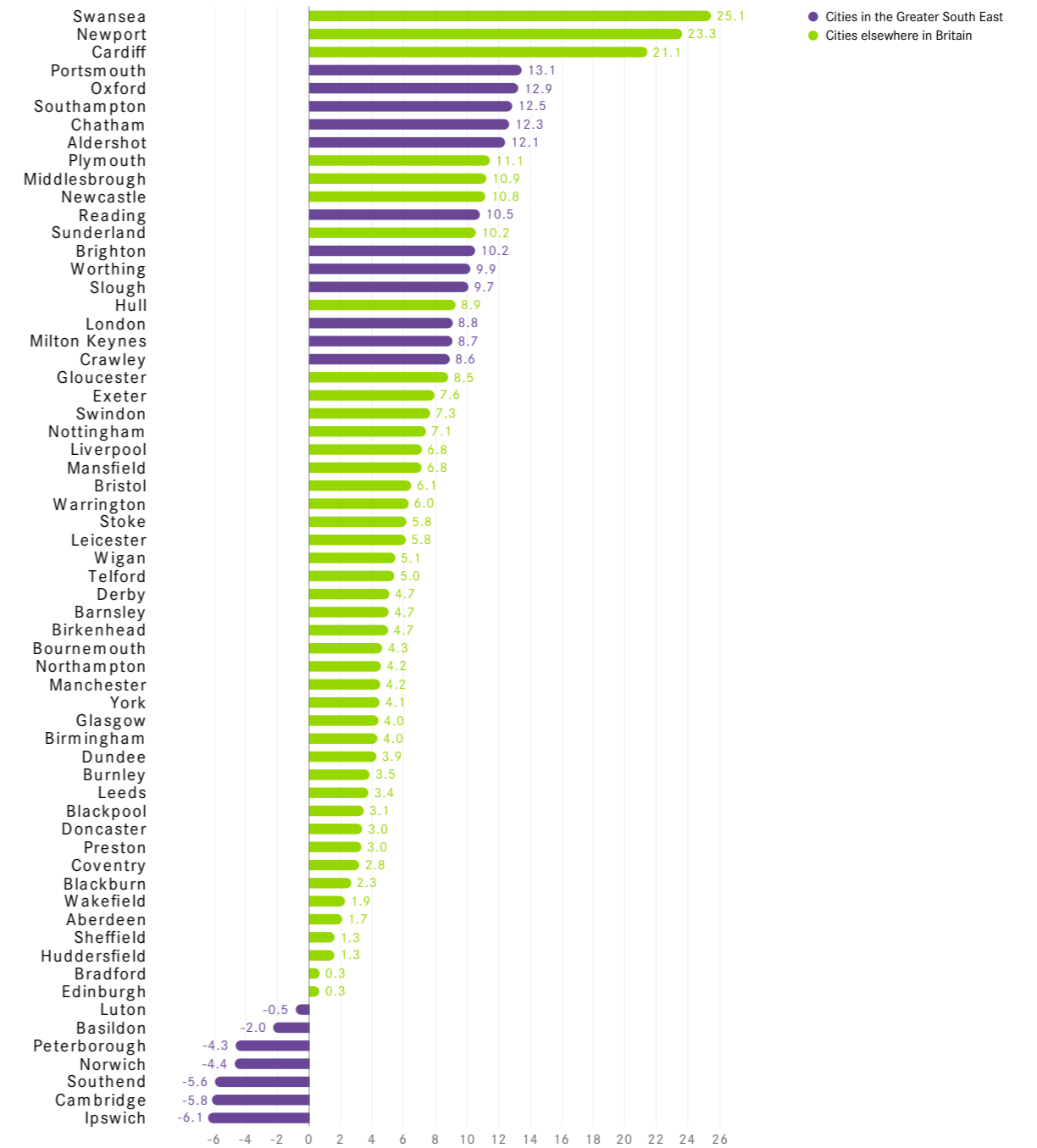
Proportion of children living in relative poverty, percentage point change, 2014 - 2021



Source: ONS, CiLiF (DWP Stat Xplore)

**Figure 8: An increasing share of child poverty is seen among in-work households in all cities besides those in the East of England**

Percentage point change in the share of children in relative poverty from working households, 2014 - 2021



Source: CiLiF (DWP Stat Xplore)

Note: Does not include Belfast

Taken together, these trends imply the following:

- Strong jobs growth has lifted many households out of absolute poverty between 2014 and 2021, although this is not the case in many cities in the Midlands and the North.
- In contrast, increases in relative child poverty suggest low-income households have still fared worse compared with average-earning households over the period.

Combining this with the evidence of increasing in-work poverty suggests that job growth without productivity growth has merely shifted poor households into work, rather than alleviating poverty altogether.

**The result is that most places are worse off than if pre-2010 trends had continued**

While almost all places are better off than they were in 2010 (with Aberdeen being a clear exception), the poor performance in terms of productivity and income raises the question of how much better off places would have been if they had kept growing at the pace seen between 1998 and 2010. Comparing income growth since 2010 to the rates between 1998 and 2010 for every city and large town gives an indication of this.

At the national level, on average people were cumulatively £10,200 worse off than they would otherwise have been if growth had continued at pre-2010 rates.

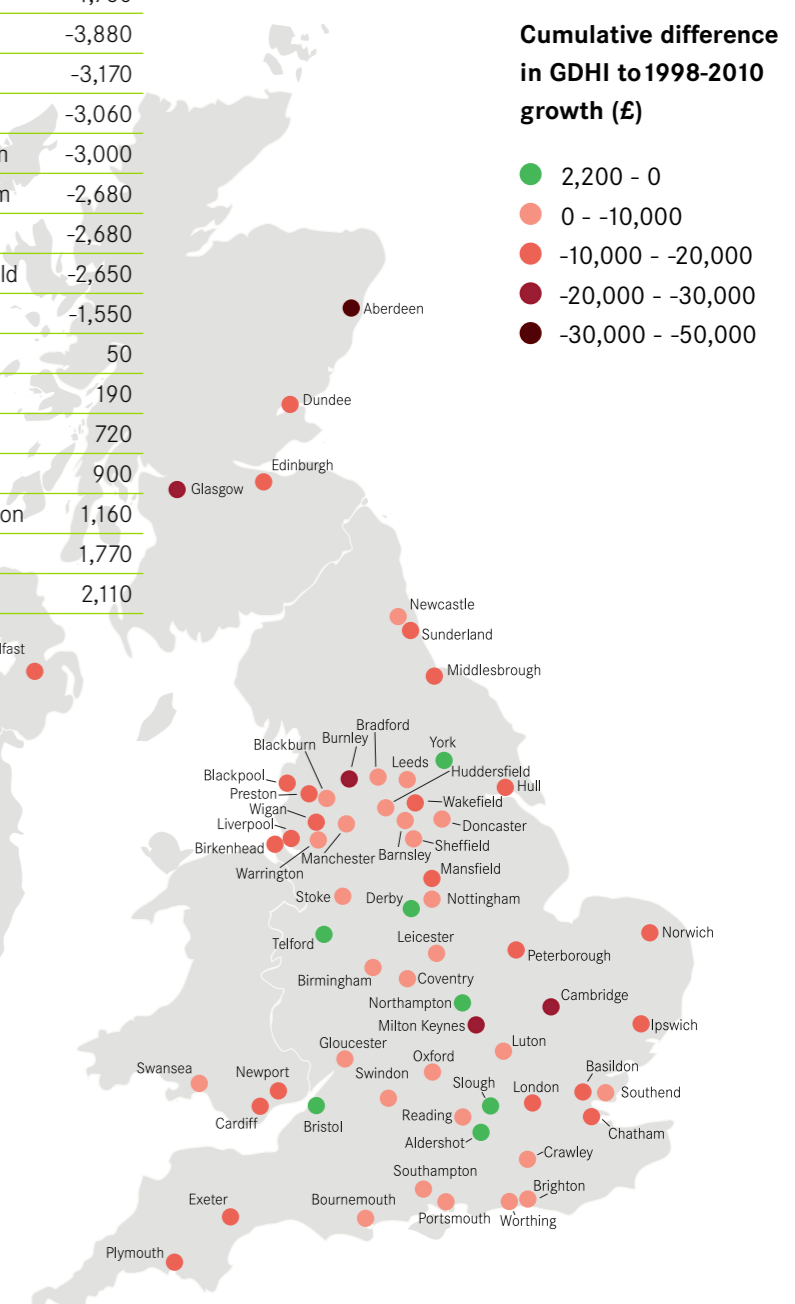
At the city level, just seven places – Aldershot, Bristol, Derby, Northampton, Slough, Telford and York – had cumulative disposable incomes that were higher than what 1998 to 2010 growth rates would have achieved (see Figure 9). The reason for this, however, is not because of an especially strong performance in any of these seven places since 2010, but because their pre-2010 performance was underwhelming.

In every other city, people were worse off than if incomes had grown at the rate they did in their area between 1998 and 2010 – people in 47 places were £5,000 worse off over the period, and in 27 of these places people were more than £10,000 worse off. Aberdeen had the biggest shortfall – if incomes had grown at pre-2010 rates, the city’s residents would have had an extra £45,000 in their pockets (equivalent to two extra years of disposable income). While the city is a clear outlier (and is discussed in more detail in Box 5), the residents of Burnley, Cambridge, Glasgow and Milton Keynes were all over £20,000 worse off than if their incomes had grown at the rates they had pre-2010. Figure 10 shows how this played out in Aberdeen and London since 2010.

**Figure 9: On average people in most cities and large towns have less money in their pockets than if disposable incomes had grown at pre-2010 rates**

Cumulative difference in gross disposable household income per head if the city economy grew at 1998-2010 rates (£, 2022 prices)

Aberdeen	-45,240	Luton	-7,660
Burnley	-28,090	Stoke	-7,360
Glasgow	-23,500	Southampton	-7,070
Milton Keynes	-21,610	Newcastle	-6,860
Cambridge	-21,340	Brighton	-6,660
Dundee	-17,730	Sheffield	-6,380
Birkenhead	-17,540	Reading	-5,920
Ipswich	-17,390	Doncaster	-4,750
Exeter	-16,990	Barnsley	-3,880
Plymouth	-16,340	Worthing	-3,170
Edinburgh	-16,030	Oxford	-3,060
Basildon	-15,880	Nottingham	-3,000
Liverpool	-15,720	Birmingham	-2,680
Chatham	-14,380	Crawley	-2,680
Norwich	-14,190	Huddersfield	-2,650
Wakefield	-14,030	Bradford	-1,550
London	-13,590	Bristol	50
Mansfield	-13,490	Aldershot	190
Middlesbrough	-13,200	Slough	720
Cardiff	-13,080	York	900
Sunderland	-12,730	Northampton	1,160
Hull	-12,260	Telford	1,770
Newport	-12,200	Derby	2,110
Peterborough	-11,990		
Wigan	-10,710		
Blackpool	-10,300		
Belfast	-10,150		
Preston	-10,020		
Gloucester	-9,630		
Blackburn	-9,470		
Portsmouth	-9,270		
Swindon	-9,210		
Coventry	-8,950		
Bournemouth	-8,560		
Warrington	-8,440		
Swansea	-8,380		
Southend	-8,350		
Leeds	-8,220		
Manchester	-8,180		
Leicester	-7,980		



Source: ONS; Centre for Cities’ calculations

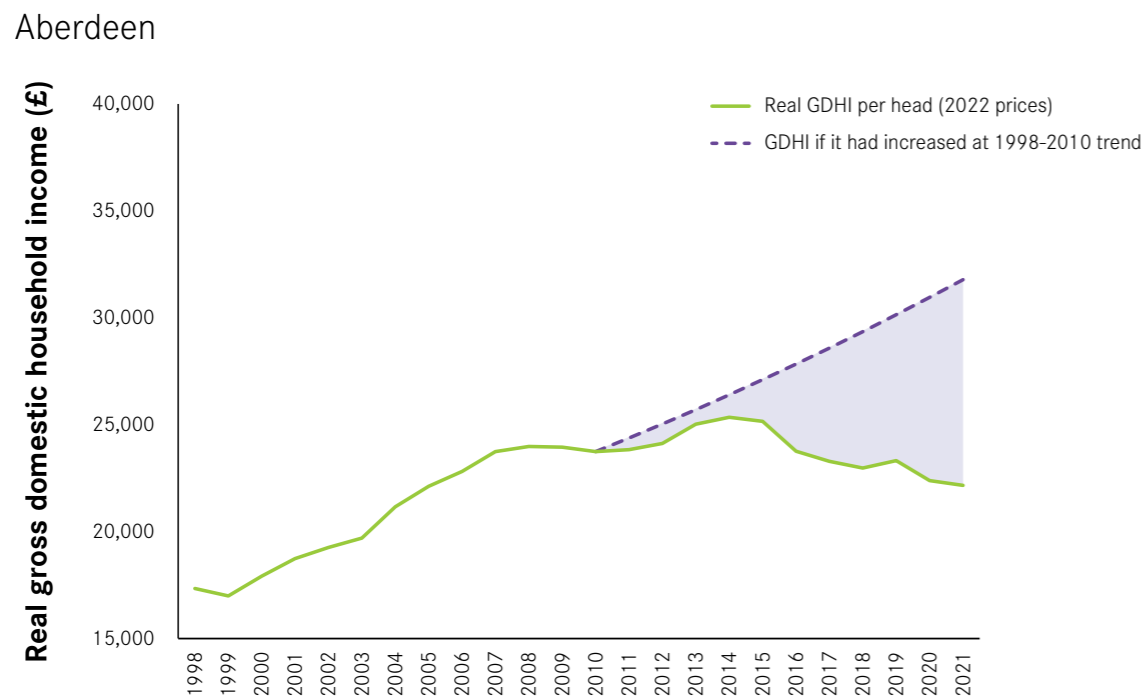
**Box 5: What has happened in Aberdeen?**

Aberdeen was one of the most prosperous cities in the UK in 2010, having the sixth highest disposable income and the fourteenth highest output per hour of all cities or large towns. But it has had a difficult period since. This shows both the upsides and the downsides of being dependent on a particular industry.

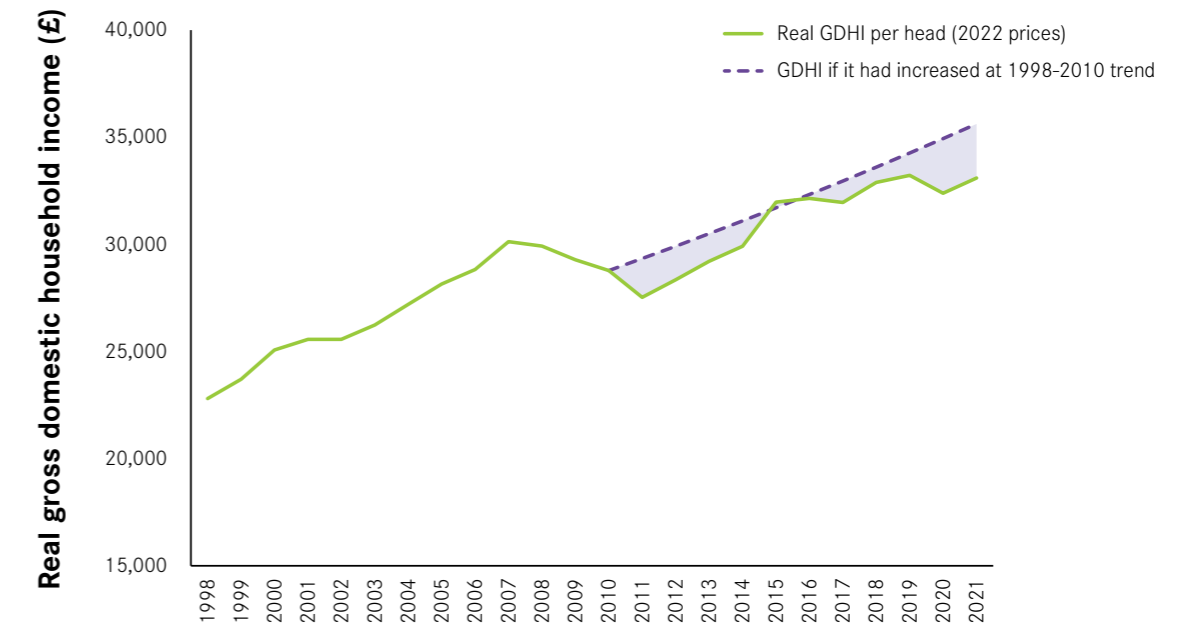
Around 30 per cent of jobs in Aberdeen’s export base – the part of the economy that trades with other areas of the UK and the world – are directly related to oil and gas. And unlike the 2000s, this sector struggled in the 2010s. The result is that the city has lost an estimated 9,000 jobs in areas related to oil and gas.

This is likely to have impacted the amount of money spent in the city – the number of retail jobs fell by almost 30 per cent compared with 6 per cent nationally. And house prices have been affected too – averages were 3.4 per cent higher in 2022 than in 2010 (compared with a national increase of 50 per cent) and were 15 per cent down on their 2014 peak.

**Figure 10: Disposable income growth lagged well behind the pre-2010 trend in Aberdeen and London**



London



Source: ONS ; Centre for Cities’ calculations

**Policy churn has continued since 2010**

There certainly hasn’t been a lack of action in terms of sub-national economic policy over the past 14 years, with a plethora of initiatives introduced. There have been four main narratives to the policy approach.

- In 2010, the theme was ‘rebalancing the economy’ when the coalition government was formed.
- This was replaced by the Northern Powerhouse initiative, led by George Osborne.
- This concept was largely abandoned by the May government, which focused more on industrial strategies, including the creation of local industrial strategies.
- And with the Johnson government came levelling up, which has continued into the Sunak government, even if it has had less focus.

Sitting under this have been a range of funds, deals, new structures, area-based policies and task forces designed to improve growth across the country (see Figure 11). Much of it hasn’t had a great deal of impact, and some has come in for sharp criticism.<sup>14</sup>

<sup>14</sup> National Audit Office (2022), Supporting local economic growth: Department for Levelling Up, Housing & Communities, London: The Stationery Office

Figure 11: A timeline of sub-national economic policies since 1965



Source: Adapted from Pacione M (2009), Urban Geography: A Global Perspective, Third Edition, London: Routledge and National Audit Office (NAO) (2019) Local Enterprise Partnerships: An Update on Progress. London: NAO.

Policy churn isn't just a hallmark of the past 14 years though. Figure 11 also shows that the 1997 to 2010 period was similar in its approach, which in turn was seen in the decades before it.

As the Levelling Up White Paper highlighted, this is a problem that limits any attempts to seriously grapple with the geographically imbalanced nature of the UK economy.

Introducing a degree of consistency and stability in sub-national economic policy will be an important prerequisite for the next government to be able to show progress when it goes to the electorate. Two recent policy initiatives offer increased hope that this consistency can be achieved.

The first is the creation of combined authorities with directly elected mayors, introduced by George Osborne in 2014 and since expanded. While these institutions will take time to impact the performance of their economies, they have already been able to tailor policy to their areas with the limited control they currently have.

The second is the Levelling Up White Paper itself. While not perfect, one of its most welcome aspects is a setting out of government strategy for improving the performance of different parts of the country that includes identifying trade-offs and areas where policy should be focused.

### What this means for the next government

A major economic headache for the coalition government in 2010 was how to get the economy **creating jobs** again to offset the impact of the global financial crisis. Given what has happened over the past 14 years, this will be less of a concern for the next government.

Clearly, what will be an issue is **productivity growth**. Not only has the UK performed poorly relative to international peers (despite their own struggles), most of its cities have struggled too. And even London, which led UK productivity growth up until the global financial crisis, has hit the buffers. This has had implications for how incomes have grown and the number of people who find themselves in relative poverty.

Despite the slowdown in the Greater South East, growth in jobs means its share of the country's employment, output and income have increased further. On these measures, not only does the **North-South divide still exist, it has widened**.

And **housing**, especially in the Greater South East, is a larger issue. It's even more unaffordable than it was in 2010.

This is quite some in-tray for the next government. The factor that ties these issues together is growth, specifically a lack of it. Many of the country's economic problems – high taxes, high

national debt, poor income growth and rising relative poverty – have come about because of poor productivity growth.

Improving productivity must be the focus of the next parliament if economic performance since 2010 isn't to be repeated over the remainder of the 2020s. Both main parties have committed to focusing on growth and taking a long-term approach to this. But how serious they are will be shown by the policies they put in place.

National-level policies, such as business investment tax reliefs, immigration and the UK's trading relationships with the rest of the world, will have a big influence on improving productivity across the country. Getting these policies right will be a central part of achieving a stronger UK economy irrespective of anything that falls under the banner of levelling up.

But these national policies will have different impacts in different places. To make the most of any opportunities, they will need to be complemented by a set of place-based policies that follow best practice over the past 14 years. Specifically, the next government should:

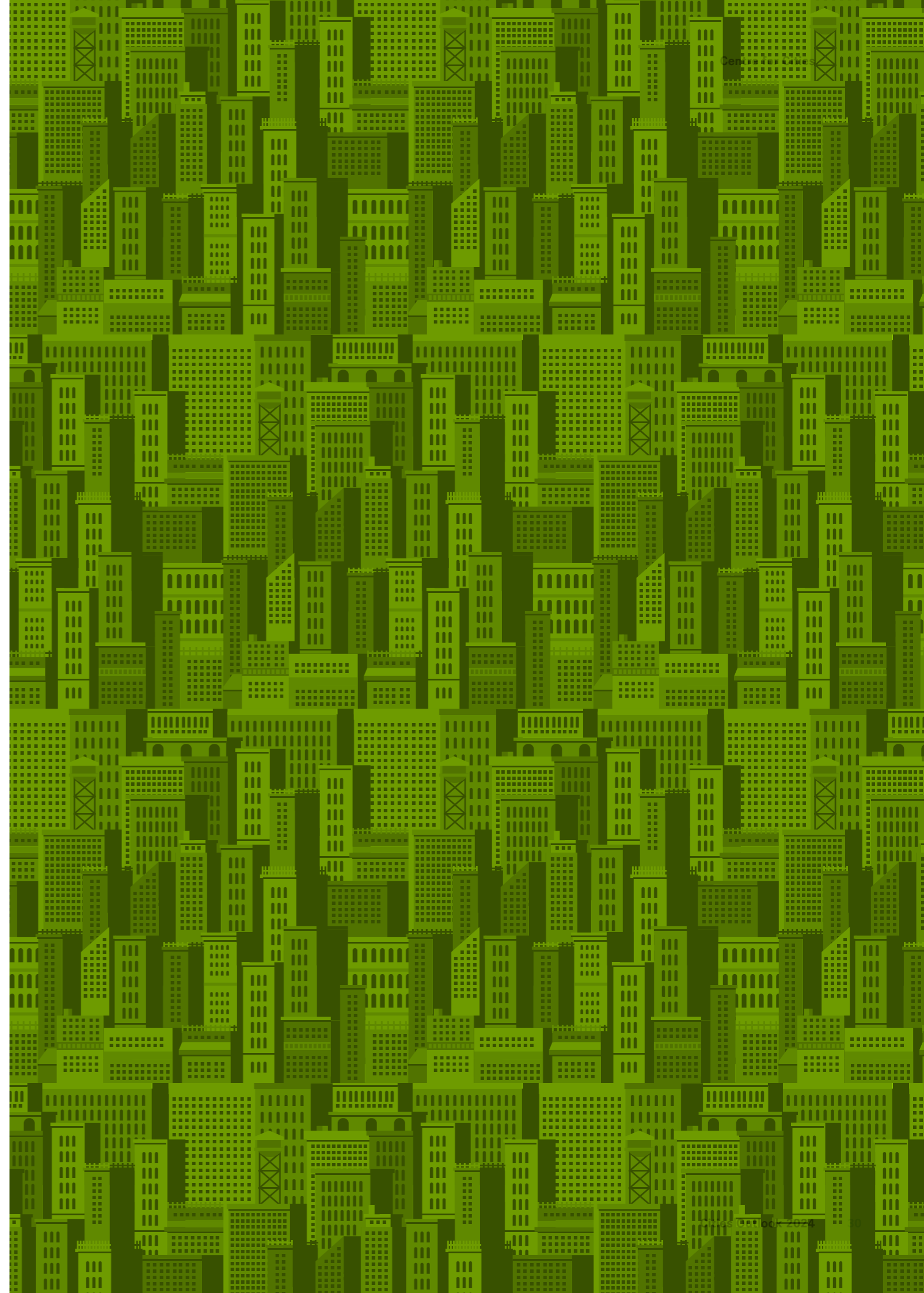
- **Stick with the levelling up agenda and its focus on improving the performance of the largest cities outside London.** Given the ongoing underperformance of large UK cities relative to their international peers, it's difficult to see how there can be a more prosperous UK economy without these cities playing the same role that their equivalents in other developed countries play. This focus needs to be backed with a multi-decade programme of policies, as has been seen in Germany.<sup>15</sup> Strategies without action don't bring about change.
- **Continue with devolution.** Passing appropriate powers down to the geography the economy operates over gives places a greater ability to deal with economic underperformance and change. The trailblazer deals with Greater Manchester and the West Midlands mark significant progress in devolution, relative to 2010. The next stage should be to pass fiscal powers to London and other large city regions, while addressing the clear funding challenges faced by local government following decisions taken under the banner of austerity.<sup>16</sup>
- **Reform the planning system.** The discretionary case-by-case nature of the existing planning system creates uncertainty and has resulted in decades-long deficits in housebuilding, squeezing London and the Greater South East in particular. If this is to change, the next government should build on steps taken in the 2023 Levelling Up and Regeneration Act to move to a rules-based approach for planning, which exists in other countries.<sup>17</sup>

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<sup>15</sup> Enenkel K and Rösel F (2022), German Reunification: Lessons from the German approach to closing regional economic divides, London: Resolution Foundation

<sup>16</sup> Breach A, Bridgett S and Vera O (2023), In place of centralisation: A devolution deal for London, Greater Manchester, and the West Midlands, London: Centre for Cities

<sup>17</sup> Breach A and Watling S (2023), The housebuilding crisis: The UK's 4 million missing homes, London: Centre for Cities



# 03

## Cities Outlook 2024

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City Monitor





# City monitor: The latest data

There is considerable variation in the economic performance of cities and towns across the UK. The purpose of this chapter is to show the scale and nature of this variation by highlighting the performance of the 63 largest urban areas\* on 17 indicators covering:

-  • Population
-  • Employment
-  • Productivity
-  • Skills
-  • Business dynamics
-  • Housing
-  • Innovation
-  • Digital connectivity
-  • Wages
-  • Environment

For most indicators, the 10 strongest and 10 weakest performing places are presented.

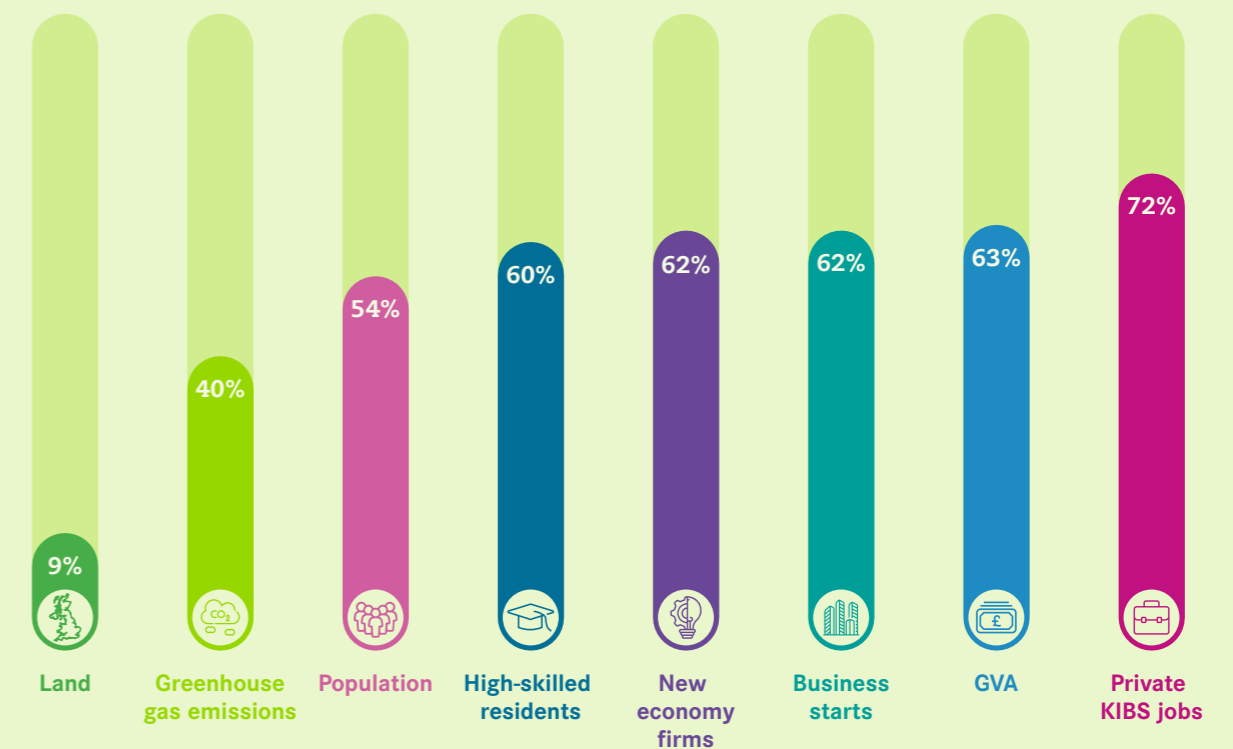


# The national picture

The national economy clusters in cities and large towns.

Figure 12 shows that they account for 9 per cent of land but 63 per cent of output and 72 per cent of knowledge-based jobs in the private sector – the sorts of jobs that the UK will need more of if it is going to see productivity growth throughout the rest of this decade.

**Figure 12: Cities as a share of the national total**



Sources:

**Land area:** Census 2021, ArcGIS

**Greenhouse gas emissions:** Department for Energy Security and Net Zero 2023, greenhouse gas emissions per capita, 2021 data

**Population:** ONS 2023, Population estimates-local authority based by five-year age band, 2021 data

**New Economy Firms:** Data City, 2023, ONS Population Estimates 2023

**High-skilled residents:** ONS 2023, Annual Population Survey, resident analysis, 2022 data. NISRA, 2023, Labour Force Survey, 2022 data.

**Business starts:** ONS 2023, Business Demography, 2022 data

**GVA (£bn):** ONS 2023 Regional gross domestic product: local authorities, 2021 data

**Private KIBS jobs:** ONS 2023, Business Register and Employment Survey, 2022 data



# Population

**Table 1: Population growth**

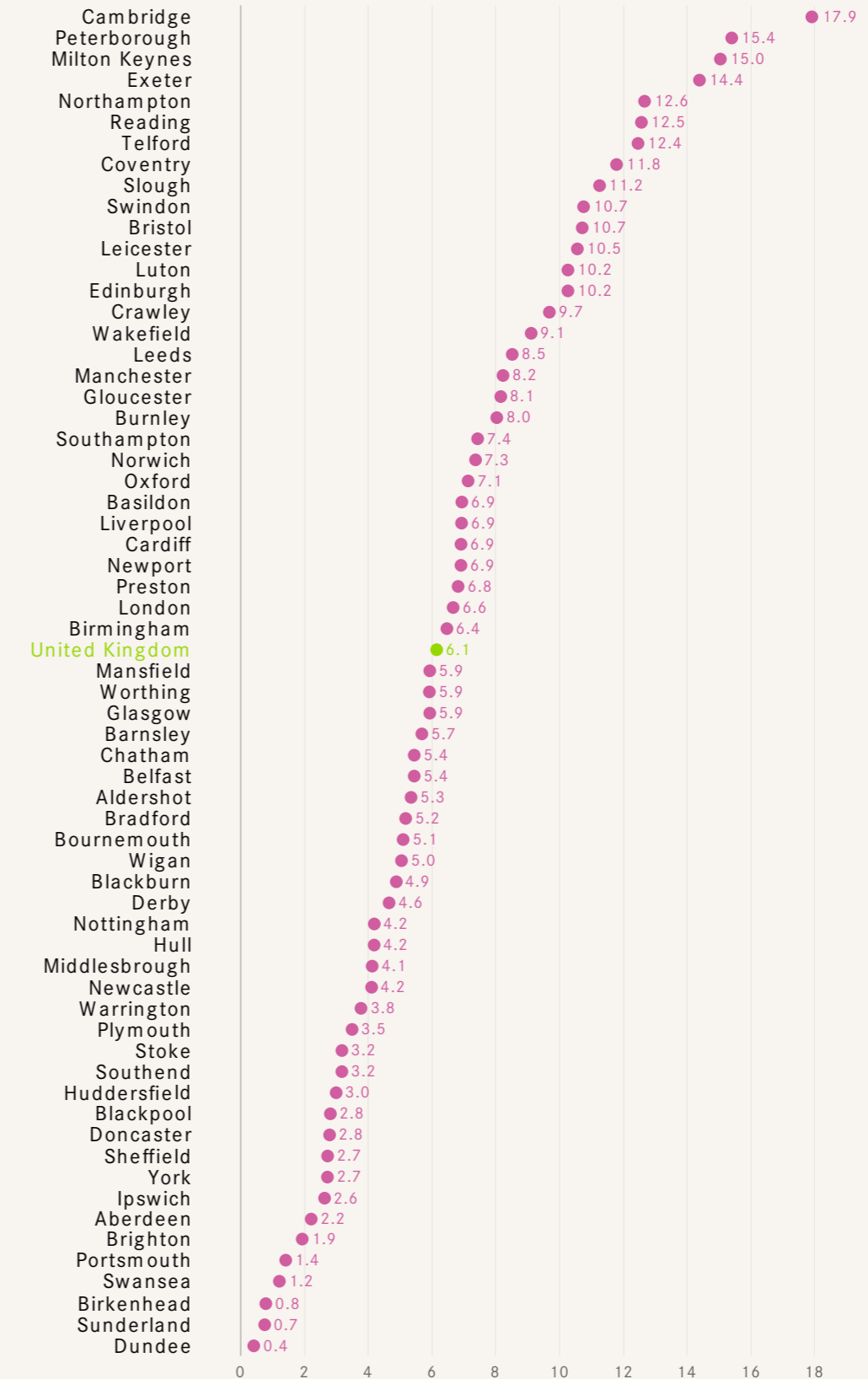
Rank	City	Population percentage change, 2012-2022 (%)	Population, 2012	Population, 2022	Population absolute change, 2012-2022
<b>10 fastest-growing cities by population</b>					
1	Cambridge	17.9	124,679	146,995	22,316
2	Peterborough	15.4	188,675	217,705	29,030
3	Milton Keynes	15.0	254,003	292,180	38,177
4	Exeter	14.4	117,980	134,939	16,959
5	Northampton	12.7	380,827	429,013	48,186
6	Reading	12.6	316,103	355,787	39,684
7	Telford	12.4	167,964	188,871	20,907
8	Coventry	11.8	318,141	355,600	37,459
9	Slough	11.2	143,095	159,182	16,087
10	Swindon	10.7	212,801	235,657	22,856
<b>10 slowest-growing cities by population</b>					
54	Sheffield	2.7	812,552	834,596	22,044
55	York	2.7	199,157	204,551	5,394
56	Ipswich	2.6	135,694	139,247	3,553
57	Brighton	1.9	336,209	342,653	6,444
58	Portsmouth	1.4	522,789	530,106	7,317
59	Swansea	1.2	378,891	383,440	4,549
60	Aberdeen	1.1	224,910	227,430	2,520
61	Birkenhead	0.8	319,971	322,453	2,482
62	Sunderland	0.7	275,317	277,354	2,037
63	Dundee	0.4	147,200	147,720	520
	United Kingdom	6.1	63,714,974	67,622,516	3,907,542

Source: ONS 2023, Population estimates, 2012 and 2022 data

Note: Due to delays to publication of the Scottish and Northern Irish data, data for Scottish cities and Belfast is for 2011 and 2021.

## Which cities' or large towns' population has been growing the most or the least?

**Figure 13: Population percentage change, 2012 - 2022 (%)**





# Productivity

- There is a clear split in productivity across the country. All of the 15 cities with higher productivity than the national average are in the South, with the exception of Edinburgh.
- GVA per hour in the Greater South East was £42.50 in 2021. It is the only region that is more productive than the national average. GVA per hour in the rest of Great Britain was £32.10.
- The Greater South East’s strong performance is led by its cities, where the average GVA per hour was 29 per cent higher than non-urban areas in the region. This results from the advantages that urban settings provide to high-knowledge businesses in particular.
- However, cities in the rest of Britain were only 0.1 per cent more productive than non-urban areas in the rest of the country.
- Most notable is that with the exception of Bristol, all large cities lag behind the national average. Their size should mean that they instead lead the national economy, as happens in other western European countries.<sup>18</sup> It is this underperformance that is the main cause of the wider underperformance of the economy outside of the Greater South East.

**Table 2: GVA per hour**

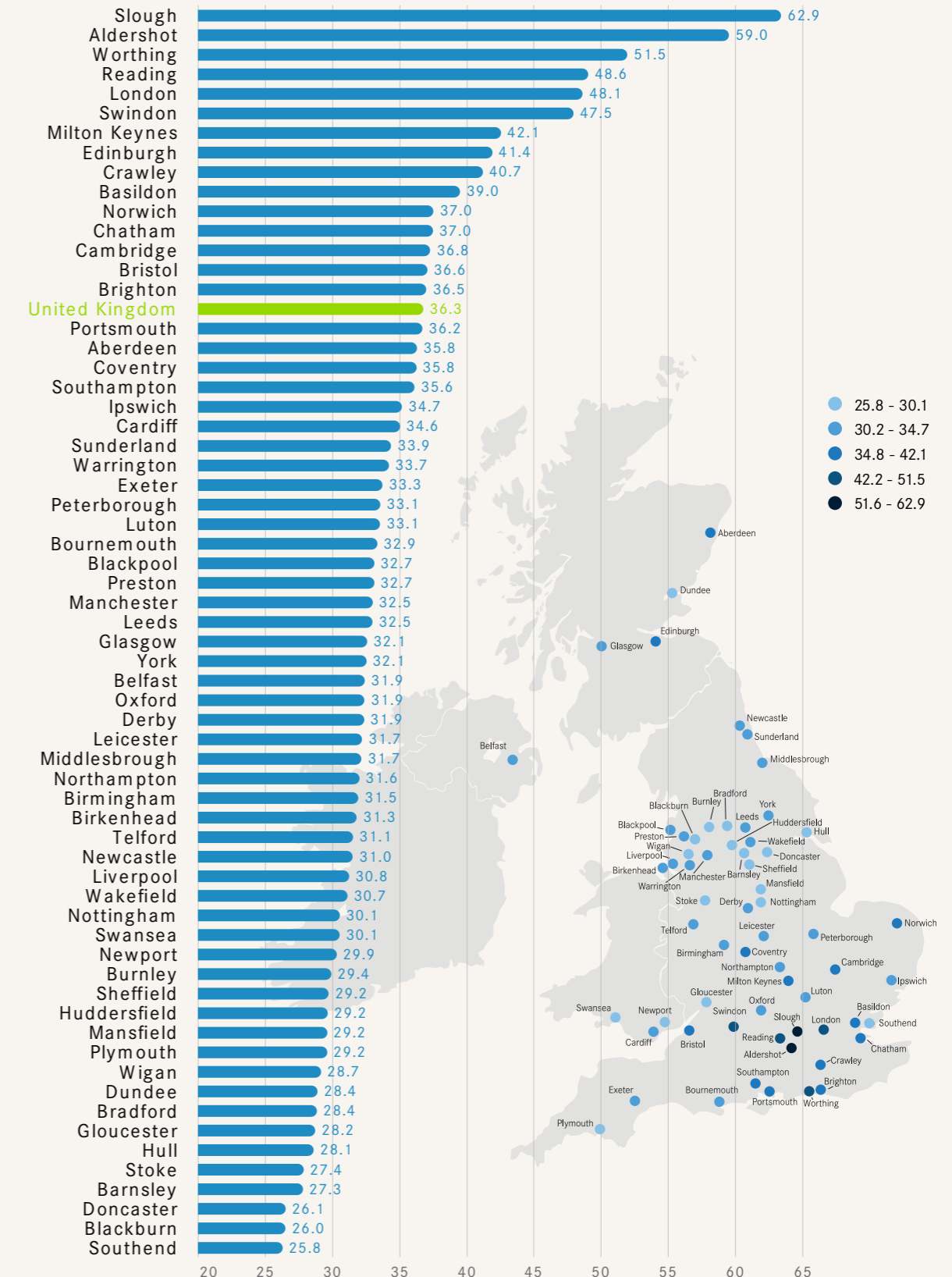
Rank	City	GVA per hour, 2021 (£)	Rank	City	GVA per hour, 2021 (£)
<b>10 cities with the highest GVA per hour</b>			<b>10 cities with the lowest GVA per hour</b>		
1	Slough	62.9	54	Wigan	28.7
2	Aldershot	59.0	55	Dundee	28.4
3	Worthing	51.5	56	Bradford	28.4
4	Reading	48.6	57	Gloucester	28.2
5	London	48.1	58	Hull	28.1
6	Swindon	47.5	59	Stoke	27.4
7	Milton Keynes	42.1	60	Barnsley	27.3
8	Edinburgh	41.4	61	Doncaster	26.1
9	Crawley	40.7	62	Blackburn	26.0
10	Basildon	39.0	63	Southend	25.8
	<b>United Kingdom</b>	<b>36.3</b>			

Source: ONS 2023, “Regional gross domestic product: local authorities”, “Subregional productivity: labour productivity indices by local authority district”, 2021 data. Note: GVA measures the contribution of each individual producer, industry or sector to the economy of the United Kingdom excluding Value Added Tax (VAT); other taxes on products and subsidies on products.

<sup>18</sup> Swinney P and Enenkel K (2020), Why big cities are crucial to ‘levelling up’, London: Centre for Cities

## Which cities or large towns are the most or least productive?

**Figure 14: GVA per hour, 2021 (£)**





# Business dynamics

**Table 3: Business starts and closures per 10,000 population**

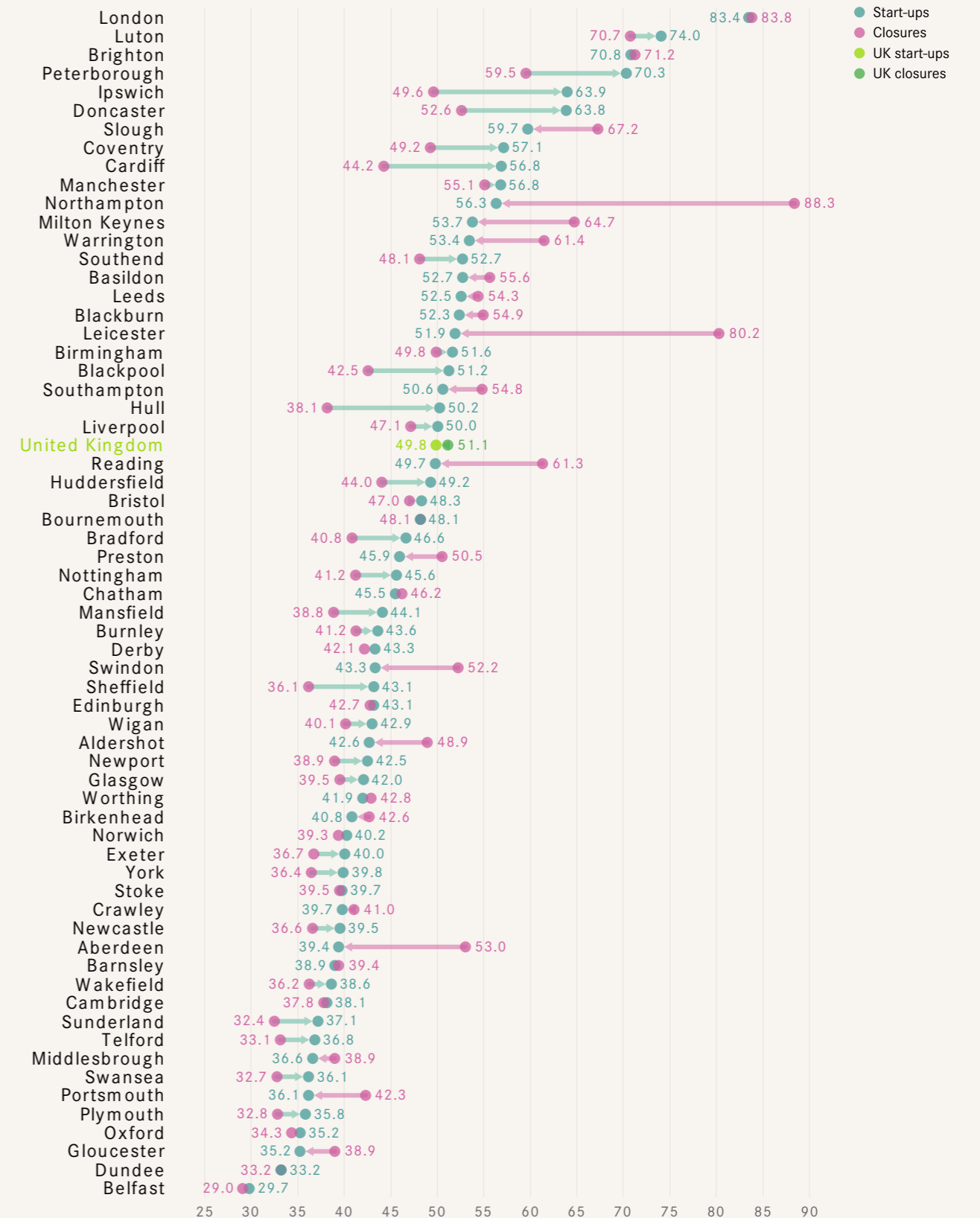
Rank	City	Business start-ups per 10,000 population, 2022	Business closures per 10,000 population, 2022	Churn rate*
<b>10 cities with the highest start-up rate</b>				
1	London	83.4	83.8	-0.1
2	Luton	74.0	70.7	0.9
3	Brighton	70.8	71.2	-0.1
4	Peterborough	70.3	59.5	2.9
5	Ipswich	63.9	49.6	4.3
6	Doncaster	63.8	52.6	3.6
7	Slough	59.7	67.2	-1.9
8	Coventry	57.1	49.2	2.7
9	Cardiff	56.8	44.2	3.9
10	Manchester	56.8	55.1	0.5
<b>10 cities with the lowest start-up rate</b>				
54	Sunderland	37.1	32.4	2.2
55	Telford	36.8	33.1	1.3
56	Middlesbrough	36.6	38.9	-1.0
57	Portsmouth	36.1	42.3	-2.0
58	Swansea	36.1	32.7	1.4
59	Plymouth	35.8	32.8	1.3
60	Oxford	35.2	34.3	0.3
61	Gloucester	35.2	38.9	-1.3
62	Dundee	33.2	33.2	0.0
63	Belfast	29.7	29.0	0.2
	United Kingdom	49.8	51.1	-0.3

Source: ONS 2023, Business Demography, 2022 data; ONS 2023, Population estimates, 2021 and 2022 data.

\*Difference between business start-ups and business closures as a percentage of total business stock.

## Which cities or large towns have the most or least business start-ups and closures?

**Figure 15: Business start-ups and closures per 10,000 population, 2022**



## Business stock

**Table 4: Business stock per 10,000 population**

Rank	City	Business stock per 10,000 population, 2022	Business stock per 10,000 population, 2021	Change, 2021-2022 (%)
<b>10 cities with the highest number of businesses</b>				
1	London	582.4	597.1	-2.4
2	Brighton	494.7	506.5	-2.3
3	Northampton	423.3	467.2	-9.4
4	Reading	416.4	434.7	-4.2
5	Milton Keynes	413.8	434.3	-4.7
6	Basildon	402.4	407.3	-1.2
7	Slough	398.0	417.8	-4.7
8	Warrington	395.6	409.8	-3.5
9	Aldershot	393.4	404.5	-2.7
10	Southend	388.0	385.1	0.8
<b>10 cities with the lowest number of businesses</b>				
54	Barnsley	267.0	271.3	-1.6
55	Newcastle	264.4	268.2	-1.4
56	Stoke	259.4	266.2	-2.5
57	Swansea	251.9	256.4	-1.8
58	Hull	250.7	243.5	2.9
59	Newport	249.6	249.9	-0.1
60	Middlesbrough	241.8	250.2	-3.3
61	Plymouth	235.1	235.7	-0.2
62	Dundee	233.9	234.2	-0.1
63	Sunderland	216.9	220.9	-1.8
	Great Britain	381.4	389.5	-2.1

Source: ONS 2023, Business Demography, 2022 data; ONS 2023, Population estimates, 2021 and 2022 data.

## Public and private sector jobs

**Table 5: Ratio of private sector to publicly-funded jobs**

Rank	City	Private to public ratio, 2022	Private sector jobs, 2022	Publicly funded jobs, 2022*
<b>10 cities with the highest proportion of private sector jobs</b>				
1	Crawley	6.4	74,000	11,500
2	Slough	4.7	70,000	15,000
3	Warrington	4.3	114,500	26,500
4	Aldershot	4.1	87,000	21,000
5	Luton	3.8	87,000	23,000
6	Swindon	3.8	90,500	24,000
7	Reading	3.7	167,500	45,000
8	London	3.7	4,969,000	1,360,000
9	Milton Keynes	3.5	142,000	40,500
10	Telford	3.5	74,500	21,500
<b>10 cities with the lowest proportion of private sector jobs</b>				
53	Plymouth	1.8	76,000	42,000
54	Swansea	1.8	104,000	58,500
55	Gloucester	1.8	42,500	24,000
56	Liverpool	1.7	224,000	131,500
57	Birkenhead	1.6	65,000	39,500
58	Exeter	1.6	59,000	38,000
59	Worthing	1.5	29,000	19,000
60	Dundee	1.4	46,000	32,000
61	Cambridge	1.4	66,000	46,000
62	Oxford	0.9	59,000	64,500
	Great Britain	2.8	23,613,000	8,306,000

Source: ONS 2023, Business Register and Employment Survey, 2021 and 2022 data.  
Note: Northern Ireland data not available, so the figure for Great Britain is shown.

\*Publicly-funded jobs are defined as those jobs that fall into the sectors of public administration and defence, education, and health. This means that this definition captures private sector jobs in these sectors but also captures jobs such as GPs and those in universities that the standard ONS definition does not.



# Innovation

- The ‘new economy’ encompasses emerging knowledge-intensive sectors like FinTech and advanced manufacturing that are at the forefront of new technologies and innovations. Their performance is important for the UK’s productivity and prosperity because they are at the frontier of the economy and the number of new economy firms in a city serves as a proxy for measuring levels of innovation across the UK.
- The new economy tends to cluster in cities, and city centres in particular. Cities accounted for only 9 per cent of land in the UK, but were home to 62 per cent of new economy firms in 2022. City centres are even more concentrated centres of the new economy: they accounted for 0.1 per cent of land in the UK, but were home to 18 per cent of the new economy.
- However, the distribution of new economy firms is uneven – 51 per cent of these firms were located in cities in the Greater South East, and 7 of the 10 cities with the largest numbers of new economy firms per population are in the Greater South East.

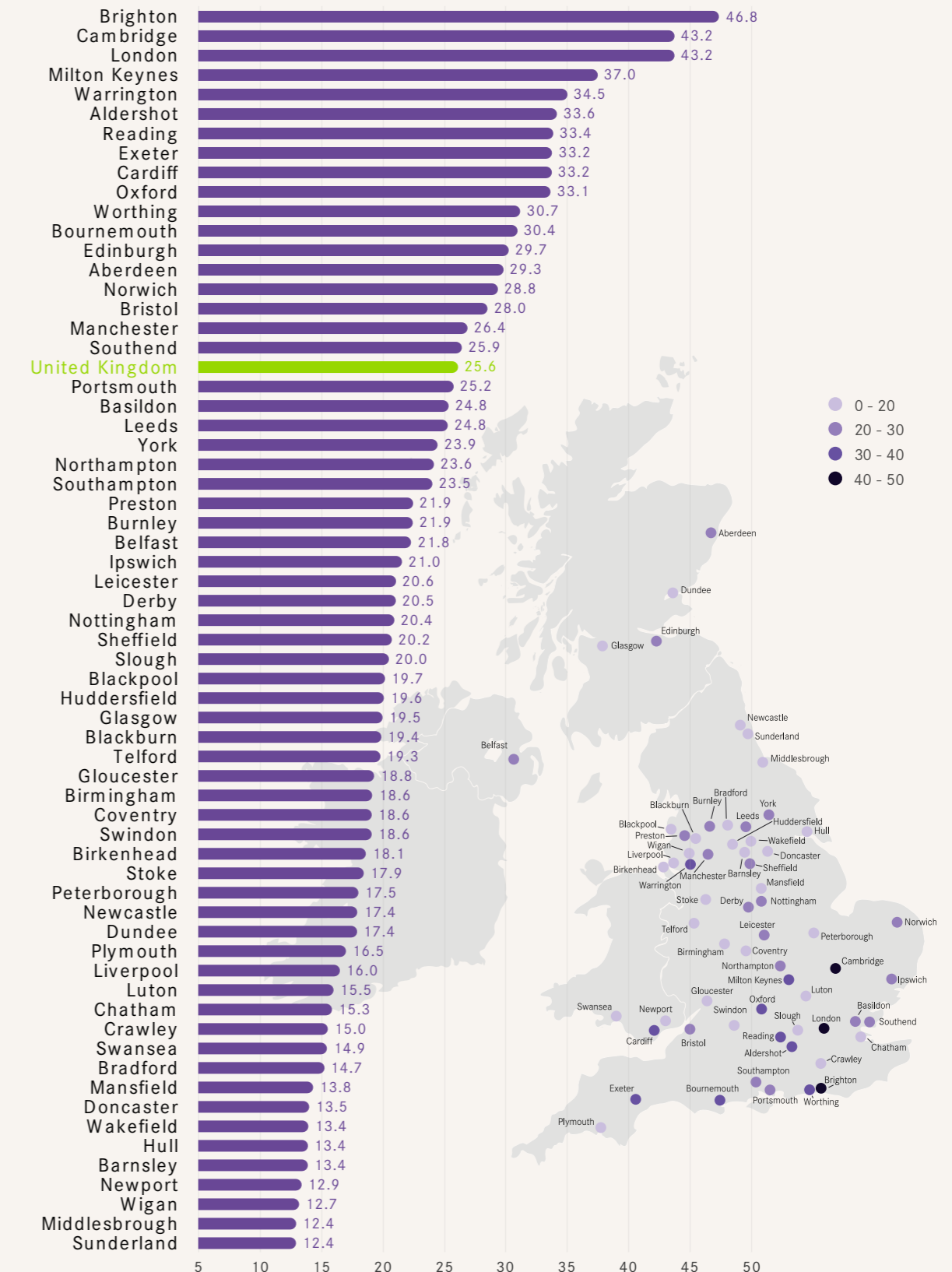
**Table 6: New economy firms per 10,000 working age population**

Rank	City	New economy firms per 10,000 working age population, 2023	Rank	City	New economy firms per 10,000 working age population, 2023
<b>10 cities with the highest number of new economy firms</b>					
1	Brighton	46.8	54	Bradford	14.7
2	Cambridge	43.2	55	Mansfield	13.8
3	London	43.2	56	Doncaster	13.5
4	Milton Keynes	37.0	57	Wakefield	13.4
5	Warrington	34.5	58	Hull	13.4
6	Aldershot	33.6	59	Barnsley	13.4
7	Reading	33.4	60	Newport	12.9
8	Exeter	33.2	61	Wigan	12.7
9	Cardiff	33.2	62	Middlesbrough	12.4
10	Oxford	33.1	63	Sunderland	12.4
	United Kingdom	25.6			

Source: The Data City, 2023; ONS 2023, Population estimates, 2022 data.

## Which cities or large towns have the highest or lowest number of new economy firms?

**Figure 16: New economy firms per 10,000 working age population, 2023**





# Wages

- The average weekly workplace wage in cities was £709 in 2023 - higher than the UK average of £666. However, this was the result of a strong performance of a small number of cities - just 17 cities had an average weekly wage that was above the UK average.
- There is also a clear divide between the Greater South East and the rest of the country: the average weekly wage for jobs in the South East was 23 per cent higher than in the rest of the country.
- That said, while many cities lag the national average, a number of them lead their regional averages. Cities such as Belfast, Manchester, York and Newcastle are examples of this. This underscores the importance of cities in their regional contexts even if they underperform in the national context.

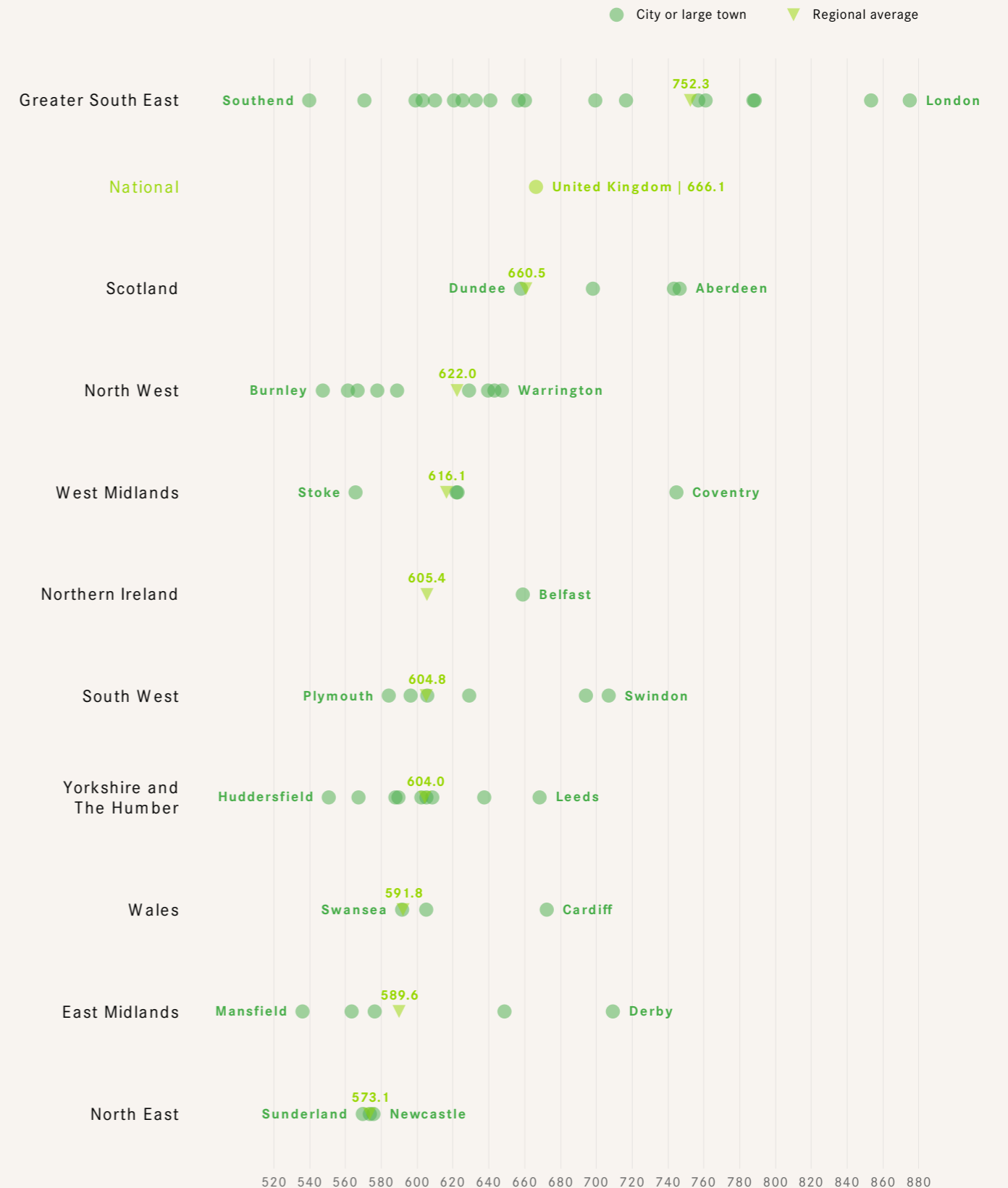
**Table 7: Average weekly workplace earnings**

Rank	City	Average weekly workplace earnings, 2023 (£)	Rank	City	Average weekly workplace earnings, 2023 (£)
<b>10 cities with the highest average weekly workplace earnings</b>					
1	London	875	54	Sunderland	569
2	Slough	853	55	Doncaster	567
3	Reading	788	56	Blackburn	567
4	Crawley	788	57	Stoke	565
5	Cambridge	761	58	Leicester	563
6	Milton Keynes	757	59	Birkenhead	561
7	Aberdeen	746	60	Huddersfield	550
8	Coventry	745	61	Burnley	547
9	Edinburgh	743	62	Southend	539
10	Aldershot	716	63	Mansfield	536
		<b>United Kingdom</b>			<b>666</b>

Source: ONS 2023, Annual Survey of Hours and Earnings (ASHE), average gross weekly workplace-based earnings, 2023 data. Own calculations for PUA-levels weighted by number of jobs. Earnings data is for employees only.

## Which cities or large towns have the highest or lowest wages?

**Figure 17: Average weekly workplace earnings by region, 2023 (£)**





# Employment

## Employment rate

**Table 8: Employment rate**

Rank	City	Employment rate 2022-2023 (%)	Employment rate 2021-2022 (%)	Percentage point change
<b>10 cities with the highest employment rate</b>				
1	Ipswich	83.1	85.7	-3.0
2	Aldershot	82.9	77.7	6.8
3	York	82.8	81.6	1.5
4	Norwich	82.1	81.4	0.8
5	Reading	81.7	81.1	0.7
6	Basildon	81.3	84.2	-3.5
7	Edinburgh	81.2	80.9	0.4
8	Warrington	81.2	79.3	2.3
9	Northampton	80.1	78.3	2.3
10	Milton Keynes	80.0	81.7	-2.1
<b>10 cities with the lowest employment rate</b>				
53	Mansfield	70.6	72.5	-2.7
54	Birmingham	69.5	69.0	0.7
55	Leicester	69.3	71.7	-3.3
56	Newcastle	69.2	71.2	-2.7
57	Blackburn	69.0	65.3	5.7
58	Nottingham	68.8	73.5	-6.4
59	Liverpool	68.3	75.2	-9.1
60	Bradford	67.6	71.8	-5.8
61	Burnley	65.8	66.8	-1.5
62	Dundee	62.8	69.0	-9.0
	Great Britain	75.6	75.5	0.1

Source: ONS 2023, Annual Population Survey, resident analysis, April 2021 – March 2023

Note: Northern Ireland data not available, so the figure for Great Britain is shown. Data for Belfast is for the calendar years 2021 and 2022.

## Unemployment benefit claimant count

**Table 9: Unemployment benefit claimant count**

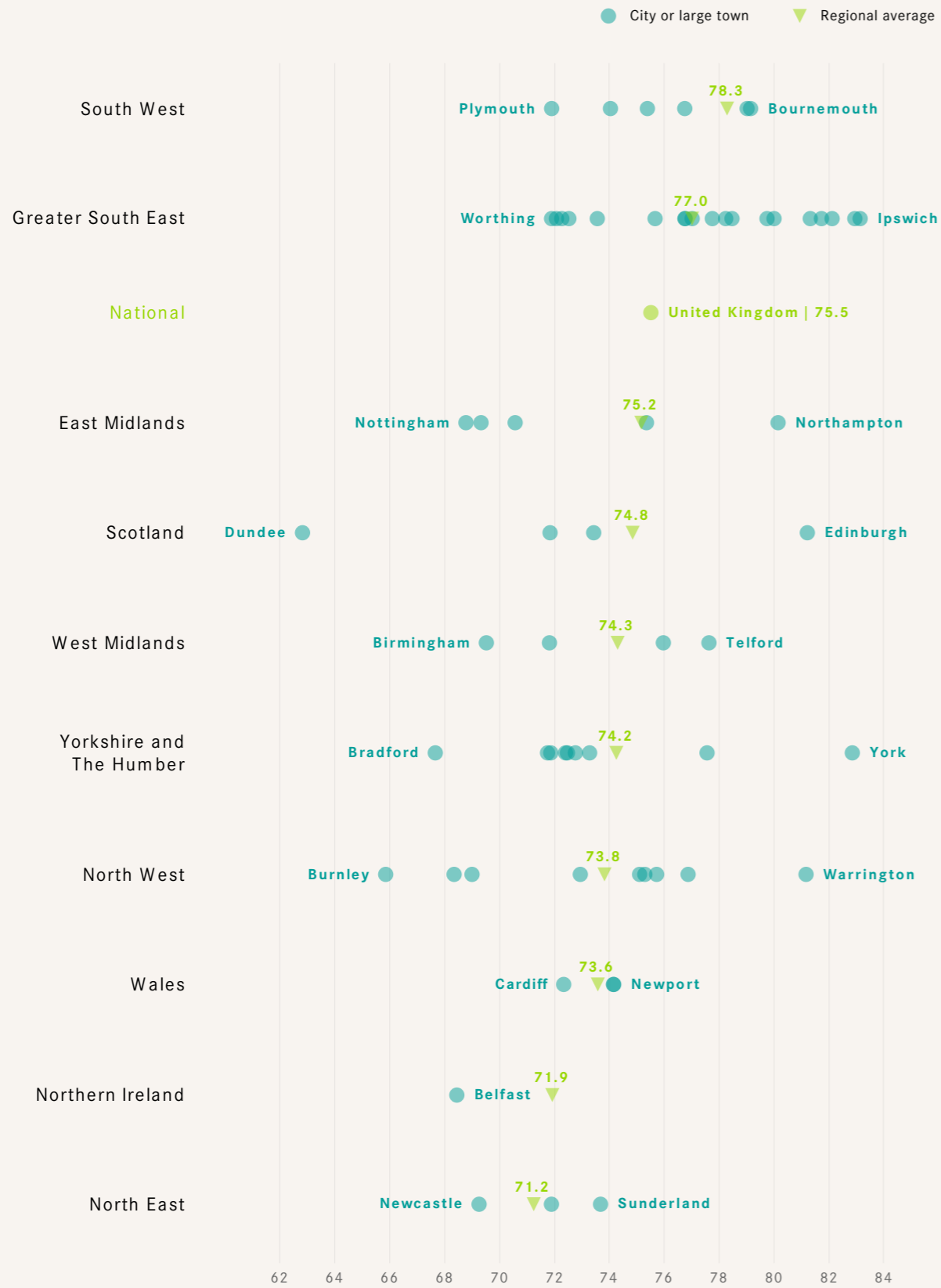
Rank	City	Claimant count rate, Nov 2023 (%)
<b>10 cities with the lowest claimant count rate</b>		
1	York	1.7
2	Cambridge	1.9
3	Exeter	1.9
4	Oxford	2.3
5	Edinburgh	2.3
6	Aldershot	2.4
7	Warrington	2.5
8	Worthing	2.8
9	Bristol	2.8
10	Reading	2.9
<b>10 cities with the highest claimant count rate</b>		
54	Slough	5.1
55	Blackburn	5.1
56	Peterborough	5.2
57	Coventry	5.3
58	Burnley	5.3
59	Liverpool	5.4
60	Hull	5.7
61	Luton	5.8
62	Bradford	6.5
63	Birmingham	6.9
	United Kingdom	3.7

Source: ONS 2023, Claimant Count, November 2023 data. Population estimates, 2022 estimates for England and Wales and 2021 estimates for Scotland and Northern Ireland. Due to the gradual roll of Universal Credit, there is variation in the definition of claimants across different cities. Despite this, the claimant count rate serves as a good indicator for the strength of demand for workers across cities.



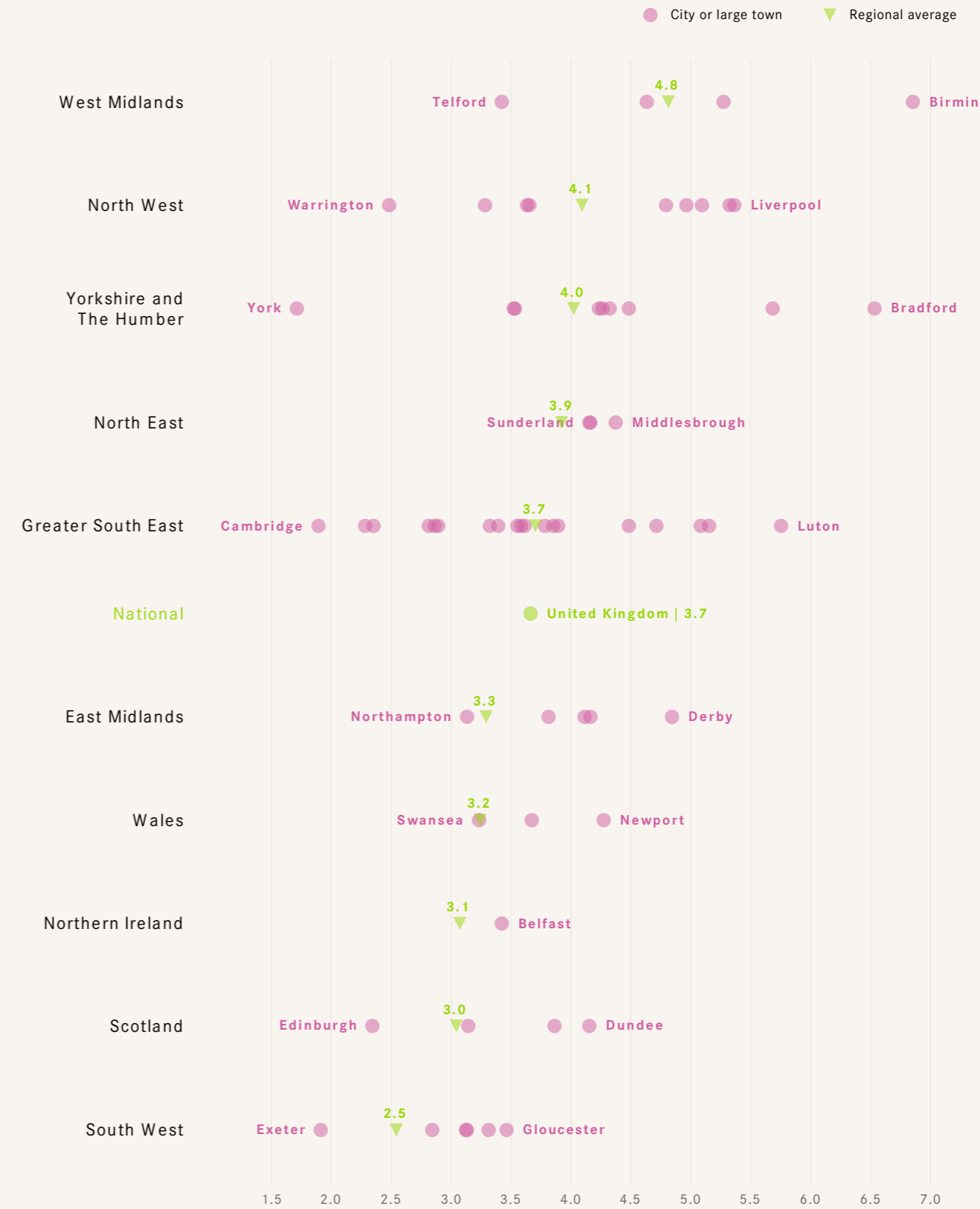
## Which cities or large towns have the highest and lowest employment rate ...

Figure 18: Employment rate, 2022 - 2023 (%)



## ... and unemployment benefit claimant count?

Figure 19: Claimant count, November 2023 (%)





## No formal qualifications

**Table 10: Residents with no formal qualifications**

Rank	City	Working age population with no formal qualifications, 2022 (%)
<b>10 cities with the highest percentage of people with no formal qualifications</b>		
1	Belfast	15.4
2	Blackburn	13.1
3	Hull	12.4
4	Southend	12.2
5	Bradford	11.9
6	Coventry	11.5
7	Telford	10.8
8	Plymouth	10.7
9	Newport	10.7
10	Peterborough	10.6
<b>10 cities with the lowest percentage of people with no formal qualifications</b>		
53	Aberdeen	4.6
54	Oxford	4.6
55	Milton Keynes	4.4
56	Northampton	4.2
57	Cambridge	4.1
58	Norwich	3.8
59	Exeter	3.5
60	Dundee	3.4
61	York	3.0
62	Chatham	2.6
	United Kingdom	7.0

Source: ONS 2023, Annual Population Survey, resident analysis, 2022 and 2021 data,  
Note: Northern Ireland data not available, so the figure for Great Britain is shown.

## High-level qualifications

**Table 11: Residents with high-level qualifications**

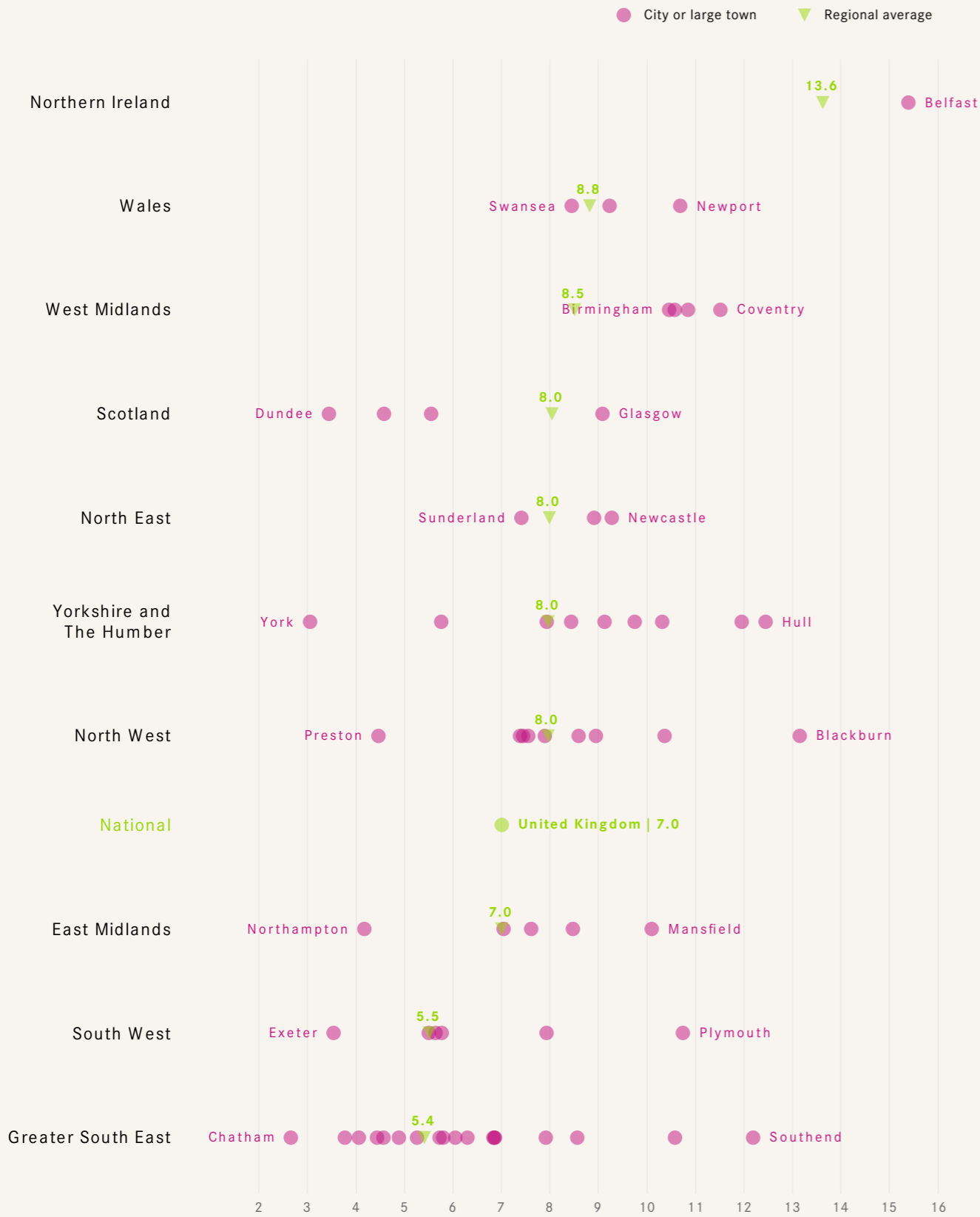
Rank	City	Working age population with high skills (RQF4 or above) qualifications, 2022 (%)
<b>10 cities with the highest percentage of people with high-level qualifications</b>		
1	Edinburgh	73.2
2	Oxford	70.7
3	Cambridge	65.9
4	Dundee	65.9
5	York	60.3
6	Reading	58.7
7	London	57.9
8	Brighton	57.2
9	Glasgow	56.7
10	Bristol	53.9
<b>10 cities with the lowest percentage of people with high-level qualifications</b>		
53	Middlesbrough	32.0
54	Telford	31.4
55	Barnsley	31.1
56	Southend	31.1
57	Burnley	30.4
58	Hull	29.6
59	Blackburn	29.1
60	Sunderland	29.0
61	Mansfield	27.2
62	Wakefield	26.7
	United Kingdom	45.5

Source: ONS 2023, Annual Population Survey, resident analysis, 2022 and 2021 data,  
Note: Northern Ireland data not available, so the figure for Great Britain is shown. There is no 2022 data for Worthing and so it is excluded. For PUAs where data for an individual local authority is not available e.g. Newcastle-under-Lyme the PUA figure has been estimated using the remaining local authorities in the definition.

Regulated Qualifications Framework (RQF) is the classification given to different qualifications and replaces the National Vocational Qualifications (NVQ) measure that has historically been reported by ONS. RQF level 4 plus captures qualifications from Higher National Certificates though to doctorates.

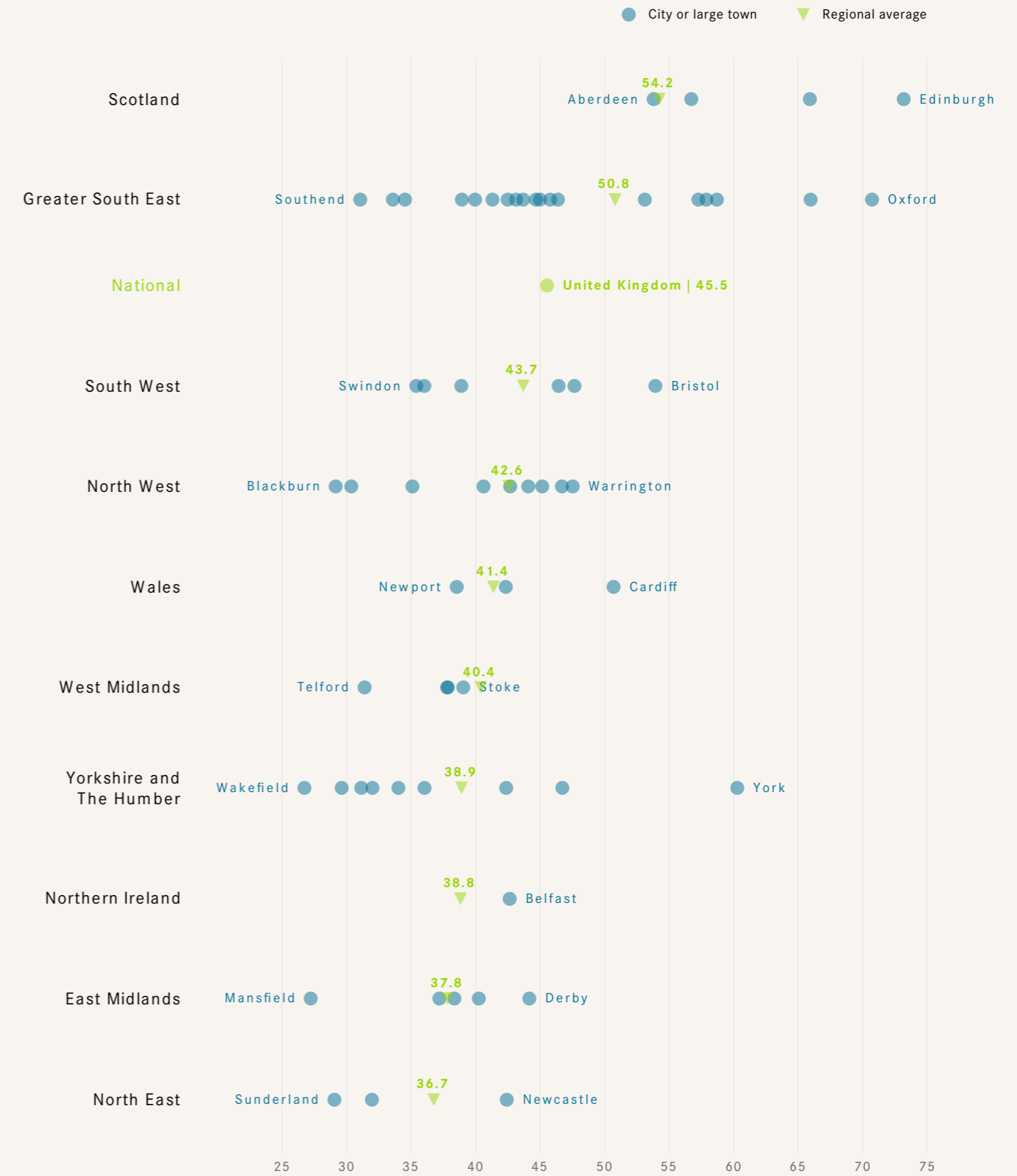
## Which cities or large towns have the highest and lowest share of people with no formal qualifications...

Figure 20: Working-age population with no formal qualifications, 2022 (%)



## ... and high-skilled population?

Figure 21: Working-age population with a high-level qualification (RFQ4 or above), 2022 (%)



# Housing

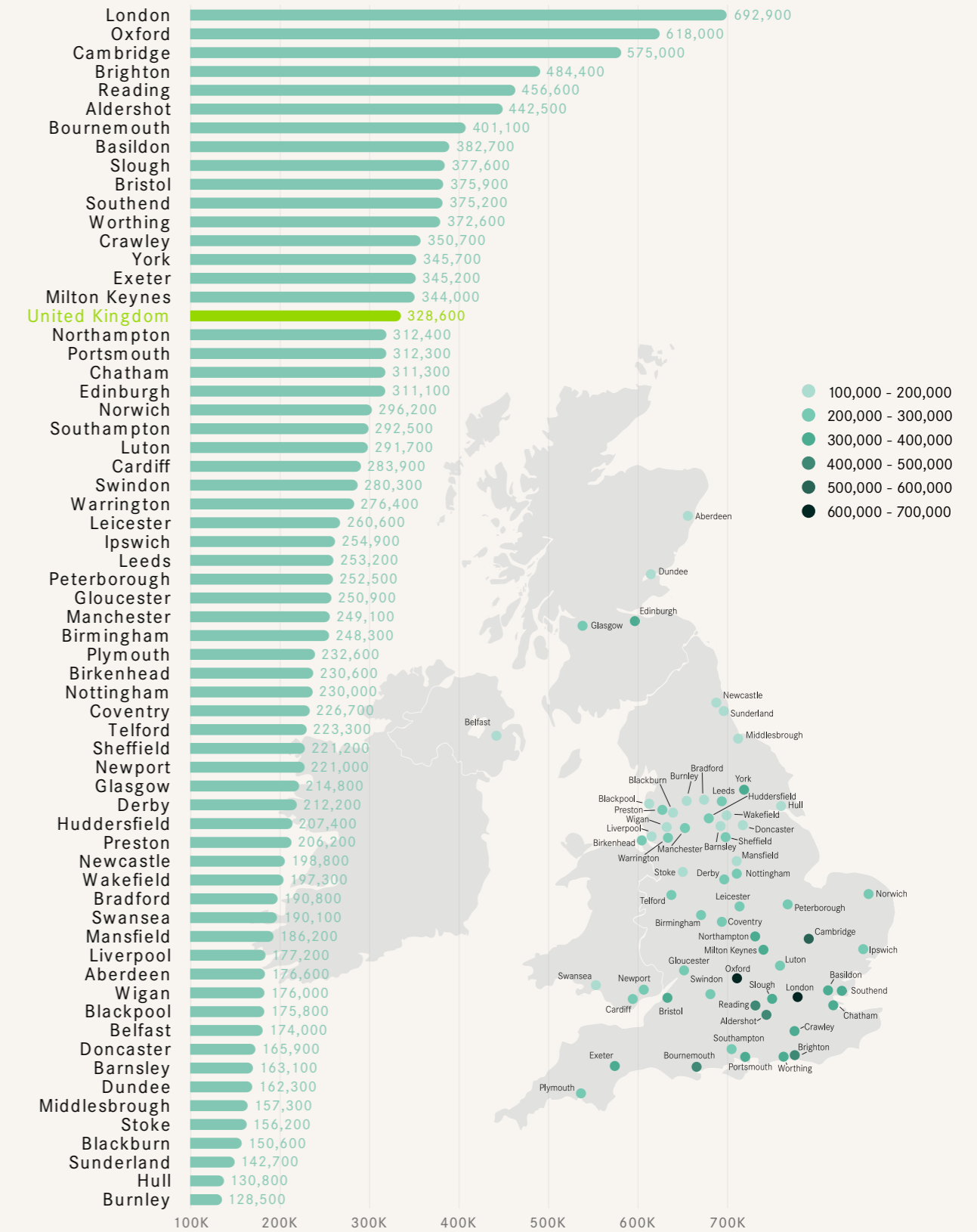
Table 12: House price growth

Rank	City	Annual growth, 2022-2023 (%)	Average price, 2023 (£)	Average price, 2022 (£)	Difference in average prices, 2022-2023 (£)
<b>10 cities with the highest increases in house prices</b>					
1	Oxford	8.7	618,000	568,500	49,500
2	Slough	3.7	377,600	364,200	13,500
3	York	3.4	345,700	334,400	11,200
4	Warrington	3.1	276,400	268,100	8,300
5	Ipswich	3.0	254,900	247,600	7,400
6	Crawley	2.4	350,700	342,600	8,100
7	Belfast	1.4	174,000	171,600	2,500
8	Peterborough	1.4	252,500	249,100	3,400
9	Glasgow	1.3	214,800	212,100	2,700
10	Aldershot	0.7	442,500	439,300	3,200
<b>10 cities with the greatest reduction in house prices</b>					
54	Southend	-4.5	375,200	392,800	-17,700
55	Hull	-4.7	130,800	137,200	-6,400
56	Milton Keynes	-4.8	344,000	361,300	-17,300
57	Basildon	-4.9	382,700	402,500	-19,800
58	Sunderland	-5.6	142,700	151,300	-8,500
59	Aberdeen	-5.7	176,600	187,300	-10,700
60	Barnsley	-5.7	163,100	173,000	-9,900
61	Wigan	-6.5	176,000	188,300	-12,300
62	Blackburn	-7.1	150,600	162,100	-11,500
63	Burnley	-8.6	128,500	140,600	-12,100
	<b>United Kingdom</b>	<b>5.3</b>	<b>328,600</b>	<b>340,000</b>	<b>-11,400</b>

Source: Land Registry 2023, Market Trend Data, Price Paid, 2023 data. Simple average used. Scottish House Price Statistics 2023, Mean House Prices, 2022 and 2023 data. Northern Ireland Finance, Land and Property Services 2023.  
 Note: Prices in Scotland are an average of the first two quarters of the year. Prices in Northern Ireland are an average of the first three quarters of the year.

## Which cities or large towns have the highest or lowest house prices?

Figure 22: Average house price, 2023 (£)



## Housing affordability

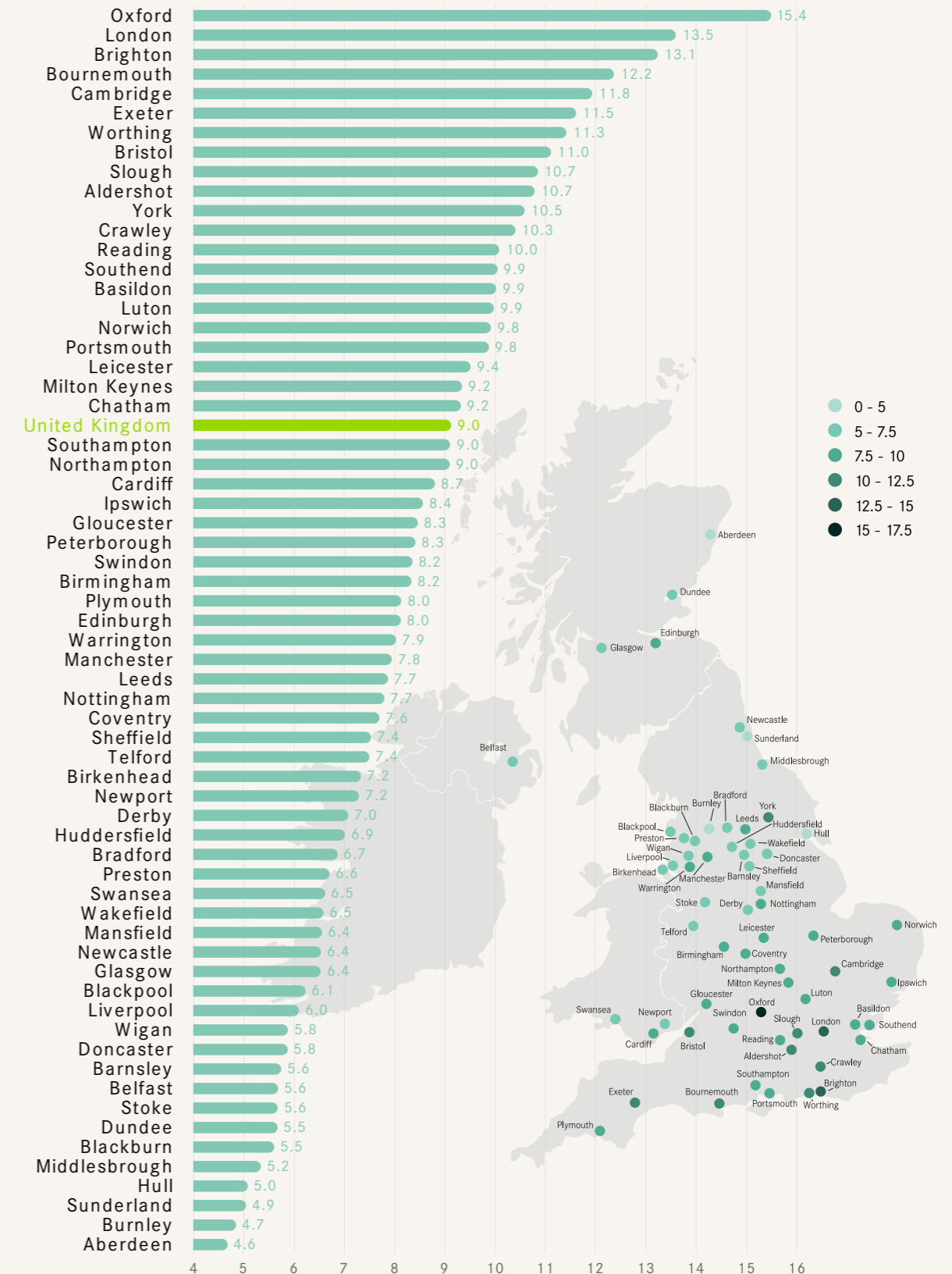
**Table 13: Housing affordability ratio**

Rank	City	Affordability ratio	Average house price, 2023 (£)	Annual wages, 2023 (£)
<b>10 cities with the highest affordability ratio</b>				
1	Oxford	15.4	618,000	40,200
2	London	13.5	692,900	51,400
3	Brighton	13.1	484,400	36,900
4	Bournemouth	12.2	401,100	32,800
5	Cambridge	11.8	575,000	48,700
6	Exeter	11.5	345,200	30,000
7	Worthing	11.3	372,600	33,000
8	Bristol	11.0	375,900	34,200
9	Slough	10.7	377,600	35,200
10	Aldershot	10.7	442,500	41,500
<b>10 cities with the lowest affordability ratio</b>				
54	Barnsley	5.6	163,100	29,000
55	Belfast	5.6	174,000	31,300
56	Stoke	5.6	156,200	28,100
57	Dundee	5.5	162,300	29,200
58	Blackburn	5.5	150,600	27,500
59	Middlesbrough	5.2	157,300	30,200
60	Hull	5.0	130,800	26,400
61	Sunderland	4.9	142,700	29,000
62	Burnley	4.7	128,500	27,200
63	Aberdeen	4.6	176,600	38,700
	<b>United Kingdom</b>	<b>9.0</b>	<b>328,600</b>	<b>36,500</b>

Source: Land Registry 2023, Market Trend Data, Price Paid, 2023 data. Simple average used. Scottish House Price Statistics 2023, Mean House Prices, 2022 and 2023 data. Northern Ireland Finance, Land and Property Services 2023. ONS 2023, Pay As You Earn Real Time Information, UK: December 2023.

## Which cities or large towns have the most or least affordable housing?

**Figure 23: Housing affordability ratio, 2023**

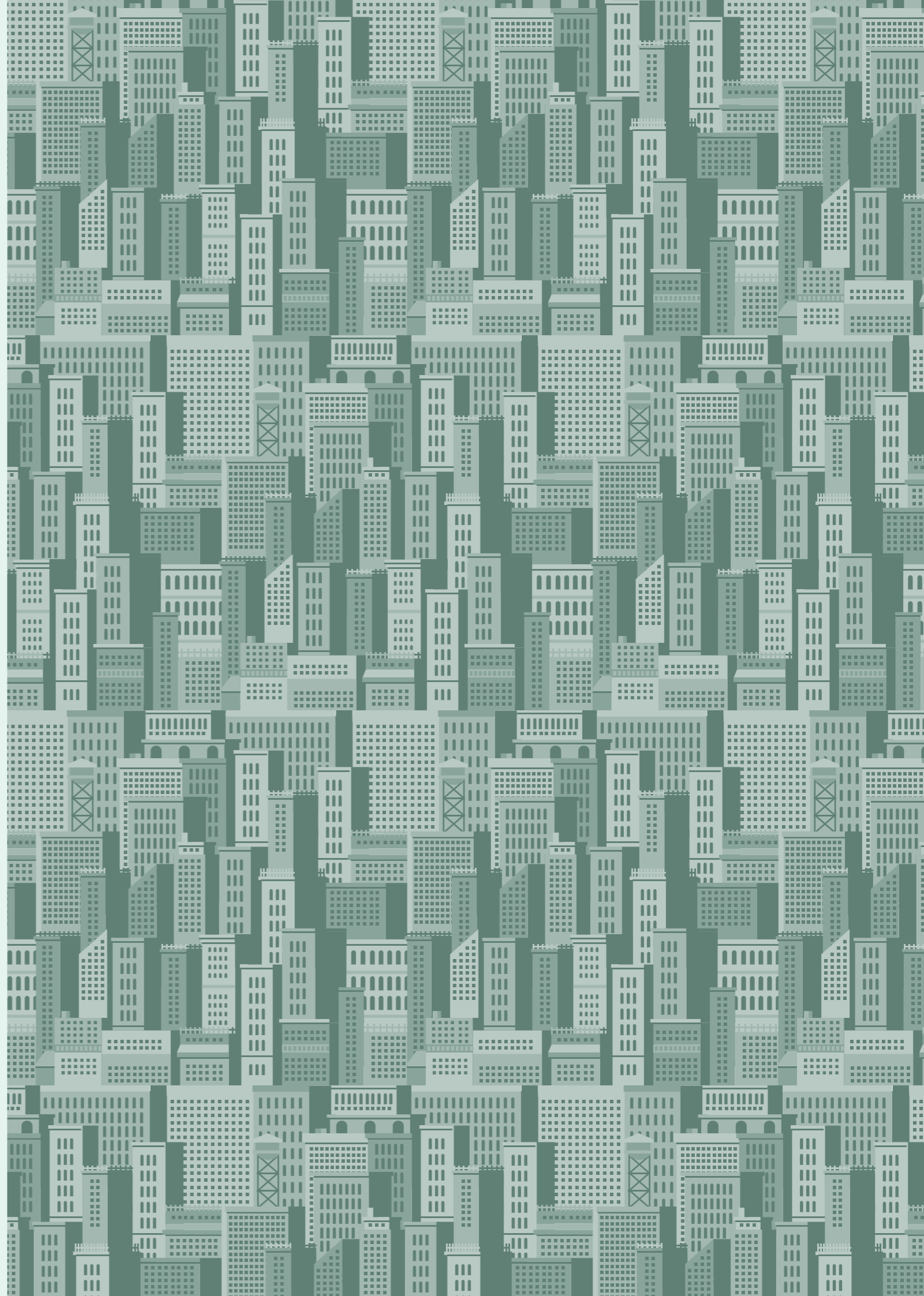


## Housing stock growth

Table 14: Housing stock growth

Rank	City	Change, 2021 – 2022 (%)	Housing stock, 2022	Housing stock, 2021	Change, 2021–2022
<i>10 cities with the highest housing stock growth</i>					
1	Telford	2.1	80,970	79,340	1,630
2	Milton Keynes	1.7	119,520	117,520	2,000
3	Reading	1.6	145,950	143,620	2,330
4	Edinburgh	1.3	261,000	257,660	3,340
5	Exeter	1.3	56,350	55,630	720
6	Coventry	1.3	145,260	143,410	1,850
7	Bristol	1.3	329,440	325,330	4,110
8	Northampton	1.2	181,940	179,750	2,190
9	Peterborough	1.1	88,900	87,900	1,000
10	Swindon	1.1	100,950	99,850	1,100
<i>10 cities with the lowest housing stock growth</i>					
54	Worthing	0.5	51,720	51,470	250
55	York	0.4	91,050	90,640	400
56	Birkenhead	0.4	151,550	150,920	630
57	Huddersfield	0.4	188,810	188,110	700
58	Bournemouth	0.4	186,920	186,220	700
59	Newport	0.4	112,900	112,500	400
60	Plymouth	0.3	121,870	121,530	340
61	Ipswich	0.3	61,630	61,460	170
62	Swansea	0.2	181,300	180,900	400
63	Portsmouth	0.2	235,930	235,420	510
	United Kingdom	0.9	30,154,270	29,884,190	270,080

Source: Department for Levelling Up, Housing and Communities, Dwelling stock estimates in England: 2022, England 2021–2022 data; National Records of Scotland, Housing and Dwellings in Scotland, 2022, Scotland 2021–2022 data; Welsh Government dwelling stock estimates by local authority and tenure, 2022, Wales March 2021– March 2022 data; Northern Ireland Department of Finance, Annual housing stock statistics, 2023, Northern Ireland 2021–2022 data.





# Digital connectivity

**Table 15: Subscriptions achieving ultrafast broadband speeds (>30 Mbps)**

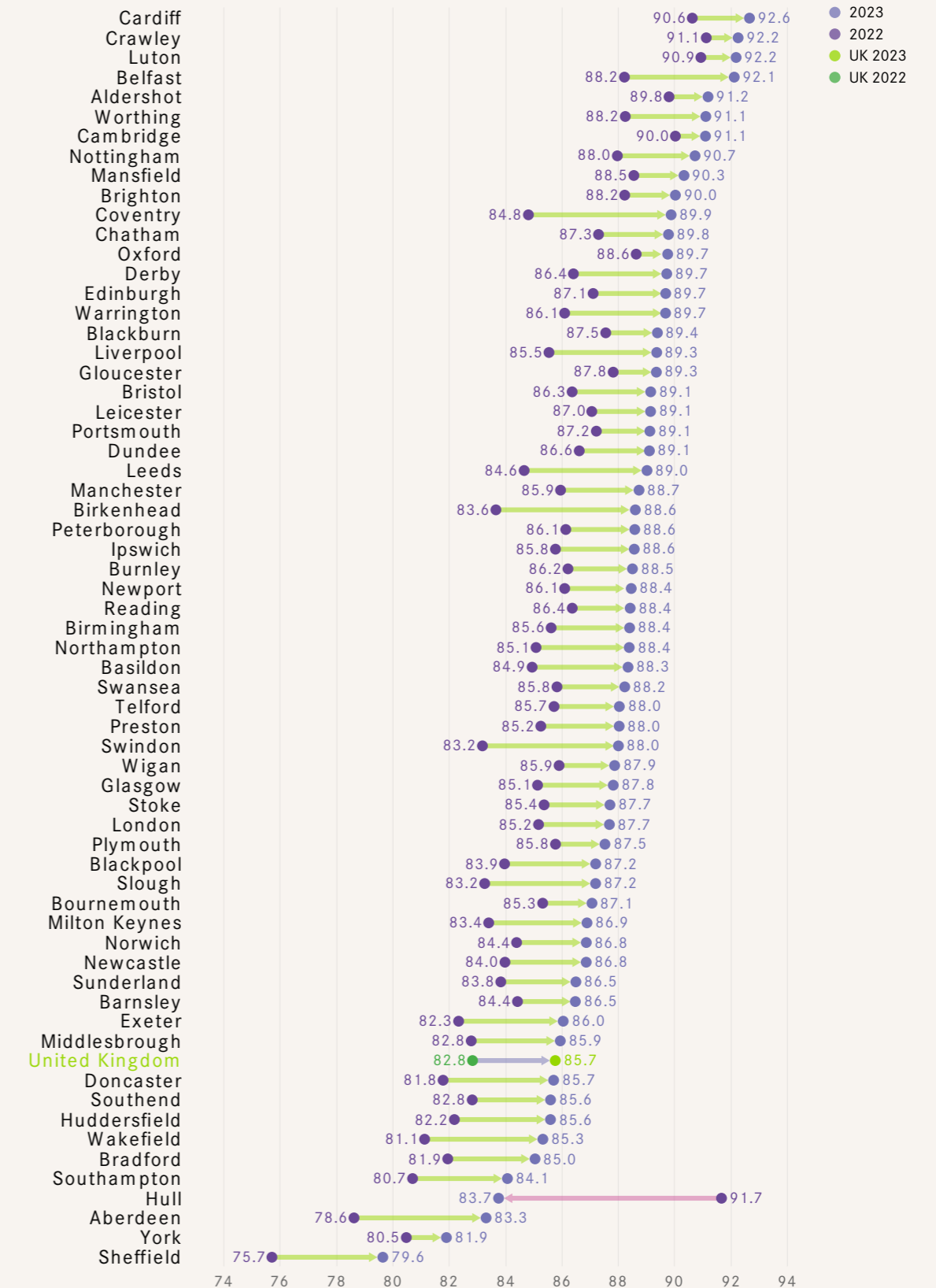
Rank	City	Share of connections receiving 30Mbps+, 2023 (%)	Share of connections receiving 30Mbps+, 2022 (%)	Percentage point change, 2022-2023
<b>10 cities with the highest share of subscribers receiving 30Mbps+ speeds</b>				
1	Cardiff	92.6	90.6	2.0
2	Crawley	92.2	91.1	1.1
3	Luton	92.2	90.9	1.3
4	Belfast	92.1	88.2	3.9
5	Aldershot	91.2	89.8	1.4
6	Worthing	91.1	88.2	2.9
7	Cambridge	91.1	90.0	1.1
8	Nottingham	90.7	88.0	2.8
9	Mansfield	90.3	88.5	1.8
10	Brighton	90.0	88.2	1.8
<b>10 cities with the lowest share of subscribers receiving 30Mbps+ speeds</b>				
54	Doncaster	85.7	81.8	3.9
55	Southend	85.6	82.8	2.8
56	Huddersfield	85.6	82.2	3.4
57	Wakefield	85.3	81.1	4.2
58	Bradford	85.0	81.9	3.1
59	Southampton	84.1	80.7	3.4
60	Hull	83.7	91.7	-7.9
61	Aberdeen	83.3	78.6	4.7
62	York	81.9	80.5	1.4
63	Sheffield	79.6	75.7	3.9
	United Kingdom	85.9	83.0	2.9

Source: Ofcom 2023, Fixed connections coverage and performance, 2023 data

Note: Share of connections receiving 30Mbps+ is defined as the share of all connections that have an average measured speed greater than 30 Mbit/s. Therefore, it takes into account the availability, the take up and the quality of internet connections.

## Which cities or large towns have the fastest or slowest broadband?

**Figure 24: Share of connections subscribed to 30Mbps+, 2022 - 2023 (%)**





# Environment

## Greenhouse gas emissions

- Cities are on average greener than the rest of the country. They accounted for 54 per cent of the total population but only 40 per cent of the UK’s greenhouse gas emissions in 2021. Average UK emissions per capita in 2021 totalled 6 tonnes while the city average was lower at 4.4 tonnes.
- This in part is because cities account for low shares, relative to their share of population, of the two principal contributors to the UK’s greenhouse gas emissions – transport emissions and industry emissions. They were the source of 40 per cent of transport emissions and 39 per cent of industry emissions.
- Swansea has much higher per capita emissions than any other city because of its industrial emissions – likely linked to the steel plant at Port Talbot. On a per capita basis, its industrial emissions were 17.6 tonnes per head in 2021, compared to the UK average of 1.2 tonnes.
- Emissions increased in almost every city between 2020 and 2021, likely reflecting the reopening of economy. Despite this, they were still lower than 2019 levels in every city bar Derby, Ipswich, Mansfield and Plymouth.

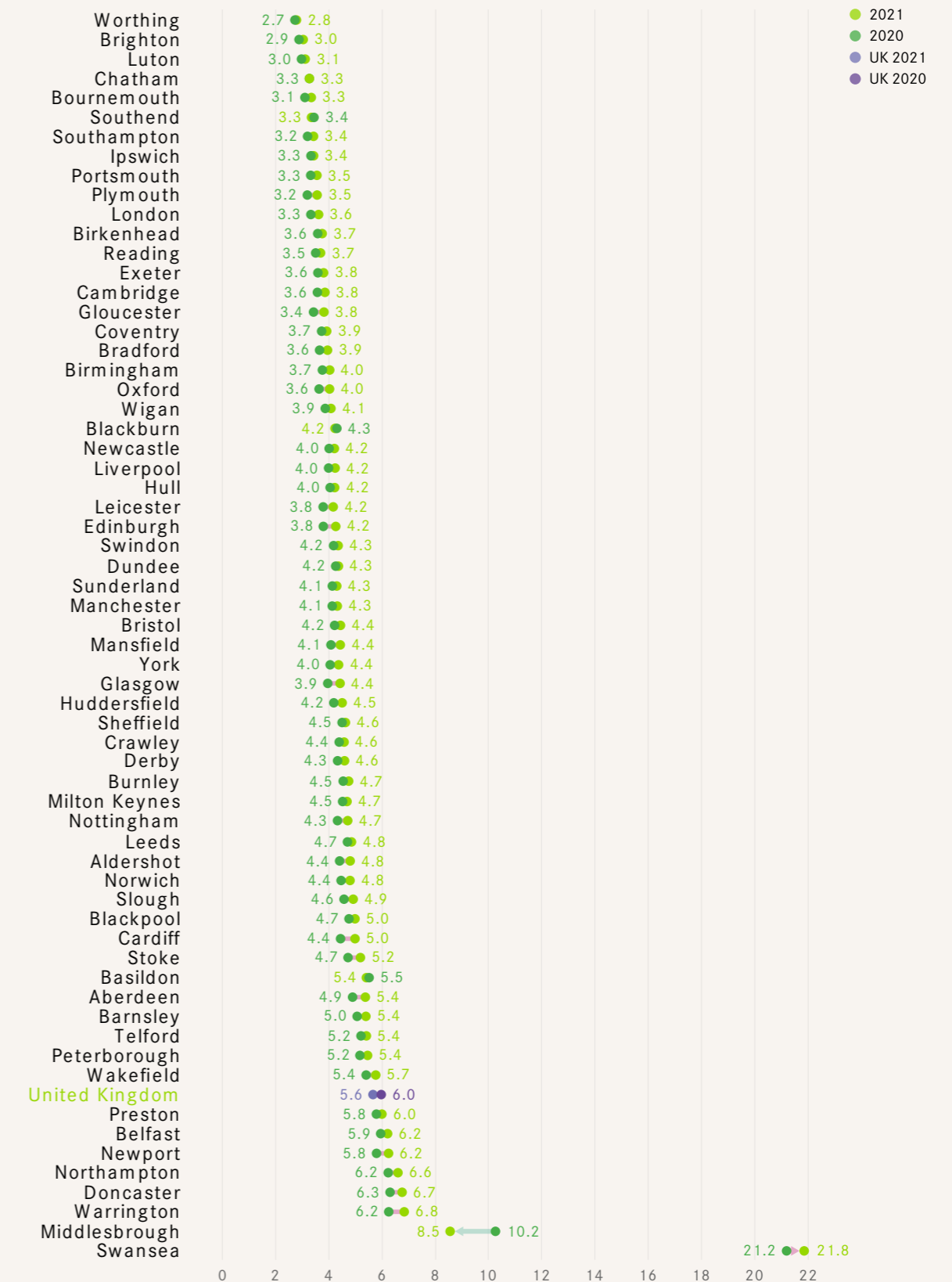
**Table 16: Total greenhouse gas emissions per capita**

Rank	City	emissions per capita, 2021 (t)	emissions per capita, 2020 (t)	Rank	City	emissions per capita, 2021 (t)	emissions per capita, 2020 (t)
<b>10 cities with the lowest emissions per capita</b>				<b>10 cities with the highest emissions per capita</b>			
1	Worthing	2.8	2.7	54	Peterborough	5.4	5.2
2	Brighton	3.0	2.9	55	Wakefield	5.7	5.4
3	Luton	3.1	3.0	56	Preston	6.0	5.8
4	Chatham	3.3	3.3	57	Belfast	6.2	5.9
5	Bournemouth	3.3	3.1	58	Newport	6.2	5.8
6	Southend	3.3	3.4	59	Northampton	6.6	6.2
7	Southampton	3.4	3.2	60	Doncaster	6.7	6.3
8	Ipswich	3.4	3.3	61	Warrington	6.8	6.2
9	Portsmouth	3.5	3.3	62	Middlesbrough	8.5	10.2
10	Plymouth	3.5	3.2	63	Swansea	21.8	21.2
	United Kingdom					6.0	5.6

Source: Department for Energy Security and Net Zero, 2023, Greenhouse gas emissions: local authority and regional, 2020-2021 data; Population estimates, ONS 2023, 2020-2021 data.

## Which cities or large towns have the highest or lowest Greenhouse gas emissions?

**Figure 25: Greenhouse gas emissions per capita, 2020 - 2021 (t)**





## Air quality

**Table 17: Number of days a year of poor air quality**

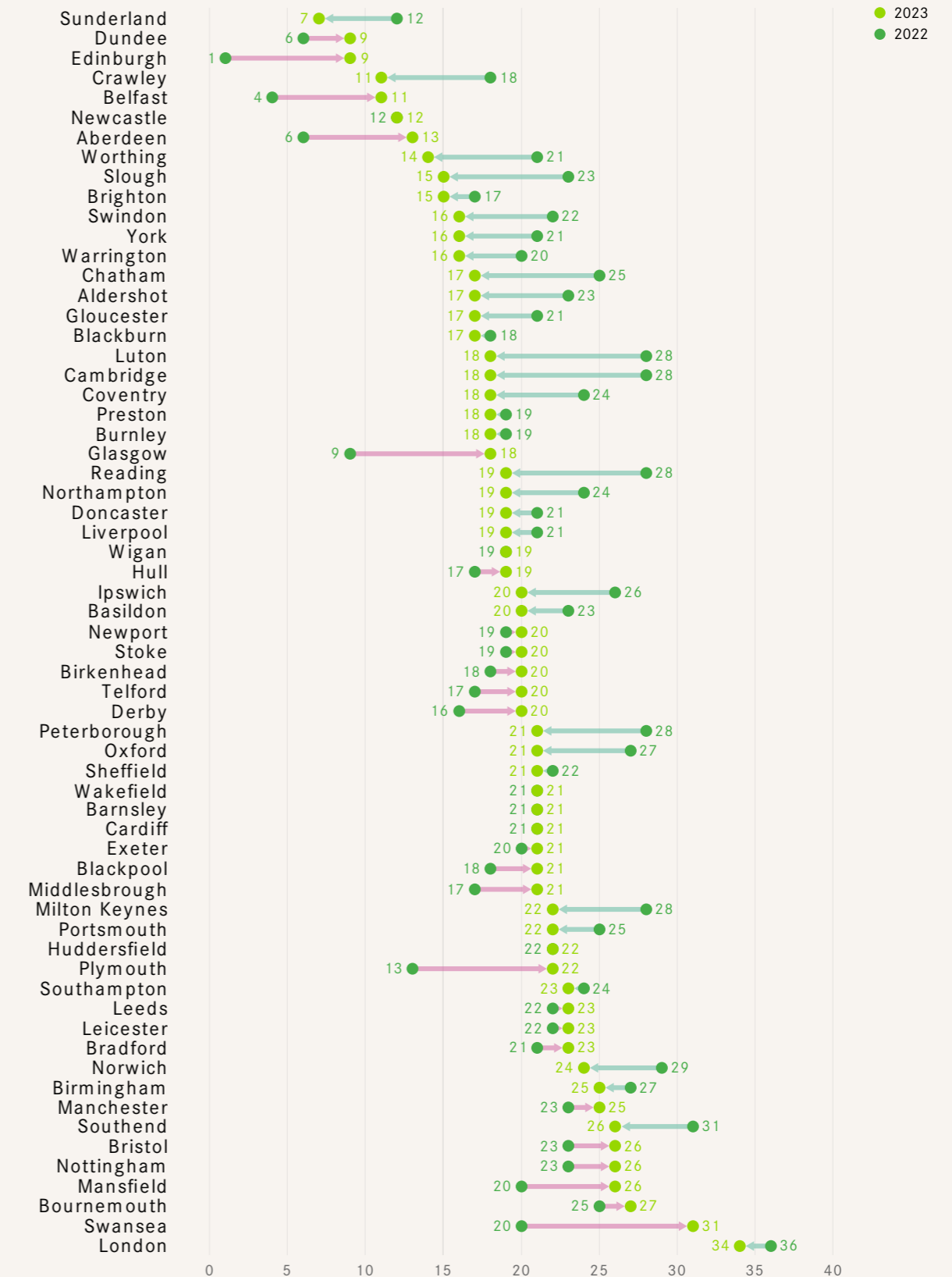
Rank	City	Number of days with poor air quality, 2023
<b>10 cities with the best air quality</b>		
1	Sunderland	7
2	Dundee	9
3	Edinburgh	9
4	Crawley	11
5	Belfast	11
6	Newcastle	12
7	Aberdeen	13
8	Worthing	14
9	Brighton	15
10	Slough	15
<b>10 cities with the worst air quality</b>		
54	Norwich	24
55	Birmingham	25
56	Manchester	25
57	Bristol	26
58	Mansfield	26
59	Nottingham	26
60	Southend	26
61	Bournemouth	27
62	Swansea	31
63	London	34

Source: Met Office 2023, number of days of poor air quality, Dec 2022 – Dec 2023 data.

Note: data for the 9th of October 2023 was discounted due to moderate and high DAQI forecasts over a large area of the UK that was not observed.

## Which cities or large towns have the best or worst air quality?

**Figure 26: Number of days a year of poor air quality, 2023**





**January 2024**

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